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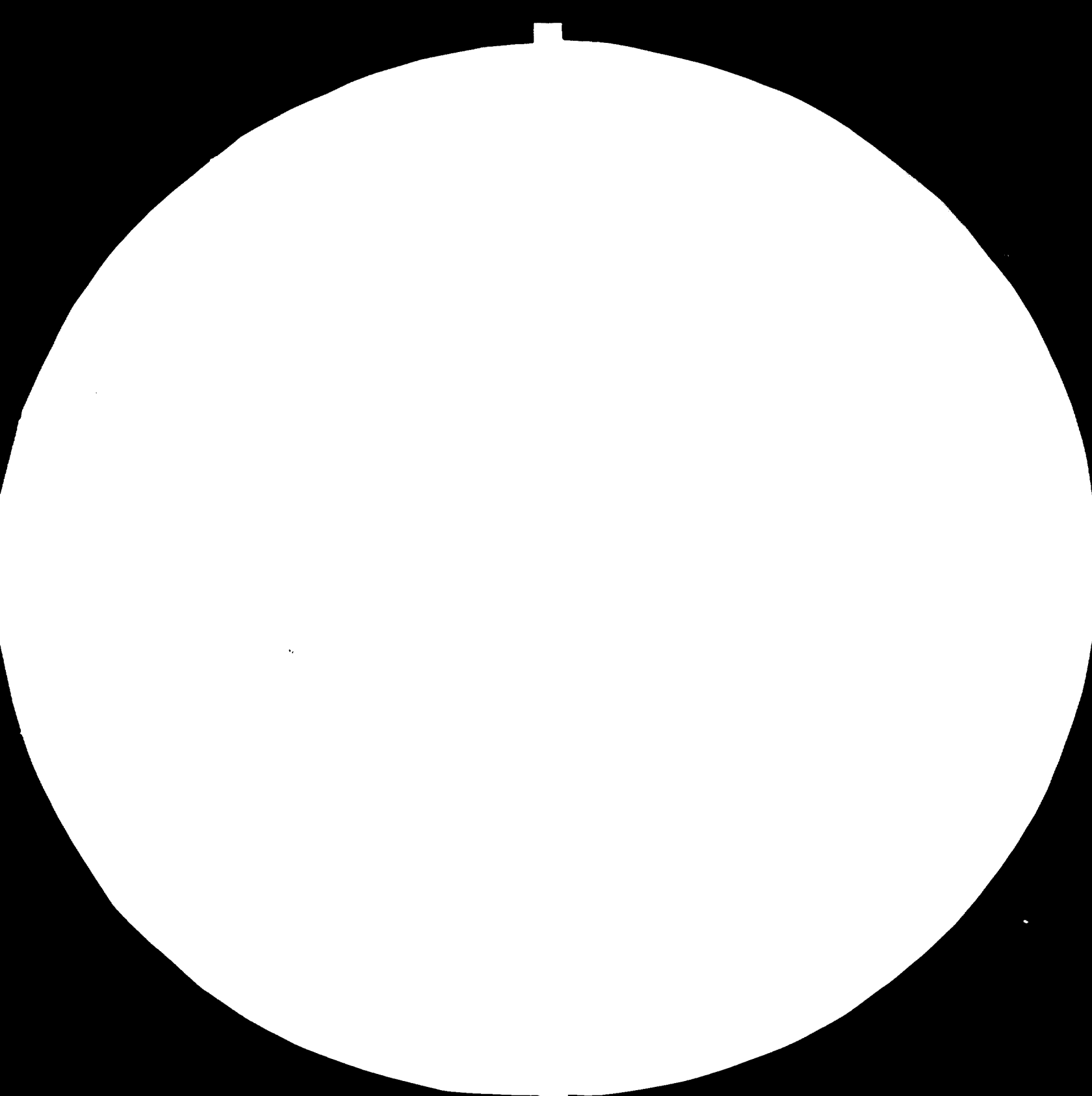
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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

13029

Senegal - Japan.

UNDP/UNIDO Training Programme

for

Investment Officials

from

Developing Countries (~~Senegal - Japan~~)

(DP/SEN/82/022, September 1982 - June 1983)

Final Report

September, 1983

Engineering Consulting Firms Association, Japan

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I. INTRODUCTION

1. The UNIDO Training Programme for Investment Officials from the Republic of Senegal has been organized by the UNIDO Investment Promotion Service (IPS), Tokyo for the purpose of providing on-the-job training for officials from developing countries on the techniques of and approaches to promote investment from Japan to their countries. The Engineering Consulting Firms Association, Japan (ECFA) agreed to provide consulting services for a total of five man-months under the contract DP/SEN/82/022.

2. ECFA was nominated as the contractor for this Project because of its extensive experience in industrial development in developing countries. Since 1971, ECFA has been assisting UNIDO in disseminating UNIDO's activities to the Japanese community with the Government's financial support. In 1978, ECFA formed a research unit, "The Overseas Medium and Small Scale Industries Development Unit" for the purpose of contributing to small and medium scale industrial development by utilizing technology already existing in Japan. Under bilateral technical cooperation programmes, ECFA has been sending its professional staff to developing countries as industrial development experts, as well as providing training for officials from developing countries. Based on this extensive experience, ECFA provided assistance in executing this Project by organizing a programme tailored to the participants needs consisting of a one-month orientation

and other investment promotion activities taking into consideration the uniqueness and special conditions of the Japanese business community.

3. The Consultant has submitted a report on the orientation programme in November 1982 and an Interim Report in February 1983. This final report covers the Consultant's work for this entire Project and its purpose is to review the activities of the participants during the period of the contract, and at the same time to present recommendations in order to improve further this programme to ensure the success of this Project.

II. OUTLINE OF THE PROJECT

4. The Project had two participants from the Republic of Senegal, Mr. Amadou Lamine Camara and Miss Codou Samb, who were nominated by their government and are mid-career officials of the Senegal National Development Bank and the Dakar Industrial Free Zone, respectively.

5. The Project is expected to achieve the following objectives:

- a) increase the awareness of Senegal's development need among Japanese business communities;
- b) smoothen the information flow between Senegal and Japan regarding transferable Japanese technology and potential investment partners and local promoters;
- c) strengthen professional capacities in the promotion of investment-oriented projects through on-the-job training.

6. The Project started on September 27, 1982. The participants were first exposed to a one-month orientation programme. During this orientation, they received intensive lectures on Japanese business practices and related cultural aspects which is considered essential before undertaking actual investment promotion activities.

7. One of the participants, Miss Samb, then returned to Senegal upon completion of the orientation and has been working as a back-stopping officer for Mr. Camara. This

relationship enabled these two to act as a focal point on each side, bridging Senegal and Japanese industries.

Mr. Camara remained in Japan, and from March to June 1983 undertook actual investment promotion activities with the guidance of the Consultant.

8. The Consultant was expected to assist the participant in the following activities on an ad-hoc basis:

- a) exposing Senegal's development needs to the Japanese business community;
- b) presenting to potential partners both in Senegal and Japan the general benefit of investment and information available on particular projects of interest to them;
- c) seeking to match specific requests from Senegal or from Japanese firms interested in locating part of their industrial capacity in Senegal with investment resources to be transferred from Japanese sources;
- d) preparing promotional tools appropriate for dissemination to the Japanese market which introduce candidate companies to one country's investment climate, e.g. brochures, slide presentations, etc.

III. ORIENTATION PROGRAMME

Purpose

9. The purpose of the programme was to provide a business back-ground of Japan and to open personal channels between the participants and the Japanese public as well as its business circles. The programme was designed to give the participants an insight into the unique Japanese business environment which is necessary before business activities can be conducted successfully. Emphasis was placed on:

- a) investment motivation for Japanese investors,
- b) how Japanese investors make decisions,
- c) techniques and tools of industrial investment promotion by various industrialized and developing countries, and
- d) role of information and public relations in the investment promotion process at home and abroad.

10. Lecturers from eleven public organizations and three private business circles took part in the programme.

Specialized investment promotion personnel stationed in Tokyo also lectured and offered the participants the benefit of their experiences. Such specialized agencies as the Malaysian Investment Centre (MIDA), Industrial Development Authority, Ireland, and ASEAN Promotion Centre on Trade, Investment and Tourism contributed substantially to the programme.

Activities

11. The orientation programme consisted of two parts; preparation of the curriculum e.g. setting up individual meetings, organizing lectures, making appointments for official visits, etc., and the actual execution of the programme. The curriculum was designed under the guidance of IPS Tokyo, to ensure that the selection of the lecturers and firms or organizations to visit fully met the needs of the participants. Details of the Curriculum are given in TABLE 1.

TABLE 1
OUTLINE OF LECTURES GIVEN DURING THE ORIENTATION PROGRAMME

Title of Course & Outline	Lecturer
1) General background of Japan (History, Geography, Economics and Social life, etc.)	Mr. K. Hagiwara (ECFA)
2) Japanese economy and its overseas investment promotion	Mr. M. Saito (IPS, Tokyo)
3) Introduction of the major func- tions of the Japanese public organizations concerned with overseas economic cooperation.	Mr. M. Hanai (ECFA)
4) Organization and operation of the Japan External Trade Organization (JETRO)	Mr. H. Tasaka (JETRO) Mr. K. Nagai (JETRO) Mr. K. Yamaguchi (JETRO)
5) Outline of the system for finan- cing Japanese overseas investment	Mr. T. Matsunaga (Japan Overseas Development Corporation) Mr. M. Saito (Japan Overseas Development Corporation)
6) Activities of Japan International Cooperation Agency (JICA)	Mr. A. Kumagai (JICA)

(Continued...)

TABLE 1 Continued...

Title of Course & Outline	Lecturer
7) Services for business transactions	Mr. E. Oyamada (Japan Chamber of Commerce & Industry) Mr. Y. Hirai (Japan Chamber of Commerce & Industry)
8) How to facilitate sound development of international trade	Mr. Y. Ohki (Japan Foreign Trade Council)
9) Profile of Japan Consulting Institute and Organization Promotora de Coinversiones Japon-Mexico.	Mr. K. Kudo (JCI) Mr. M. Inoue (JCI)
10) Objectives and activities of Japan Overseas Enterprises Association (JOEA)	Mr. K. Sawada (JOEA) Mr. K. Kitamura (JOEA)
11) Activities of Overseas Economic Cooperation Fund (OECF)	Mr. H. Furusawa (OECF) Mr. S. Fujimoto (OECF) Mr. K. Fujimoto (OECF)
12) Engineering consultants' role in overseas industrial development	Mr. H. Yamaguchi (ECFA)
13) Profile of JETRO Osaka Office	Mr. M. Kurao (JETRO Osaka) Mr. S. Doi (JETRO Osaka) Mr. M. Hagase (JETRO Osaka)
14) A commercial bank's role in investment promotion activities	Mr. K. Kubo (Mitsubishi Bank) Mr. J. Kuroda (Mitsubishi Bank) Mr. R. Mimura (Mitsubishi Bank) Mr. M. Hamaishi (Mitsubishi Bank)
15) Investment promotion by Nomura Security Co., Ltd.	Mr. M. Igarashi (Nomura Security Co., Ltd.) Mr. Y. Gokita (Nomura Security Co., Ltd.)
16) Kanematsu Goshu's activities in Senegal and the Dakar Free Industrial Zone.	Mr. K. Yamaguchi (Kanematsu-Goshu Co., Ltd.) Mr. K. Tsukumi (Kanematsu-Goshu Co., Ltd.) Mr. H. Fujii (Kanematsu-Goshu Co., Ltd.) Mr. E. Hayashi (Kanematsu-Goshu Co., Ltd.)

Dakar International Fair

12. The Economic Community of West African States (ECOWAS) organized, in cooperation with the European Economic Community (EEC) and UNIDO, a meeting "Industrial Forum For West Africa" which took place at Dakar, Senegal, from November 24 to November 27, 1982, within the framework of the Dakar International Fair. The purpose of the meeting was to give public and private promoters in the ECOWAS member countries the opportunity to discuss their Projects with businessmen and financiers from industrialized and capital-exporting countries.

13. As part of the orientation programme, the participants under the guidance of the Consultant, actively worked to publicize this Fair among the Japanese business community. This gave the participants their first opportunity to contact Japanese industries and put to use the knowledge they gained during the orientation programme.

14. 100 invitations were sent with information material about the fair to the Japanese private industries. The breakdown of these industries are as follows:

Sector	No. of Companies
Agriculture and Fishing	7
Mining	3
Food Processing	5
Construction	5
Textile	10
Chemical	4
Petro-Chemical	10
Printing	3
Iron-Steel	5
Metal	2
Machine	5
Electricity	12
Automobile	2
Shipping	2
Banking	1
Commercial	10
Others	4
Total	100

As a result of the invitation, this year, eight industries from Japan participated in the exhibition. These were Sanyo Co., Ltd., Tomy Co., Ltd., Mitsubishi Motors, Kanematsu-Gosho, Hino Motors, Okamoto Pump Co., Ltd., Iseki Co., Ltd., Tone Boring Co., Ltd., and Bridgestone Co., Ltd. This was the largest number of participants that Japan has ever sent to the exhibition fair.

15. This remarkable result was made possible as a consequence of the significant efforts on part of the participants and the Consultant. The 100 invitations were followed by direct phone calls by the Consultant to each industry, emphasizing the advantages of participating in the fair. The more accurate information about the exhibition is disseminated among the business circles, the more participants from Japan should be expected in the future.

Characteristics

16. The main characteristic of this orientation programme is that it was tailored to the requirements created by the uniqueness of Japan's business climate and customs. Care was taken to acclimate the participants to the idiosyncracies of Japanese business practices.

17. For example in Japan, scheduling official appointments can be a very time consuming matter since a full concensus within the organization is required before any action can be taken. To achieve the best results, the following actions are necessary. First, contact is made with the firm and the

general idea of the orientation programme is explained. Then permission is requested to send a letter seeking their collaboration. This letter must be addressed to the proper member of the executive staff of the firm. After receiving their permission, the firm is telephoned to confirm the time and place. It is very important to call on each firm, plant, and organization in order to become acquainted with lecturers and give them briefings for their benefit i.e., background of the participants, purpose of the orientation, and the contents of lectures they should cover.

18. Efforts were made to review this outline with the participants at the beginning of the programme with a view to ascertaining their interests. The discussions that followed indicated the degree of their interest in various areas and the level of instruction which would have to be followed during the course. Towards the middle of the course, the programme of work was reviewed. These discussions greatly helped the Consultant to adjust the course to suit the requirements of the participants.

19. Another characteristic feature of the Tokyo programme was the emphasis on plant visits. A broad programme of visits was undertaken from the start, and this proved to be a great advantage, since it gave the participants the proper perspective; it made them realize more clearly that the end product of their efforts was the factory itself. Secondly, being practitioners themselves, the participants began to ask questions about location, size, financing, and their

place in the plan, which made it possible to deal with these questions both from a practical point of view and in the over-all context of economic development. Thirdly, the discussions with plant managers focused the participants' attention on the technical and economic characteristics of specific industries, leading to an examination of the possibility of establishing similar techniques in Senegal.

20. After some experiment, it was found that plant visits could best be undertaken in three stages. Before the visit to the plant, the manager would give a general review of the development of the particular industry in Senegal, to be followed by another brief talk in the plant itself on what the participants were going to see. Following the visit, there would be discussion with officials of the industrial establishment concerned with production, finance, and administration.

21. Another feature of the course was visits to the several investment promotion offices of both developed and developing countries. These visits gave the participants some ideas of how to start overseas investment promotion in Japan, and of what kind of problems they are going to face in the future.

IV. PROMOTIONAL ACTIVITIES

22. Upon completion of the orientation programme, actual investment promotion activities were undertaken by Mr. Camara under the guidance of the Consultant from March to June, 1983. The main purpose of these promotional activities was to identify potential investors to Senegal from Japan. This was accomplished through the following activities:

- a) preparation of a brochure to disseminate information concerning Senegal's investment climate,
- b) conducting a questionnaire survey,
- c) identification of potential investors from the results of the questionnaire survey (b), information provided by the Japan External Trade Organization, and UNIDO IPS Tokyo Office's own roster,
- d) conducting firm visits of potential investors identified from (c).

Brochure

23. The lack of good promotional tools was a great impediment to the Consultant's activity, particularly in the firm visits which took place during the orientation programme. The amount of information and data on Senegal available in Japan is very sparse and is not usually disseminated to the Japanese market. Two of the most complete set of literature on Senegal were published by JETRO and the Association for Promotion of International Cooperation (APIC), and these are more or less out-of-date as far as statistics are concerned.

24. In order to make up for this situation, the brochure of the Free Industrial Zone and Price Waterhouse's "Doing Business in Senegal" which provides basic information on the business climate in Senegal was disseminated to the Japanese business circle. However, since both materials are written in English, it can not be expected that they will be read carefully. This is the main reason why it was decided to produce a brochure in Japanese.

Questionnaire

25. First questionnaire was written in English and the Consultant limited the number of firms contacted to 80. These were mostly small and medium size firms selected from the JETRO's list of Potential Investors from Japan '82. Fifteen firms answered the questions, and five firms showed possibilities of investing in Senegal.

26. A second attempt was made a month later. This time the questionnaire was written in Japanese. It was sent to 312 firms, 192 from JETRO's Potential Investors from Japan '82 and '83, 120 from UNIDO IPS Tokyo's roster. Only 68 answers were received, which is 21% of the total, only slightly higher than the previous one in English. Twelve showed some interest in Senegal saying such things as technical cooperation may be taken into consideration when the appropriate time comes. To these twelve firms available information was sent about Senegal, with a thank you note, in order to maintain contact with them for future prospects. For details see Appendix B.

Identification of Potential Investors

27. An attempt was made to identify potential investors from JETRO's list of Potential Investors from Japan '82 and '83, and UNIDO IPS's own roster. Based on a careful study and the results of the questionnaire, additional potential investors for Senegal were selected. The names of the firms, proposed types of collaboration and outlines of proposed projects are as follows:

TABLE 2

-
- * Yamaha Motors
 - Technical tie-up
 - The manufacture of beachable fishing boats in Senegal
 - * Ohmi Industries Ltd.
 - Technical tie-up
 - Galvanizing steel sheet plant (for roofing and siding)
 - * Showa Technosystem
 - Technical tie-up with local plastic manufacturer
 - Manufacturing chemical shoes
 - * Ujiden Chemical Industry Co., Ltd
 - Technical tie-up
 - Technical studies of metal finishing method and instruction of abrasive goods production

(Continued...)

TABLE 2 Continued...

* Kikusui Line Co., Ltd.

- Technical tie-up
- Assisting establishment of a plant for manufacturing thermoplastic roadmarking materials and roadmarking work

* Sawane Spring Co., Ltd.

- Technical tie-up
- Manufacturing springs and wire forms

* Japan Peana Protein Co., Ltd.

- Equity joint venture
 - Manufacturing high protein powder from ground-nuts
-

Firm Visits

28. Visits to 14 selected Japanese industries of various sizes and types of business provided opportunities to observe closely their activities, management practices and problems surrounding industries, through discussion with company managers and the participant. The following is a brief description of the major firm visits.

29. Godo Steel, Ltd. (Tokyo Works) January 12, '83

The Tokyo Works of Godo Steel is equipped with an electric furnace which uses locally-acquired scrap iron as raw material. It produces a full range of steel bars which combine excellent quality and reasonable cost. The technology, based on its accumulated operating experience with electric furnaces, enables it operate jointly with Nippon Steel Corporation in overseas engineering projects. According to the Consultant's

study, Senegal has potential to provide scrap iron to start producing the above-mentioned products. An iron expert who acted as a guide through the factory stated that as far as technical matters are concerned, it is rather easy to start.

30. Ujiden Chemical Industry Co., Ltd. February 4, '83

Ujiden Chemical Industry Co., Ltd. has been engaged in manufacturing and marketing abrasive materials since 1939. Mr. Shoichi Nishiyama, executive director of the international department and Mr. Tadatoshi Akizawa, manager of Tokyo office of Ujiden visited IPS and indicated their willingness for a technical tie-up with Senegal, provided they have a suitable partner. Senegal was furnished with a company brochure and requested to study the possibility of this proposal.

31. Tajima Junzo Ltd. March 29, '83

Tajima Ltd., one of the leading metalwork manufacturing companies in Japan, has supplied many buildings, constructed in Japan and overseas, with products of metalwork used for interior and exterior decoration. The enterprise has joint ventures in Singapore, Hong Kong and Taipei. Although they expressed interest in the possibility of a business venture in West Africa in the future, it may take a long time until the area is ready for such a luxury oriented sector.

32. Hirota & Co., Ltd. March 30, '83

Hirota & Co. specializes in producing cigarette lighters and is a medium size firm with a very good knowledge of metal works, including moulding and plating. This firm had experience in selling machines to Algeria several years ago without any support by governmental agencies.

The possibility of plant redeployment to Senegal was studied. It was discovered that there is much operational but outdated equipment in the Tokyo area. Senegal, however, has regulations prohibiting or hindering the importation of used equipment. Very high import duties are levied on used equipment, whereas new equipment is frequently exempt from duties. Obstacles of this nature can, however, be overcome, once the buyer and the government of the country become aware of the advantages that can be gained. Korea is an excellent example, and has imported many used machines for manufacturing tableware, and has become a most competitive manufacturer against Japan. The Consultant believes it is worthwhile to pursue the possibility of industrial redeployment of plant and machinery to Senegal.

33. Yamaha Motor Co., Ltd. April 15, '83

As was mentioned above, Yamaha is willing to have a technical tie-up with a local Senegalese enterprise to manufacture beachable fishing boats. Mr. Kyoji Ohba, a naval architect, who designed the boat converted from one of conventional Senegalese design, emphasized that there would be no technical difficulties in this Project. The Consultant has been informed that the Senegalese government has been working to materialize the Project.

34. The role of Sogo Shosha should be clarified in connection with Japanese direct foreign investment in developing countries. They become an important go-between concerning mature and standardized technology and joint ventures, as mediators of necessary equipment from Japan and the export of the joint ventures products. With a share of 18% of Japanese direct foreign investment, the Sogo Shosha's influence is considerable.

TABLE 3
SOGO SHOSHA VISITED

Name	Date Visited
. Nissho Iwai Corporation	June 14, '83
. Mitsui & Co., Ltd.	June 15, '83
. Sumitomo Corporation	June 16, '83
. Mitsubishi Corporation	June 16, '83
. Nichimen Corporatic.	June 17, '83
. C. Itoh & Co., Ltd.	June 21, '83
. Marubeni Corporation	June 23, '83

35. The main purpose of visiting the above listed Sogo Shosha were:

- a) to open personal channels between Mr. Camara and the personnel in the Africa section of each enterprise,
- b) to disseminate up-to-date information of Senegalese investment climate and Free Industrial Zone,
- c) to investigate their future prospectives of doing business in Senegal, and
- d) to expose Senegal's development needs to them.

V. DIFFICULTIES FACED BY CONSULTANT AND RECOMMENDATIONS FOR IMPROVEMENT

Length of Preparation for Orientation Programme

36. Half a month for preparing the orientation programme was found to be very short and the Consultant had much trouble in providing an ideal schedule. According to the terms of reference, one month was originally allocated for preparation of the curriculum and finalizing the programme. However, it was curtailed to half in order to prolong the term of follow-up assistance after the orientation.

37. As stated previously, the orientation programme comprises a major part of this Project since according to the Terms of Reference, a firm understanding of Japanese business practices is necessary before any meaningful investment promotion activities can be undertaken. Sufficient time should therefore be allocated for preparation such that an extensive orientation programme tailored to the needs of the participants can be organized.

Misunderstanding of Purpose of Orientation Programme

38. One of the participants, Miss Samb, seemed to misunderstand the purpose of the one-month orientation programme. The programme was designed such that by receiving lectures on Japanese business practices, the backstopping officer would also understand the environment of investment promotion activities in Japan. Because of the uniqueness of the

Japanese business environment, investment promotion activities cannot be undertaken using the same approach as that used in the United States, Europe, and other developed countries. It is imperative that the participants receive an extensive orientation before any meaningful investment promotion activities can be undertaken. However, it seemed that Miss Samb was expecting to undertake promotional activities and that potential investors would actually be identified during this one month period. According to the outline of this Project, actual investment promotion activities were intended to take place only in the second part of the Project from March to June. It should be stressed here for future orientation programmes that participants should keep in mind that this programme is designed specifically to help them gain an understanding of investment promotion in Japan.

Lack of Financial Support

39. An investment promotion seminar originally scheduled for June 28 at the Japan External Trade Organization (JETRO) was cancelled due to the lack of financial support. We expected to receive at least \$6,000 for our promotion activities, such as organizing a seminar and printing brochures about Senegal, in Japanese. Even a single meaningful investment seminar costs more than \$3,000 in Japan, however, the actual amount allocated for these activities was only \$2,000, which prevented us from pursuing our original plans.

40. The orientation programme and the investment promotion activities were designed and organized such that the participants could obtain maximum benefits from this Project. Needless to say, cancellation of activities due to the lack of funds limits the scope of the Project and reduces the benefits to be gained. It is therefore recommended that measures be taken to ascertain that the funds necessary to carry out the Project activities be fully allocated.

Japanese Unfamiliarity with West Africa

41. Firstly, for most Japanese people, West Africa has not been a very well-known area in general, and in particular for business. Presently, Japan has negligible business activities in Senegal with only three local offices of private firms in its capital city, Dakar. Even the Sogo Shoshas which are found all over the world have a very limited presence in Senegal. Kanematsu Gosho is the only Sogo Shosha which maintains a liaison office in Dakar.

42. Secondly, Japan faces difficulties in conducting business activities in West Africa. It is 17,000 km away from Japan and its official language, French, which is not widely spoken in Japan, has made Japanese businessmen hesitant. The lack of historical relationship, as well as the geographical drawback, has hindered Japanese people from becoming familiar with this area. The Consultant contacted more than 20 Japanese joint-venture enterprises in West Africa, hoping to "draw" some of them into Senegal. What we

discovered, however, was that nearly all enterprises have suffered some management problems, and moreover, quite a few of them have already withdrawn from the area or are about to do so.

Conclusion

43. Despite the problems mentioned above, the Consultant believes that this Project was executed successfully and that it met the needs of the participants. Engineering Consulting Firms Association, Japan looks forward to working with UNIDO on the same type of project in the future.

APPENDIX A

TERMS OF REFERENCE

FOR SUBCONTRACTING DP/SEN/82/022

TRAINING FOR INVESTMENT OFFICIALS FROM DEVELOPING COUNTRIES

Background

It has been pointed out that most of the developing countries - particularly LDC's do not possess their own operational facilities to promote investment in industrialized countries and lack appropriate professional capacities in the techniques of investment promotion.

UNIDO established the Investment Promotion Service (IPS) Tokyo in late 1981 as part of its investment co-operative programme activities to further promote industrial co-operation between Japan and developing countries through direct investment and related transfer of technology. The establishment of this service is the seventh one, following after Brussels, Cologne, New York, Paris, Vienna, and Zurich. In addition to its own investment promotion activities, IPS, Tokyo provides developing countries with facilities to strengthen their investment promotion capacities. Specifically the Service provides the following: (1) organizational basis for fulfilling some of the foreign investment and financial objectives of those developing countries which do not have their own investment promotion office in Tokyo; (2) on-the-job training for a number of officials on the techniques of and approaches to investment promotion so that they can successfully establish and manage their own investment promotion offices and train other officials to do likewise.

Taking into account the envisaged difficulties for the participants to carry out substantial investment promotion activities in the unique Japanese business environment and while dealing with rather small scale enterprises, e.g. communication barrier, complicated business procedures, etc., the project may require a greater deal of operational support than what IPS-NA presently provides. This type of support should be made available by consultants retained within the framework of this project which will provide more effective support than what individual experts do.

The Government of Senegal desires to avail itself of this opportunity in participating in this project by nominating two adequately qualified candidates for this on-the-job training and investment promotion opportunity. The participants will be exposed to an orientation programme which will last one month. During this orientation period, basic lecture (as part of the curriculum) about Japanese business practices and related culture

will be intensively given. One of the participants will return to his/her home country and another one will stay in Tokyo for the rest of the programme (tentatively June 30, 1983; possible extension of another full year). This framework will enable these two participants to act as a focal point on each side, bridging between Senegal and Japanese industries.

The Aim of the Project

The orientation programme is designed for governmental officials who wish to develop professional capacity as an investment promotional officer particularly in Japan. This programme is based on the long-range future plan to develop close business contacts with Japanese business circles and eventually establishing own investment promotion office.

The project is expected to achieve the following objectives:

- a) to increase the awareness of Senegal's development need among Japanese business communities
- b) to smoothen the information flow between Senegal and Japan regarding transferable Japanese technology and potential investment partners and local promoters
- c) to strengthen professional capacities in the promotion of investment-oriented projects through on-the-job training

Scope of Contractual Service

The contractor consisting of two consultants will prepare the orientation programme curriculum and necessary materials and they will be responsible for carrying out all the schedule which will last approximately one month. The brief outline of the programme is attached. The details will be finalized after the contract is awarded, in consultation with UNIDO Investment Promotion Service (IPS) Tokyo.

The participant who will stay for a longer period will be involved in substantial investment promotional activities under the guidance of UNIDO and IPS Tokyo. The contractor is expected to assist the participant on an ad-hoc basis whenever requested in the following activities:

- a) to expose Senegal's development needs to the Japanese business community
- b) to present to potential partners both in Senegal and Japan

- the general benefit of investment and the information available on particular projects of interest to them.
- c) to seek to match specific requests from Senegal or from Japanese firms interested in locating part of their industrial capacity in Senegal with investment resources to be transferred from Japanese sources.
 - d) to prepare promotional tools appropriate for dissemination to Japanese market which introduce candidate companies to one country's investment climate, e.g. brochures, slide presentations, etc.

The breakdown of the expected scope of service is as follows:

- 0.5 ^m/m - preparation of the curriculum
- 0.5 ^m/m - finalizing the programme, e.g., setting up individual meetings, organizing lectures, fixing appointments for official visits, etc.
- 1 ^m/m - attending one full month at the orientation seminar
- 1 ^m/m - follow-up assistance to one participant

General Time Schedule

Upon finalization of the contract, the team leader of the contractor should discuss the detailed outline of the programme with staff members of IPS Tokyo. It is expected that the contract will be awarded at the beginning of September 1982 and the programme will be launched toward the end of September 1982. It requires at least three weeks preparation period before the programme starts.

The follow-up assistance will be provided on an ad-hoc basis up to an equivalent of one man-month service during the first four months after the orientation (from Nov. '82 till Feb. 1983). The debriefing will take place at IPS, Tokyo, at the end of the orientation programme as well as toward the end of Feb. 1983.

Language and Professional Requirements

The course will be carried out in English. The consultant(s) should arrange guest speakers who can present the lectures in English

or hire English interpreter(s) whenever needed. The consultants should be familiar with existing investment promotional offices and respective Japanese industrial associations in Japan and maintain good working relationships with these offices and industrialists.

Report

The contractor will submit to UNIDO Headquarters as well as to IPS Tokyo a final report summarizing the course activities together with the course material prepared (five copies) in English within one month after the orientation programme.

APPENDIX B
QUESTIONNAIRE SURVEY RESULTS

1. The following is an analysis of the results of the questionnaires and 98 direct interviews over the phone to the small and medium size firms selected from the 312 contacted.
2. The measures for enhancing smooth overseas investment to West Africa by small and medium size firms will be necessary in various aspects such as, the collection and provisions of information, training of human resources, supply of funds and consolidation of guidance. These measures will be taken to correct the disadvantages of small and medium size enterprises and to avoid unnecessary friction abroad.
3. Investing in West Africa by Japanese enterprises involves:
 - a) activities which are unfamiliar to most Japanese enterprises, and
 - b) transfer of managerial skills, which is not a simple transfer of "materials", in other words, a transfer of thoughts originated from a totally different culture.
4. The difficulties can be explained by three factors, information, human resources and funding.

TABLE A
 EXPECTED DIFFICULTIES IN INVESTING IN WEST AFRICA

Sample Number	98 Companies
1) Information ... Total 98	
Lack of local information, difficulties in judgement	92 93.8%
Abandoning of original plans due to drastic economic fluctuations in the area	12 12.2%
Difficulties in adjusting to unfamiliar social and business practices	21 21.4%
Large expenses for measure to improve insufficient industrial infrastructures	40 42.8%
Difficulties in controlling overseas corporations due to ustrictions on foreign capital	66 67.3%
Management difficulties caused by the insufficient development of supporting industries	5 5.1%
Indecision over possible withdrawal due to unstable political conditions in the area	8 8.1%
2) Human resources Total 92 companies	
Difficulties in raising the level of technology and in increasing worker motivation	59 60.2%
Difficulties in finding suitable personnel to be fielded	43 43.8%
Difficulties in developing a sales network due to severe sales competition in the local market	28 28.5%
Difficulties in coping with labor disputes	12 12.2%

(Continued...)

TABLE A Continued...

Sample Number	98 Companies
3) Funding ... Total 95 companies	
Difficulties in procuring operational funds for overseas corporations	82 83.6%
Difficulties with plans for procuring funds	28 28.5%

Information

5. It is believed that enterprises investing in West Africa will be faced with overwhelming difficulties, particularly regarding information in the operation of overseas corporations. Some firms pointed out the lack of general information, while others mentioned specific difficulties, for example, in local economic fluctuation, social and commercial practices in West Africa, friction with local business partners, an insufficiently regulated industrial structure of the local supporting industries, and restrictions on foreign capital. (TABLE A) Small and medium size enterprises do not have sufficient experience in West Africa and are unfamiliar with business activities there. It is necessary for them to collect sufficient information regarding the items mentioned above prior to investment. Nevertheless, it is still difficult to say whether or not they will be able to collect sufficient information beforehand.

6. Enterprises investing in West Africa encounter the following difficulties in collecting information:

- a) Many firms pointed out difficulties in collecting information regarding local regulations such as policies on foreign capital, the tax system, and various legislation. This indicates that information on the local regulations is not necessarily provided in both a sufficient amount and detail to meet the needs for practical business activities. It also reveals the great need for practical information concerning the means of applying those regulations, the way to approach local governments, the way to deal with arising problems.
- b) There are difficulties in grasping the social and commercial practices peculiar to West Africa.
- c) There are difficulties for an individual firm to forecast such unexpected economic fluctuations as inflation, economic recession, etc. in West Africa.
- d) It is difficult to grasp the states of consolidation related to local industrial structures including the existence of subcontractors.
- e) Labor productivity is one of the major points of interest of the overseas investor aiming to utilize the low-cost labor. Nevertheless, it is difficult to judge the level of education and skill of local employees which determine the productivity.

- f) The majority of overseas investment, in general, takes the form of a joint venture. It is difficult to estimate the reliability of local partners in West Africa, which may be the key to success in joint ventures.

Human Resources

7. Human resources are insufficient in small and medium size firms, and it is necessary for them to be trained to manage overseas activities and implement investments.

Needless to say, those who are to be fielded should be knowledgeable of:

- a) general knowledge to include international economics and trade business;
- b) managerial know-how of local employees; and
- c) practical business in overseas activities (including business practices, daily customs, the current state of regulations and their application, method of approaching local government, manner of dealing with problems, etc.)

8. Regarding the manner of training personnel for local assignment currently in effect by enterprises, very few are carrying out such specific training programmes.

Fundraising

9. Raising funds overseas is accompanied by difficulties on its availability or on its cost. Due to the immaturity of the local financial markets, many firms experienced troubles in raising working capital.

APPENDIX C

LIST OF PERSONNEL VISITED BY INVESTMENT PROMOTION
TEAM SINCE MARCH 1983 (in order of the visit)

Name	Title
Mr. Takeshi Takahashi	Management Director Godo Steel, Ltd. (Tokyo Works)
Mr. Michiaki Ohsako	Section Chief Production Division Godo Steel, Ltd. (Tokyo Works)
Mr. Masanao Nakajima	Assistant Manager Sales Department Godo Steel, Ltd. (Tokyo Works)
Mr. Shoichi Nishiyama	Executive International Department Ujiden Chemical Industry Co., Ltd.
Mr. Tadatoshi Akizawa	Manager of Tokyo Office Ujiden Chemical Industry Co., Ltd.
Mr. Minoru Hirota	President Hirota & Co., Ltd.
Mr. Shozo Hirota	Production Manager Hirota & Co., Ltd.
Mr. Shigeru Hirota	Section Chief Production Section Hirota & Co., Ltd.
Mr. Shigeyuki Kusayama	Director & General Manager Overseas Department Tajima Junzo Limited
Mr. Junichi Itoh	Sales Department Tajima Junzo Ltd.
Mr. Katsutoshi Takada	Manager Purchasing Department Tajima Junzo Ltd.
Mr. Yuzo Shiga	General Manager 3rd Operations Division Overseas Operations Yamaha Motor Co., Ltd.
Mr. Kyoji Ohba	Naval Architect Overseas Project Boat Division Yamaha Motor Co., Ltd.

Name	Title
Mr. Yoshiaki Murakoshi	Managing Director Factory Manager Yamaha Gamagori Works Co., Ltd.
Mr. Fukutaro Ito	Managing Director Sanshin Ind. Co., Ind.
Mr. Chikara Yasukawa	Director and General Manager Engineering Division Sanshin Ind. Co., Ltd.
Mr. Kiyoshi Akuzawa	Manager of Production Engineering Sanshin Ind. Co., Ltd.
Mr. Brendan Cassidy	Executive Director Industrial Development Authority, Ireland
Mr. Takeo Miyauchi	Project Manager Industrial Development Authority, Ireland
Mr. Hiroyuki Miyoshi	Assistant Manager Consulting Department Showa Technosystems K.K.
Mr. Ryutaro Makoshi	Assistant Maanger Section No.2 Transoortation Machinery Department Kanematsu-Gosho Ltd.
Mr. Kintaro Tomiyama	Manager Europe & Africa Office Overseas Planning & Administration Department Nissho Iwai Corporation
Mr. Masaaki Kimura	Manager Economic Cooperation Office Project Development Department Nissho Iwai Corporation
Mr. Shigeyuki Ogino	Manager Europe & Africa Office Overseas Planning & Administration Department Nissho Iwai Corporation
Mr. Yoshiharu Asano	Director Cooperation Promotion Department Overseas Fishery Cooperation Foundation

Name	Title
Mr. Saburo Masai	Counselor Cooperation Promotion Department Overseas Fishery Cooperation Foundation
Mr. Michio Yamaura	General Manager West Europe & Africa Department Overseas Planning Division Mitsui & Co., Ltd.
Mr. Yasutoshi Shimizu	Manager West Europe & Africa Department Overseas Planning Division Mitsui & Co., Ltd.
Mr. Tadao Tomita	Manager Europe & Africa Team Overseas Business Planning & Coordination Department Sumitomo Corporation
Mr. Moritada Imoto	Europe & Africa Team Overseas Business Planning & Coordination Department Sumitomo Corporation
Mr. Naoyoshi Yamakawa	Manager Europe & Africa Team Marketing & Coordination Department Mitsubishi Corporation
Mr. Shinji Kowase	Europe & Africa Team Marketing & Coordination Department Mitsubishi Corporation
Mr. Isao Hidaka	Assistant General Manager Business Development Department Europe, Africa & Middle East Nichimen Corporation
Mr. Kyota Kishimoto	Market Development Department Europe, Africa & Middle East Nichimen Corporation
Mr. Hiroshi Arauchi	Africa Section Mitsui O.S.K. Lines, Ltd. Tokyo Branch
Mr. Hidenori Sonoda	Assistant Manager Europe, Africa & Middle East Team Overseas Department C. Itoh & Co., Ltd.

Name	Title
Mr. Motoki Goto	Deputy Director Mining & Industrial Planning and Survey Department Japan International Cooperation Agency
Mr. Tokuo Iikura	Manager Mining & Industrial Planning and Survey Department Japan International Cooperation Agency
Mr. Masao Endo	Assistant Manager Europe & Africa Department Marubeni Corporation
Mr. Moriyoshi Shiraishi	Assistant Manager Overseas Iron & Steel Market Department Marubeni Corporation
Mr. Akihiro Matsunaga	President Japan Peana Protein Co., Ltd.

APPENDIX D

REPORT ON FREE INDUSTRIAL ZONE

BY MAINICHI DAILY NEWS, DECEMBER 11, 1982

Senegal Welcomes Japan Investments

The Western African country of Senegal expects the Japanese to participate in iron ore development projects and other ventures, a visiting Senegalese official says.

Senegal has created an industrial "free zone" in the capital city of Dakar to promote foreign investment there, said Famara Ibrahima Sagna, the zone's administrator.

"We plan to transform Dakar into a Singapore and make the country an industrialized Switzerland of Africa" by promoting exports through utilization of natural resources and technological transfer, Sagna added.

Foreign concerns which will move into the zone will be

exempted from fiscal taxes and duties, promised Amadou Lamine Camara, who for the past two months has been talking to potential Japanese investors as representative of the Senegal board of investment promotion service in Tokyo.

"We hope Japanese manufacturers of textiles, electronics, toys and other products will process their goods in Dakar and sell them in the African market" with 200 million consumers, Camara said.

At present, only two fisheries firms and one trading company from Japan maintain representative offices in Senegal.

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INFORMATION OF SENEGALESE PRIVATE FIRMS

DISSEMINATED BY JETRO, MAY 1983

昭和58年5月16日

— 海外投資のための情報紹介 —

No.32

(注、支那、会議費用等を含む。)

会議のみの参加は 375ドル

▶ 韓国中小企業協同組合中央会より:

～合併・技術引合希望企業リスト～

韓国の主要経済団体の一つである中小企業協同組合中央会では、この程、外国から技術を導入したい、あるいは外国企業と韓国で合弁事業をしたい韓国中小企業44社のリストを発表しました。同リストには自動車部品、造船機械、電子関係品、医療機器等16業種に分類された各企業の概要と導入希望技術、合弁事業の強要が記載されています。閲覧希望の向きは本会東京本部情報サービス課までお申し出下さい。

▶ 国連工業開発機関(UNIDO) 東京投資促進事務所より:
～海外投資引合(セネガル)～

1. 案件: シャツ、ズボンなどの繊維製品の製造及び輸出

引合者: Societe Industrielle du Vêtement (SIV)
Rue 12 Grand Dakar. BP745 Senegal
TEL: 23-10-35

資本金: 290.000.000 FCFA (U.S.S 790.000)
従業員数: 289

2. 案件: プラスティックシューズ(サンダル等)の製造及び輸出

引合者: Societe Senegalaise de plastique Africains (SSPA)
70, Rue Fleurus, Dakar

資本金: 290.000.000 FCFA (U.S.S 550.000)
従業員数: 235

3. 案件: 紙製品を主体とした文房具の製造及び輸出

引合者: Manufacture Senegalaise de Papiers
Transformes (M.S.P)
117, Avenue Blaise Diagne-B.P.2111
Dakar.
TEL: 21-37-29

資本金: 20.000.000 FCFA (U.S.S 53.000)
従業員数: 27

4. 案件: 紙製品を主体とした文房具の製造及び輸出

引合者: Librairie Papeterie du Senegal
117, Avenue Blaise Digne-B.P.1594
Dakar
TEL: 22-40-28

資本金: 180.000.000 FCFA (U.S.S 490.000)
従業員: 13

5. 案件: マグロ専門のかんづめ等の加工品の製造及び輸出

引合者: Pecheries Senegalaises du Thon (PES-ETHON)
6, Rue Eiy Manei Fall B.P. 1251
Dakar
TEL: 22-11-25

資本金: 100.000.000 FCFA (U.S.S 270.000)
従業員数: 50

以上はセネガルの首都ダカール市にある有望企業で米国、カナダ、ヨーロッパ諸国への輸出経験あり。日本からの技術援助、積極的な資本参加を期待しています。

上記引合に賛心の向きは下記までお問合せ下さい。
国連工業開発機関(UNIDO) 東京投資促進事務所
セネガル代表, Amadou L. Camara あるいは萩原
TEL (03) 402-9341

海外パートナー紹介

——本コーナーは本会に寄せられた外国企業の合弁事業引合の中から業種・企業規模等、日本側中小企業に適したプロジェクトの概要を掲載しております。

138	ギリシャにおける医療用ゴム製品製造
会社名	NIKOLAOS ZAVVOS-H.E.L. RUBBER INDUSTRY
住所	Athinon Street, N. Ampiani, Lamia, Greece

代表者	Nikolaos Zavvos
担当者	Nikolaos Zavvos
肩書	President
電話	231/25.641
登録資本金	US \$ 550.000
従業員	13

