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REPORT

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MISSION TO THE UNITED REPUBLIC OF CAMEROON RELATING TO THE PROJECT "ADAPTATION OF TECHNICLOGY IN THE MECHANICAL, INDUSTRIES SECTOR IN DEVELOPING COUNTRIES" "(VC/INT/76/113).

Yaounde, 14-22 March 1978

Prepared by

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PROJECT:

Adaptation of Technology in the Mechanical Industries Sector in the Developing Countries.

PURPOSE:

To ascertain to the extent possible through discussions with high governmental officials and other related authorities of the concerned countries, their interest regarding the possibility of establishing a production unit in the metall working industries sector, on basis of a study carried cut by the UNIDO consultants to scale down and adapt the most modern technologies to the conditions and environment of developing countries.

The Mission had a schedule to visit 3 countries: Sudan, Cameroon and Ghana. Due to local inconvenience in Ghana, the Mission was only able to visit the first two of the 3 countries. This time it was considered necessary that a one-week mission, including travel days, should be organized possibly in April/May 1973.

The present report covers the results of the work of the Mission in CAMEROON.

# SPECIFIC OBJECTIVES:

- 1. On the basis of the findings of the techno-economic surveys carried out by a technical mission of the consultants during September/October 1977, explain the aims and objectives of the project to high government officials and to discuss about the pre-identified priority sector emerging from the survey;
- 2. To identify the priority areas within the scope of the rational plans and industrial development plans, and to ascertain the degree to which the project could be integrated into such overall plans of the country;
- 3. To exchange views concerning the available possibilities of securing funds required for the follow-up action of the project (construction of the production unit), as well as the means of securing such funds;
- 4. To contact other offices and representatives in the countries visited, such as the UNDP Resident Representative, the Representative of EEC and Lome Convention, etc.

# MISSICN MEMBERS:

The mission was composed of four members as under, which in certain cases operated in two groups, the political group and the technical group.

Political group: Mr. W. H. Tanaka, Acting Head, Development and Transfer of Technology Section: UNIDO (Mission leader).

Mr. G. d'Auria, Promotion Manager FIAT Engineering (Project Margo

Technical Group: Mr. E. Mcretto, Engineer, FIAT Engineering Mr. L. Borasi, Engineer, FIAT Engineering

The mission was supported by the following person during its activities in Yaounde:

Mr. Egor Marincek, Assistant to SIDFA, UNIP Office, Yaounde

### RESULT OF DISCUSSIONS

- (1) In accordance with the discussions between the mission and Mr. Marincek, who received the Mission at the Yaounde Airport on its arrival, a preparatory meeting was carried out at the UNDP Head Office with Mr. Wali Shah Wali, Resident Representative, and Mr. H. van den Kloet, Deputy Resident Representative. On behalf of UNIDO, Mr. Tanaka thanked Mr. Wali Shah Wali for the kind support and co-operation given to the project and to the mission, although it is a UNIDO Trust Fund project without any direct involvement of UNDP, at least at this stage, After the general explanation concerning the objective of the project, the Resident Representative gave valuable suggestions and information benefitting the work of the mission during its short scheduled stay.
- (2) In order to cover as many contacts as possible during the short stay, the Mission divided itself into a political level group and a technical level group. Visits made are listed up in Annex "A".
- (3) At the beginning of each meeting Mr. Tanaka made a general introduction of the project in which he emphasized among others the following points:
  - (a) that the project originated from the serious considerations by UNIDO concerning the need of developing and transferring modern technologies adapted appropriately to the circumstances and environment of the developing countries;
  - (b) that the motal working industry could be considered as the development core of the industrialization efforts in the. developing countries:
  - (c) that it was the desire of UNITO and the aim of the project not only to prepare a study of an adapted modern technology on a theoretical basis, but to establish a small production unit to prove and test the theoretical study on the one hand, and also to contribute to the industrialization process in the country on the other;

- (d) that in doing this it was important that such plans be closely co-ordinated with the national efforts already going on in the country and the national development plans under implementation, in order to avoid duplication and ensure the maximum impact;
- (e) that a preliminary techno-economic study was carried out in September October 1977 in three countries, i.e. Sidan, Cameroon and Ghana, in which a certain priority identification was made concerning the four technical units, i.e.
  - cast iron foundry
  - aluminium alloy foundry
  - iron forge shop
  - sheet metal stamping

and it was the objective of the present mission to discuss and exchange views to ensure that the second phase of the project would be in line with the needs and the situation of the country;

- (f) at this stage, Er. d'Auria as project manager, explained about the technological aspects of the project as well as the exercises undertaken by the consultants in identifying the priority areas which in the case of Cameroon turned out to be in the order of : first priority cast iron; second : sheet metal stamping; third aluminium alloy foundry; fourth-forge shop.
- (g) following this explanation, the tentative work schedule of the project was explained, namely:
  - to receive expression from the government as to )
    their interest in the project, and an indication )Aprily
    of the priority area of the technologies for )May 100
    which the production unit would be established;
  - follow-up mission to make final decision on the production unit, including the necessary data () July collecting for drawing up a project document for submission to the source of finance; () 1979

- finalization of the project document and ) January/
  submission to the government ) March 1978
- (h) in this connexion Mr. Tanaka also explained about the visit made to Brussels, Belgium, to contact the CID (Centre for Industrial Development) of the ACF/EEC Lome Convention, and the EEC Headquarters itself, and that although there was no firm commitment made by either the CID or the EEC, they expressed their sympathy to the project, and ensured their favourable consideration, provided that the recipient country would assign a high priority to the project and include it in their indicative programme. At this point it was stressed that it was up to the country to take steps vishwis Brussels, either for the present programming cycle up to the end of 1979 or for the new cycle which starts from 1980.
- (4) The first meeting with the Ministry of Economy and Planning was held with Mr. Nome-Ongolo, Director of Industry, who made a number of questions after which he expressed his feeling that the concept and approach of the project seemed very good and any co-operation with UNITO in the field of industrial development would be most welcome. He requested that an official letter describing the project be sent by UNIDO to the Government of Cameroon (Ministry of Foreign Affairs with copy to the Ministry of Economy and Planning). In this letter such information as the terms of reference of the project, priority identification of the technologies, the outline of plans for the establishment of the production unit and possible source or sources of finance should be contained.
- (5) Mr. Tchetgen, Deputy General Director of SNI, Société Mationale d'Investissement, welcomed the project and promised to support in whatever suitable form they could provide the following final decision of the Government.
- (6) Mr. Myassa, Secretary General of the Ministry of Economy and Planning, expressed his full satisfaction to the project which would be aiming at practising outcomes of theoretical studies in the field of technology transfer, with special focus on the adaptation of modern technologies to suit—the local conditions. He explained

a number of problems which Cameroon, similar to most other developing countries, was facing and expressed his hope that the project would contribute in solving these problems for the further acceleration of their industrialization efforts. Mr. Nyassa suggested that repair and maintenance and particularly the supply of spare parts, especially for the medium and small-scale industries, was of utmost urgency, and eventually a combination of the four technologies into one workshop unit might be most suitable for Cameroon. He, however, left this decision to be based upon the results of the in-depth feasibility study to be carried out by the consultants within the next few months. Mr. Myassa promised to give his full support to the implementation of the project.

(7) At the meeting with the EEC Resident Representative in Cameroon, Mr. Lesina, emphasized the fact that all the action was dependent on the initiative of the Government vis-A-vis EEC. CID was in a position to carry out joint project with UNITO, and particularly since in Cameroon there was no project foreseen in the field of industry, he expressed his personal opinion that it would be most desirable if this project could be included in the FED indicative programme. He further mentioned that the meeting of the Lome Convention Ministers has already taken place for the second Lome Convention starting from 1980 and for the FED indicative programmes, the official discussions were expected to start in July 1978 at the political level. General discussions are to be finalized before end 1979.

He expressed his feeling that from the explanation he received from the mission, the European Tevelopment Eark might be more suitable than the FET. At any rate the matter would need to be further discussed, particularly with the Government since it was the Government who was to put in the request for such financial support.

(3) At the maeting with Mr. Leon Bahouroui Batende, Director General of the Cameroon Davelopment Bank, he expressed his opinion that all the four technologies would be most interesting for Cameroon. He emphasized the fact that in Cameroon agricultural and agro-industries held top priority and since the project might be oriented towards supporting the development of these sectors, it could be very effectively integrated in the national plans. He pointed out the fact that in Cameroon the

problem was more of lack of good projects to spend the available money rather than problems concerning lack of funds. He presented a question concerning the possibility of export of products from the production unit.

- (9) In general, the impression was that in Cameroon the most suitable technology would be a cast iron foundry with a possibility for non-ferrous castings.
- (10) Also, the technical group has ascertained during its series of visits to the industrial locations that the lacking technology, of which the necessity is felt, is the cast iron foundry especially the modular type with the possibility of non-ferrous castings.

The visited industries are listed in Annex A.

The Cameroon technological level well allows the insertion of technologies already evolved and capable to accelerate the industrial formation that the country wants to acquire.

The outline conditions should however be considered so as not to unstabilize the existing structure in this respect. The indications in the "Fourth 5-Year Economical Plan" which forms a good guide to ascertain the aims and limits that are to be kept to, should be taken into account.

The technical group has noted that large quantities of ferrous scrap iron exist in the country that can serve as prime material for fountries, that good sand exists for moulding and finally that the local casting market allows good economical income.

Under the latter point of view, if the initiative of establishing a new foundry will be conducted by the government, this could also have a price control function therefore allowing a more harmonious development of all co-lateral industries.

### COMCLUSION

- (1) It was agreed that UNIDO would approach the Government during April with copies of the mission report including the techno-economic assessment report, requesting the Government to express their readiness for accepting and supporting the future development of the project.
- (2) Based upon their response a third mission would visit the country to make the final decisions together with the Government on basis of which the project document would be prepared for submission by early 1979. It was planned that representatives from EEC/CID should also participate in this mission in view of the follow-up action expected after the submission of the project document.

### APPNEX "A"

# MISSION SCHEDULE AND PERSONS MET

# 14 March (Tuesday)

Departure Khartoum Arrival Yaounde via Addie Ababa, Mairobi, Douala. (Hotel Mont Febe Novotel)

# 15 March (Wednesday)

a. UNDP Resident Representative's Office (P.O. Box 836, Tel.224199, Telex 8304ICN).

Mr. Wali Shah Wali (Resident Representative)

Mr. H. Van den Kloet (Deputy Res. Rep.)

Mr. G. Papuli (Aseletant Ree. Rep.)

Mr. I. Marincek (Aseistant to SIDFA)

b. European Economic Commission Representatives Office.

Mr. Lesina (Representative)

c. Cameroon Development Bank (BUD)

Mr. Leon Bahouroui Batende (Director General)

Mr. Christophe Omgba Essomba (Connellor Technique

## 16 March (Thursday)

- a. Ministry of Economy and Planning
  - Mr. Educard Momo-Ongolo (Pirector of Industries, Mr. Gustave Tchetgen (Deputy General Director of Société National de l'Investement).
- b. Ministry of Economy\_ and PlanningMr. Louis Claude Nyassa (Secretary General)
- c. Mr. Paul A. Popiel, (Project Manager, World Bank) UNIDO Mission to Cameroon,.

# 17 March (Friday)

a. Mission Wind-up Meeting All Mission Members Mr. I. Marincek.

# 20 March (Monday)

- a. Programme des Nations Unies pour le Developpement Mr. Onana Mbolo Symplece (Assistant Administratif)
- b. Service d'Accueil des Investisseurs

Mr. A.L. Mekinda (Chef du Service) Mr. J. Ndoumbe Bellangue (Chef du Service Adjoint

- c. Syndicat des Industriels du Cameroun
- d. Parc du Genie Civil

Mr. Tchouwa Tenkeub (Delegue regional)
Mr. P. Nameking (Chef d'inspection)

### 21 March (Tuesday)

- Regie National des Chemins de Fer
   Mr. J. Griselier (Directeur Adjoint)
   Mr. E. Nono-Tchuente (Chef, Service Etudes
- b. Forges Tropical (Tropic)
  Mr. Crochette (Directeur Technique)
- c. Societe de Laminage de Douala (Solado) Mr. G. Meignan (Directeur)

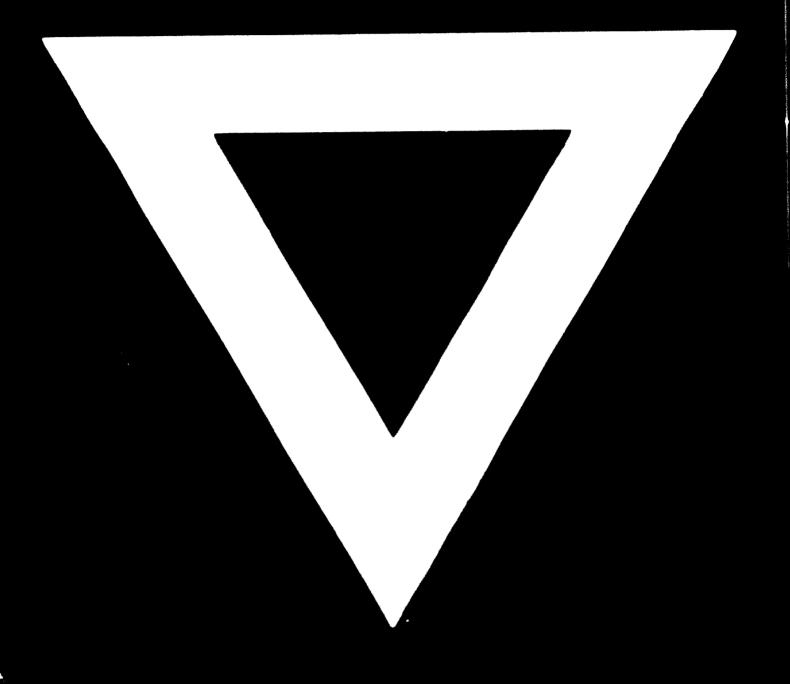
# 22 March (Wednesday)

a: Societe National des Eaux du Cameroun Mr. Frelenda (Chef Sercice Exploration)

## 22 March (Thursday)

- a. Port de Douala Mr. de Eriswell (Directeur General Adjoint) Mr. C.A. Ekedi (Directaur Adjoint du Material)
- b. Centre National d'Assistance aux Petites et Mcyennes Enterprises Mr. G. Muller (Expert ONU)

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