



TOGETHER
for a sustainable future

OCCASION

This publication has been made available to the public on the occasion of the 50th anniversary of the United Nations Industrial Development Organisation.



TOGETHER
for a sustainable future

DISCLAIMER

This document has been produced without formal United Nations editing. The designations employed and the presentation of the material in this document do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations Industrial Development Organization (UNIDO) concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries, or its economic system or degree of development. Designations such as “developed”, “industrialized” and “developing” are intended for statistical convenience and do not necessarily express a judgment about the stage reached by a particular country or area in the development process. Mention of firm names or commercial products does not constitute an endorsement by UNIDO.

FAIR USE POLICY

Any part of this publication may be quoted and referenced for educational and research purposes without additional permission from UNIDO. However, those who make use of quoting and referencing this publication are requested to follow the Fair Use Policy of giving due credit to UNIDO.

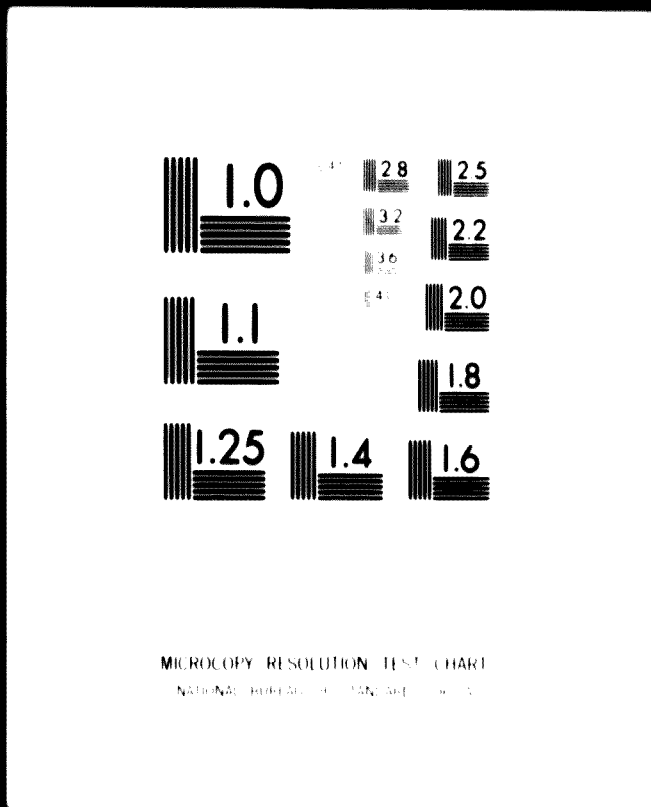
CONTACT

Please contact publications@unido.org for further information concerning UNIDO publications.

For more information about UNIDO, please visit us at www.unido.org

1 OF 1

010004



24x
C



01004



United Nations Industrial Development Organization

PROJECT INFORMATION
SHEET

SEN-13-71

THIRD AFRICAN MEETING TO PROMOTE INDUSTRIAL PROJECTS ^{1/}

ABIDJAN, IVORY COAST, 24 NOVEMBER - 1 DECEMBER 1971

TANNIN

COUNTRY: Senegal

PROJECT: Tannin manufacture
Annual capacity: 2,000 tonnes
Investment: US\$125,000

FOREIGN CONTRIBUTION REQUIRED: Equity participation
Know-how
Markets
Supplier credit

^{1/} Sponsored by: The African Development Bank (ADB)
The Economic Commission for Africa (ECA)
The United Nations Industrial Development Organization (UNIDO)

id.71-7765

IMPORTANT NOTICE

The basic purpose of this meeting is to provide an Exchange or Market Place for the initiation of contacts on specific industrial projects between their proponents from the African countries and potential suppliers of capital, finance, equipment or know-how, as the case may be, from the industrialized countries.

This Project Information Sheet has been prepared as a basis for such contacts. Its purpose is not to present detailed information about the project but to provide the recipient with an outline sufficient to determine tentative interest in principle. Any further available information on the project will be furnished on request to interested parties at the Meeting.

Experience has shown that industrialists frequently prefer to carry out their own further investigations in detail into projects in which they are interested, but assistance from UNIDO in these matters can be rendered to the African country concerned on request.

This Information Sheet contains only the information supplied to UNIDO by the proponent of the Project. UNIDO can therefore take no responsibility for its accuracy.

TANNIN MANUFACTURE

I. THE PROJECT

This is a small-scale project, the aim of which is to manufacture tannin from gonakie (pods of babul) in the river area.

Planned capacity of the plant is 2,000 tonnes. Total investment is estimated at US\$125,000, of which US\$50,000 would be working capital.

II. COMMERCIAL ASPECTS

Production is mainly intended for export.

Present local consumption amounts to only:

55 tonnes of vegetable tannin

75 tonnes of synthetic tannin.

It is expected to increase to 200 tonnes in the next few years. There are tanning and dressing projects now in progress. The tannin used at present is imported from various countries (France, Italy, Germany, Brazil, Argentina).

Almost all the output of the proposed plant will therefore be for export, in particular to other African countries.

III. PHYSICAL ASPECTS

The plant is to be set up at Dagana.

Gonakie pods will be supplied from the Senegal river valley.

Transport of both raw materials and finished products will be greatly facilitated by the existence of an asphalt road along the river towards Dakar and also by the possibility of river transport.

As far as power is concerned, a generating set will have to be provided.

IV. FINANCIAL ASPECTS

(a) Investment

Proposed investment is roughly as follows:

	<u>(in Dollars)</u>		
	<u>Local currency</u>	<u>Foreign currency</u>	<u>Total</u>
Buildings	20,000		20,000
Equipment		55,000	55,000
Working capital	50,000		<u>50,000</u>
			125,000

This is only a preliminary estimate.

(b) Operation

Some information can already be given on various items in the operating account.

1. Raw materials

Gonakie pods should cost about US\$30 a tonne. Five tonnes of pods are needed to produce one tonne of tannin.

i.e. 10,000 x 30 = US\$300,000 a year

2. Manpower

Manpower costs are estimated as follows:

20 workers at US\$40 per month	9,600	
2 foremen US\$100 per month	2,400	
1 book-keeper US\$110 per month	1,320	
1 works manager at US\$750 per month	<u>2,000</u>	
		US\$22,320

3. Selling price

The proposed price will be:

for export FOB, US\$220

for the local market, US\$250.

On the basis of production as planned, turnover could thus be:

1,800 x 220	396,000	
200 x 250	<u>50,000</u>	
		US\$446,000

As an incentive to carry out the project, the plant will be exempted from industrial and commercial profits tax for eight years.

V. FOREIGN CONTRIBUTION REQUIRED

This contribution is financial (minority equity participation and supplier credit), technical (know-how), and commercial. Since most of the output is intended for export, it is hoped to find a foreign partner who could guarantee markets.

VI. PROMOTER

The project is submitted by:

National Industrial Studies and Promotion Company (SONEPI)

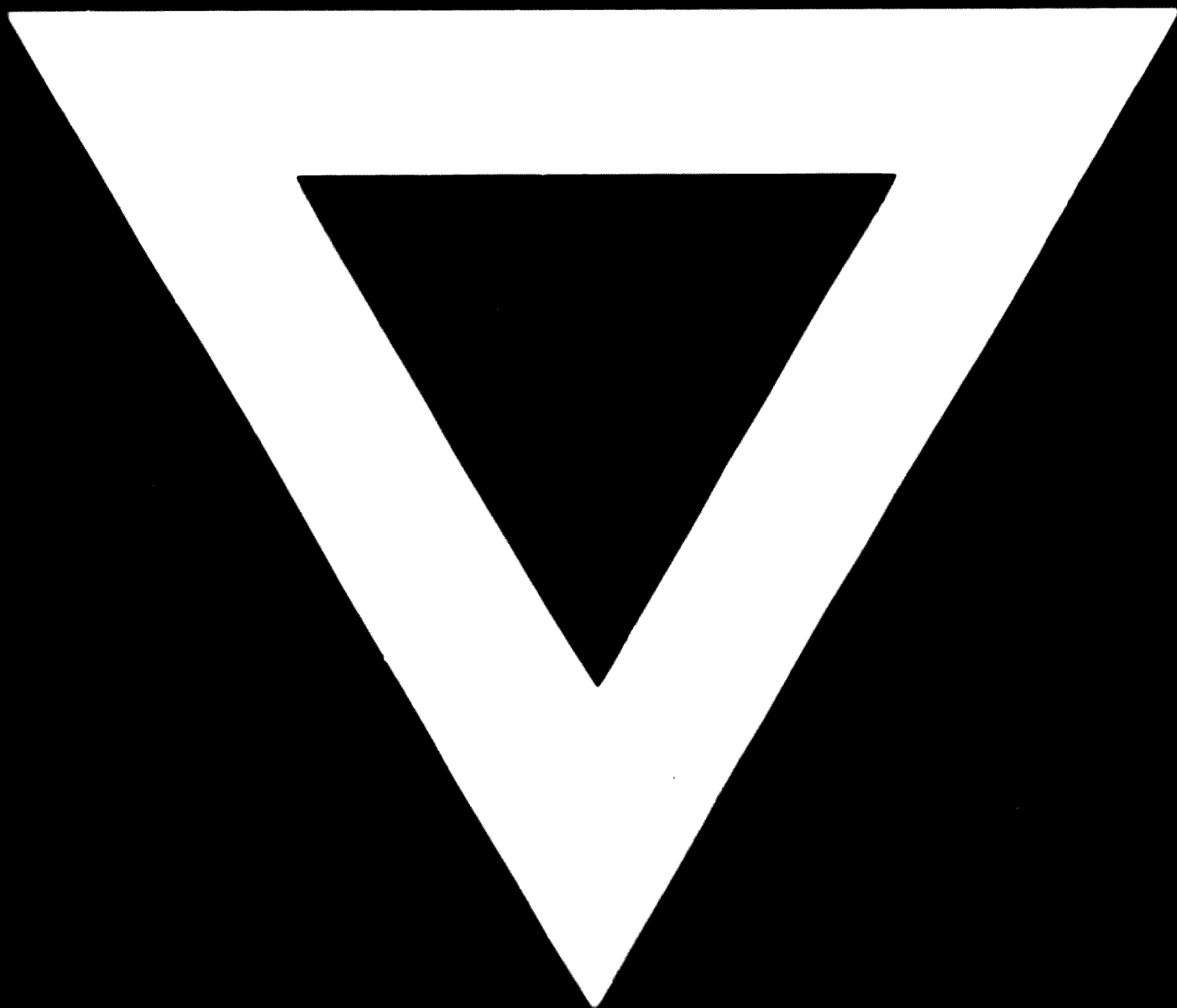
4, rue Maunoury

B.P. 100

Dakar

Senegal.

G-349



80.11.21