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UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

Consulting Services offered

by

The Engineering Consulting Firms Association, Japan

to UNIDO IPS, Tokyo

(Project NO. US/GLO/87/238)

F I N A L R E P O R T

May, 1988

ECFA, Japan

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I. INTRODUCTION

1. In accordance with the agreement between UNIDO and the Engineering Consulting Firms Association, Japan (ECFA), ECFA provided consulting services to UNIDO, Investment Promotion Services Tokyo (UNIDO, IPS Tokyo) for the promotion of investment projects. The consultant assigned by ECFA to this project, in principle, promoted projects identified by the UNIDO Industrial Investment Division, especially those which were related to the Investment Promotion Meetings and the specific projects respectively identified by the same branch. In addition, some of the projects brought by the investment promotion officers who were stationed at UNIDO IPS Tokyo were also handled by the Consultant.

2. It should be noted, hereby, that the Consultant acted as an In-House Consultant at UNIDO, IPS Tokyo, while ECFA managed financial matters for activities required for the Consultant. These arrangements are being supervised by the Japanese Ministry of International Trade and Industry (MITI).

3. In providing consulting services, ECFA organized a back-stop team which enabled the Consultant to take a selective approach to projects by taking into account the transfer of technology and development potential of each developing country. This report summarizes the activities undertaken by the ECFA Consultant to UNIDO, IPS Tokyo in the course of the execution of the project, US/GLO/87/238.

II. OUTLINE OF THE PROJECT

4. In order to provide the said services to UNIDO, IPS Tokyo, ECFA assigned one Consultant intermittently for a total of 7.8 man-months during the period from August, 1986 to March, 1987. The name of the consultant assigned during this period was Mr. Akira Kuroki.

5. The consulting services rendered by the Consultant of ECFA to UNIDO, IPS Tokyo are summarized as follows:

- (1) Promotion of specified investment projects related to the investment promotion officers from developing countries stationed at UNIDO IPS Tokyo as participants of this investment promotion programme.
 - a) Assistance to investment officers from developing countries in promotion activities Philippines, Sri Lanka, Indonesia and Mauritius.
 - b) Follow-up activities on investment projects through visits to developing countries (Indonesia).

- (2) Assistance on a visiting programme of an entrepreneur from a developing country (China).
- (3) Services related to the Investment Promotion Meetings (IPMs).
 - a) Dissemination of information to the Japanese business community for IPMs.
 - b) Assistance in the arrangement and organization of seminars held in Tokyo (Met with delegates of an IPM/seminar in preparation for IPM (Indonesia)).
 - c) Assistance of Japanese participants in business activities and surveys on investment projects related by UNIDO, IPS Tokyo at IPM (Indonesia).

6. The consultant took advantage of back-up support provided by ECFA in the course of project promotion. Specifically, such back-up support is possible by ECFA's

- i) vast information net-work with relevant governmental organizations, industrial associations, academic institutions and private consulting firms.
- ii) expertise in both technical and economic spheres,
- iii) and also by its accumulated experiences on industrial development projects in developing countries.

III. SPECIFIC INVESTMENT PROJECT PROMOTION ACTIVITIES

7. The Consultant assisted in promoting specific projects which were brought by investment promotion officers from developing countries who were stationed at UNIDO IPS Tokyo.

8. The Consultant was basically open for coordinating all projects brought by the investment officials to be promoted effectively during this session.

III. (A) INVESTMENT PROJECTS IN INDONESIA

9. The following two projects out of six brought by the

investment officer and one additional project from Indonesia were handled by the Consultant while other projects were handled by UNIDO's staff and another Consultant in charge at IPS Tokyo:

- 1) Production of Enamelled Wire
- 2) Production of Rattan Furniture and Basketries
- 3) Leather Gloves

1) Production of Enamelled Wire

10. This project was introduced to several Japanese companies in this field for consideration, but received no firm interest.

11. Furukawa Electric Industries Co., Ltd. was providing technical assistance in enamelled wire production until 3 years ago to another Indonesian company, Sucaco, and cannot engage in activities which may influence the business of that company. The company said that it is not comprehensible that the proposal indicates a production capacity of 187 t/month, but will only produce 35 t/month. If a joint venture is established, a capacity of more than 600 t/month is required in order for the company to be profitable. The company considers the proposed capacity to be too small.

12. Sumitomo Electric Industries, Ltd. provided technical assistance to Nasio Delta, the local partner company in this project, through a joint venture established in Singapore (SES) up to around 1980. They said that enamelled wire is available in the black market in Indonesia and has a large share in the domestic market. They can provide only technical assistance if circumstance allows them. Finally they informed IPS Tokyo that they were not interested in this project at this stage.

2) Production of Rattan Furniture and Basketries

13. The project was presented to the International Development Association of the Furniture Industry of Japan, and information was obtained that the Seiwa Interior Ltd. has long-standing ties with Indonesia.

14. Rattan Furniture Production Plant - Seibu Department Store, Ltd. has recently received a request from Sarina, Department Store, which has been their trading partner for many years to set up a plant for producing Rattan Furniture. Seiwa Interior Co., Ltd., the interior branch of Seibu-Saison Group, will be the direct investor.

3) Leather Gloves

15. Although this project was not included in the initial list of projects brought by the participant from Indonesia, it was added to the list as UNIDO, IPS was contacted by Kuroda Co., Ltd. which is looking for a leather supplier. Kuroda Co. Ltd. went to

Indonesia on a mission dispatched by ECFA and signed a preliminary agreement for cooperation with two local companies. Also Sumitomo Co., Ltd. a trading company, is interested in supporting this project and the company profile on Kuroda Co., Ltd. was sent to them on request.

III. (B) INVESTMENT PROJECTS IN MAURITIUS

16. The two projects out of a total of eight projects brought by the participant from Mauritius were handled by the Consultant. For promotional activities of other projects brought by the participant, please refer to the UNIDO report.

- 1) Production of Optical Products
- 2) Production of Jewelry Items

1) Production of Optical Products

17. The project was presented to Ohara Optical Industry Co., Ltd and the following comments were obtained. The project information prepared by Mauritius is too vague and needs some more data, especially on which part of processing is to be undertaken. Either raw materials can be imported, pressed, and polished in a complete processing plant, or pressed and certified plates can be imported and polished. Depending on the process chosen, possible application of privileges by the Lome Convention should differ.

18. It is not recommended to produce camera lenses in Mauritius for the following reasons. Since camera models change very rapidly, it is required that a large quantity of camera lenses be produced regularly at short notice. Also, since Japanese cameras are in big demand, finished lenses need to be brought to Japan and Asia. The demand for lenses in Europe is not sufficient.

19. Lens production abroad is not very attractive because of the relatively high investment cost involved and low profit, so cheap labour alone is not enough incentive. Only lens production for binoculars can be viable in developing countries including Mauritius because binocular models are not changed so frequently. Under the circumstances the Ohara agreed to continue negotiation on production of binocular lenses with the Mauritius partner.

2) Production of Jewelry Items

20. Although the above-mentioned project was not assigned to the Consultant, project information was sent to Goree Technology Co., Ltd., and several advantages that could be enjoyed under the investment circumstances in Mauritius, including membership in the Lome Convention, were explained.

III. (C) INVESTMENT PROJECTS IN SRI LANKA

21. The following projects were handled by the Consultant among eight projects brought by the investment officer from Sri Lanka.

- 1) Manufacturing of Table Glassware
- 2) Forging Industry

1) Manufacture of Table Glassware

22. The project was presented to several companies in this field directly and through industrial associations. The Japan Glassware Products Industry Association was contacted for reference and assistance in disseminating the project information to various companies. The project was discussed with Sasaki glass Co., Ltd. who enquired about details of the project. Also the project was discussed with the Japan Ceramic Engineering Co., Ltd and Asahi Glass Co., Ltd.

23. Two other companies were contacted by the Asahi Glass Co., Ltd: Iwaki Glass Co., Ltd and Soga Glass Co., Ltd. Out of the two, Soga Glass Co., Ltd indicated some interest in off-shore investments. Further discussions will be held between Asahi Glass Co., Ltd and Soga Glass Co., Ltd and UNIDO. IPS will be informed of the outcome.

Project information was also sent to the Japan Glass Products Exporters Association.

2) Forging Industry

24. The director of Kirin Cutlery Co., Ltd completed preliminary discussions in Sri Lanka with Merkantile Credit Ltd. and they are planning to file an application for establishment of a joint venture in November. The consultant visited the Kirin Company in Takefu City, Fukui Prefecture, with the investment officer from Sri Lanka for further discussions and survey of the forging plant activities there.

25. Also, upon the request of Kirin Cutlery Co., Ltd, they were introduced to the training programmes of the Association of Overseas Technical Scholars (AOTS) for funding regarding the technical training in Japan. Kirin Company is planning to start group training in Sri Lanka in February, 1988. Among the trainees, one or two will be selected to be trained for about six months in Japan.

26. The consultant and the investment officer from Sri Lanka visited the Sakai Cutlery Industry and Trade Corporative Association and Mizuno Forging Works co. in Sakai City, Osaka in

mid-December, 1987. They had a meeting with eight higher members of the association and explained the activities of IPS, Tokyo, specially investment promotion with Sri Lankan industry.

27. The association expressed their keen intention to send a fact-finding mission to developing countries in near future. The consultant promised them to provide useful information in this respect.

III. (D) INVESTMENT PROJECTS FROM THE PHILIPPINES

28. The three projects out of a total of eleven(eight) projects brought by the investment officer from the Philippines was handed by the Consultant.

- 1) Production of Wooden Toys
- 2) Production of Rattan and Wooden Furniture
- 3) Packaging Machine (additional project)

29. The project information on "Production of Wooden Toys" was sent to Nichigan Co., Ltd. for consideration, but no reply was received.

30. Besides the above projects, the project "Production and Processing of Napier Grass" was discussed in conjunction with Gaoliang Board and Dairy Farming with the Grant Aid Project Management Department and then with the Agricultural Development Cooperation Department of Japan International Cooperation Agency (JICA) to seek possibilities of a government-based cooperation project. JICA explained that a loan can be obtained for the purpose of a pilot plant only.

31. The Consultant was introduced to Mr. M. Adachi, President of Gimpo-Pack Co., Ltd, who visited Philippines recently and observed that business assistance to Philipno companies in the field of the packaging industries would be strongly needed.

32. After several business contacts made between IPS Tokyo Office and relevant parties, the consultant introduced Gimpo-Pack Co., Ltd and Semba Iron Works Co., of Osaka to Mr. K. Kudo, director of Japan Consulting Institute (JCI) in order to seek possibility in sending a feasibility study mission to Philippines. They have agreed to organize a Feasibility Study mission and send them to philippines for this project in near future.

IV. FOLLOW-UP PROJECTS

33. Several projects were launched in previous programmes but required further action during the period in which the consultant was assigned.

* FOLLOW-UP PROJECTS FROM INDONESIA

The following two projects required follow-up for Indonesia:

- 1) Production of Rattan Furniture
- 2) Power Transmission Tower

34. 1) Production of Rattan Furniture

Mr. T. Yamada, a former technical employee of Yamakawa Co., Ltd. has left for Indonesia in early April, 1988 to provide training in Indonesia for two years using schemes provided by JODC. Now he is working in ANITA VIRA ANDIKA, one of rattan furniture producers in Surabaya, East Jawa.

35. 2) Power Transmission Tower

Grant Aid Project Management Department of Japan International Cooperation Agency was contacted about a possibility of obtaining a grant aid for this project. Conditions for approval of the grant aid were explained.

Also the representative office of JICA in Jakarta was contacted to obtain their points of view.

Following the above discussions, it was learned from an expert in iron that iron produced in Indonesia is suitable enough for power transmission towers.

* FOLLOW-UP PROJECT FROM SRI LANKA

36. The project, Cutting and Polishing of Diamonds, required follow-up activities. Hirako Co. was contacted to obtain their current position concerning this project. Hirako is considering a location among three countries, namely, Thailand, India, and Sri Lanka, and plans to decide by March, 1988.

* FOLLOW-UP PROJECT FROM THAILAND

37. For the project, Printing Ink, Dainichiseika Color and Chemical Manufacturing Co., Ltd. was contacted to obtain further information concerning their plan to send a F/S mission to Thailand. According to the representative of Dainichiseika, the cost estimate obtained from Ruam-E. Kapland Co., Ltd., the local company, seems to be too high and they are planning to re-negotiate the scale as well as the form of venture arrangement.

* FOLLOW-UP PROJECTS FROM SHENYANG, CHINA

38. Three projects from Shenyang required follow-up business as follows:

- 1) Gaoliang Board
- 2) Gear Pumps
- 3) Testing Machine for automobile Parts.

1) Gaoliang Board

39. The project, Gaoliang Board, was brought by a participant from Shenyang in the 1986 Autumn course, Koyo Sangyo Co., Ltd. participated in a feasibility study mission organized by the Japan Consulting Institute and visited Shenyang between 4 October and 16 October, 1987.

In October, the consultant participated in a meeting among a mission from the Shenyang Municipal Commission of Foreign Economic Relations & Trade and Koyo Sangyo Co., Ltd. which was held at the head office of Koyo Sangyo Co., Ltd.

40. It was learned that there have been structural changes in the Shenyang Foreign Economic Relations and Trade Bureau and that it was absorbed into the Shenyang Municipal Commission of Foreign Economic Relations & Trade. It is planned to invite a person deeply related to this project to Japan by the end of fiscal year, 1987.

2) Gear Pumps

41. This project was first brought by the participant from Shenyang in the 1986 autumn Course. Japan Clويد Industry Co., Ltd. received a letter from Shenyang asking them to visit Shenyang. Clويد Industry Co., Ltd will ask for confirmation on the Shenyang Chemical Machinery and Equipment Factory's intention to start cooperation on a joint venture, before deciding to visit Shenyang.

3) Testing Equipment for Automobile Parts

42. IPS Tokyo was informed by Mr. Tian Xiao Geng, one of the mission members from Shenyang that an agreement between National Shinraku Electric Factory in Shenyang and Kanomax Co., Japan has been established with this specific project recently. But further detailed information is not received by the office of IPS Tokyo so far, because Mr. Y. Jinno of Kanomax Co. is staying in Shenyang for a couple of months.

V. CONSULTING SERVICES FOR IPMS

GENERAL

43. Under the auspices of UNIDO, Investment Promotion Meetings (IPMs) are held in developing countries each year, inviting potential investors from developed countries to meet and discuss with relevant local partners of the projects.

44. In compliance with the request from the Indonesian Government, the regional forum was held from 23 to 27 November, 1987 in Jakarta. In preparation for the forum in Jakarta, UNIDO IPS Tokyo held a seminar in Tokyo for promoting Japanese entrepreneurs' participation on 6 October, 1987.

45. The consultant's services were rendered in giving advice and assistance for arrangements and organization of the Indonesian Seminar in Tokyo, and also for participation in the Regional Forum of Indonesia attended by both Mr. M. Saito, Director of UNIDO IPS Tokyo, and the consultant.

46. As a means of publicizing other meetings and forums to the Japanese business community, IPS Tokyo arranged seminars in order to disseminate information and to encourage Japanese potential investors to attend the meetings and forums. The seminars held by IPS Tokyo were as follows:

- Tokyo Seminar for the Regional Forum of Poland June 26, 1987
- Seminars for the Regional Forum of Nepal in Tokyo, Nagoya and Osaka November 14-18, 1987

Other Regional Investors' Forums were held as follows:

- Poland Investors' Forum October 12-15, 1987
(attended by Mr. M. Saito, Director of UNIDO, IPS Tokyo)
- Thailand Investors' Forum November 10-12, 1987
(attended by Mr. K. Hagiwara and Ms. C. Motoyama from UNIDO, IPS Tokyo)

INDONESIA SEMINAR IN TOKYO

47. Prior to the Regional Forum for promotion of industrial investment projects in Indonesia, the Indonesian Government sent an

investment promotion mission to Japan which was composed of two members led by Mr. Sanyoto Sastrowardoyo, Vice Chairman of the Investment Coordinating Board (BKPM). The mission stayed in Japan from 1 to 8 October, 1987.

48. The country presentation of Indonesia (Tokyo Seminar) was held on 6 October, 1987 under the auspices of IPS Tokyo. The seminar was jointly sponsored by the Japan Chamber of Commerce and Industry (JCCI). Approximately 130 representatives from various industries, governmental and financial institutions participated in the Seminar.

49. UNIDO, IPS Tokyo extended great effort in attracting Japanese business circles to participate in the Seminar. As a result, IPS Tokyo received positive responses from private firms with which IPS Tokyo had already established good business contacts during occasions such as the former IPMs and Investment Promotion Programmes.

50. Engineering Consulting Firms Association (ECFA) has given a special contribution to this Seminar in organizing a mission from the Japanese industrial sector in order to send them to attend the planned forum in Jakarta. Procedures on participation in the mission was briefed by Mr. H. Tanaka of ECFA in the Seminar.

INVESTORS FORUM FOR INDONESIA

51. The Forum in Jakarta organized by UNIDO and BKPM in cooperation with the Indonesian Chamber of Commerce and Industry (KADIN) was formally opened at the Hotel Indonesia on 23 November, 1987. The primary objective of this forum was the promotion of 78 proposed projects. Business negotiations were started in more than 60 separate booths, soon after the simple opening ceremony of the Forum.

52. From UNIDO, IPS Tokyo, Mr. M. Saito, Director of the Office, and the consultant joined the Indonesian Forum together with the eight Japanese participants. The ECFA's investors mission, composed of three companies (four persons) and led by Mr. Shimizu, participated in business meetings and had intensive negotiations with local partners.

53. The programme of the five-day forum is shown as follows:

PROGRAMME
INVESTORS' FORUM FOR INDONESIA
HOTEL INDONESIA, 23-27 NOVEMBER, 1987

NOVEMBER 22, 1987
(Sunday)

R e g i s t r a t i o n
(Bali room, ground floor)

NOVEMBER 23, 1987
(Monday)

Registration (continued)

Opening Ceremony
(Reog Room, 8th floor)

**Report by Mr. Achmad Az, Deputy Chairman of
Planning and Promotion BKPM as Chairman of the
Organizing Committee**

**Welcome address by Mr. Sukamdani S.
Girtosardjono, Chairman of the Indonesian Chamber
of Commerce and Industry**

**Address by Mr. Domingo L. Siazon Jr., Director
General of UNIDO**

**Keynote address by H. E. Mr. Hartarto, Minister
of Industry, Republic of Indonesia**

Project-related Individual Meetings
(Bali Room, ground floor)

NOVEMBER 24, 1987
(Tuesday)

Workshop on Industrial Financing
(Reog Room, 8th floor)
Chaired by Mr. Achmad Az
**Speaker: Representatives of BAPINDO, IFC,
ADB followed by open forum**

Project-related Individual Meetings
(Bali Room, ground floor)

- 12 -

Reception, followed by dinner with cultural program, hosted by H. E. Mr. Ginandjar Kartasasmita, Junior Minister for the Promotion Domestic Products concurrently Chairman of the Investment Coordinating board.
(Reog-Madura Room, 8th floor)

NOVEMBER 25, 1987
(Wednesday)

Project-related Individual Meetings
(Bali Room, ground floor)

NOVEMBER 26, 1987
(Thursday)

Project-related Individual Meetings
(Bali room, ground floor)

NOVEMBER 27, 1987
(Friday)

Closing, chaired by H. E. Mr. Ginandjar Kartasasmita
(Auditorium BKPM Jin. Gatot Subroto 4/1, Jakarta).

54. The results of the Forum during the five-day activities were announced by the organizing committee on the occasion of the closing session of the Forum shown as below:

FACT SHEET

No. of projects:	78 (project list)
	<u>20</u> New project proposals presented during the Forum
	98 Total
No. of participants:	1. Foreign companies/organizations 90
	2. Financial institutions 11
	3. Observers <u>18</u>
	TOTAL 119
	4. Local sponsors: 69 companies (140 participants)
Participating countries:	<u>25</u> - Australia, Austria, Belgium, Canada, Czechoslovakia, Finland, France, Federal Republic of Germany, Hungary, Ireland, Italy, Japan, Kuwait, Netherlands, New Zealand, Poland, Republic of Korea, Romania, Singapore, Switzerland, Taiwan, United Arab Emirates, United Kingdom, United States of America, Yugoslavia
Observers:	<u>14</u> - Austria, Canada, France, German Democratic Republic, Hungary, Hong Kong, Netherlands, Singapore, Spain, Switzerland, Union of Soviet Socialist Republic, United Kingdom, United States of America, Viet Nam
Components of the Forum:	1. Opening ceremony
	2. Workshop on Industrial Financing
	3. Project-related individual meetings
	- programmed: 720
	- non-programmed: 150
Preliminary results:	1. Letters of Understanding signed: 45
	2. Projects to be negotiated further: 214
	3. Projects that need further information: 229
	4. Requests for pre-investment studies 3-5
	5. Plant visits: 11

VI. MISSION TO INDONESIA AND MALAYSIA FOR INVESTMENT FORUMS AND SELECTION OF CANDIDATES FOR THE SPRING TERM OF 1988 BY WAY OF INTERVIEWS.

55. Mr. M. Saito, Director of IPS Tokyo, and the Consultant visited several offices in both countries including Japanese Embassies to explain the new programme of investment promotion of IPS

Tokyo so called, "Management Engineering for Investment," which is going to be commenced from March, 1988, in Tokyo.

56. The mission also interviewed five persons during their stay in both countries to select one from each country who would participate in the above-mentioned new programme. A would-be participant was recommended by the mission to the relevant government. The mission returned to Tokyo on 3 December, 1987.

VII. INVITATION OF THE GAOLIANG BOARD PROJECT FROM SHENYANG, CHINA TO JAPAN

57. This invitation of prospective local partner was arranged by IPS Tokyo in cooperation with ECFA to incorporate the programme within the framework of ECFA'S contribution in kind. Consequently Mr. Tian Xiao Geng from Shenyang Municipal Commission of Foreign Economic Relations and Trade was invited along with other three members of the mission to Japan from 22 to 29 March, 1988, in order to conduct further business discussions with the Koyo Industry Co., Ltd. in Tokyo.

58. The mission from Shenyang was composed of the following members:

- | | |
|-----------------------|---|
| 1. Mr. Tian Xiao Geng | Shenyang Municipal Commission of Foreign Economic Relations and Trade |
| 2. Mr. Bo En Guo | Shenyang New Building Materials Co. |
| 3. Mr. Du Chun Fa | " |
| 4. Mr. Bian Shou Jie | " |

59. Background and relevant information of this project are briefly indicated as follows:

BACKGROUND OF THE PROJECT

- 1) Mission to Shenyang from UNIDO Office, Tokyo for preliminary arrangements.
- 2) Delegate from Shenyang, China to UNIDO Office, Tokyo:
Mr. Tian Xiao Geng - Oct-Dec/86 and April-June/87.
- 3) Development of specific binder at Koyo Industry Co., Ltd.
- 4) Mission to Shenyang from UNIDO Office, Tokyo for follow up by

the Consultant in February, 1987.

- 5) Feasibility study Oct/87 in cooperation with Japan Consulting Institute (JCI)
- 6) Invitation of Mr. Tian, former delegate from Shenyang, in cooperation with ECFA.

Depending on progress throughout the preparatory phase - trial production - full operation, other types of management engineering facilities may be incorporated, e.g. vocational training, improvement of Gaoliang breeding.

PROJECT INFORMATION

- 1) PROJECT TITLE: Gaoliang Board
- 2) PROPOSED PRODUCTS AND CAPACITY: JAS Type II (182 cm x 91 cm x 4 mm):
 - 1.2 million sheets (1st year)
 - 3.6 million sheets (5th year)
- 3) LOCATION: Shenyang, China
- 4) PROJECT SPONSOR: Shenyang New Building Materials Co., Ltd. and Koyo Industry Co., Ltd.

- 5) PROJECT BACKGROUND INFORMATION: The project aims at producing Gaoliang Board which can replace plywood, particle board, etc. Raw material is the cane/stalk of Gaoliang in China which is not utilized except for a limited amount for fuel, crude pulp, etc. Gaoliang is widely cultivated in the North-East Province in China.

The manufacturing process:

- Drying
- Cutting
- Composing
- Spraying (specific binder)
- Forming
- Heat treatment and pressing
- Finishing

- 6) SOURCE OF RAW MATERIALS: - Locally purchased Gaoliang cane/stalk
- Imported binder

- 7) UTILITIES: Electricity, coal, steam, industrial water, etc. are locally available.
- 8) MANPOWER: 70-100 persons at initial stage (1-7 shifts) and 150 persons at second stage (3 shifts)
- 9) INVESTMENT COST: US \$7 million
- 10) TYPE OF COLLABORATION: Joint Venture
- 11) MARKET: Export to Japan

FUTURE PROGRAMME

60. During the Shenyang Mission's stay in Tokyo both sides agreed to proceed with the following schedule of the project implementation.

- 1) The fourth quarter of 1987 -- Held the business discussions (this time) and reached to the basic agreement between both parties.
- 2) The first quarter of 1988 -- Feasibility study to be carried out by both parties and plans of new equipment to be completed.
- 3) The first quarter of 1989 -- Manufacturing machinery to be completed and test operation to be carried out.
- 4) The second quarter of 1989 -- Joint Venture business agreement to be signed by both sides and procedures of equipment shipping to Shenyang to be started.
- 5) The third quarter of 1989 -- Installation of the machinery to be finished and trial production to be started in Shenyang.
- 6) The fourth quarter of 1989 -- Manufacturing operation to be commissioned.

VIII. CONCLUSION

61. The consultant's services rendered to UNIDO, IPS Tokyo were, in summary:

- 1) to promote specific investment projects brought by the investment promotion officers who were stationed at UNIDO, IPS Tokyo.

- 2) to follow up investment projects carried over from previous programmes.
 - 3) to assist prospective local partners' visit to Japan to meet potential investors.
 - 4) to provide consulting services for IPMs.
 - 5) to provide explanation of the new programme so called "Management Engineering for Investment" to the relevant Governments (Indonesia and Malaysia), and interviews with several candidates of would-be participant to the next programme.
62. As a result of the investment promotion activities rendered by the consultant during this programme, over ten investment projects are presently under positively progressing stage by relevant Japanese parties as listed below:

NO.	PROJECT TITLE	COUNTRY (PLACE)
1)	Leather Gloves	Indonesia
2)	Manufacture of Optical Products	Mauritius
3)	Manufacture of Table Glassware	Sri Lanka
4)	Forging Industry	Sri Lanka
5)	Packaging Machine	Philippines

Follow-up Business

6)	Rattan Furniture	Indonesia
7)	Power Transmission Steel Tower	Indonesia
8)	Printing Ink	Thailand
9)	Gaoliang Board	China (Shenyang)
10)	Rotary Gear Pump	China (Shenyang)
11)	Testing Machine for Automobile Parts	China (Shenyang)

63. The consultant believes that the above projects will be followed up and come to a fruitful conclusion in the near future. Regarding the projects which are not listed on the above table, it is expected that the connection between partners on both sides will be kept for further business discussions.

64. Furthermore, the consultant wishes that the invitation of Chinese partner(s) on the Gaoliang Board Project from Shenyang, China would successfully be materialized as in the business schedule agreed between both parties.

65. In conclusion, the consultant firmly believes that these projects identified by the consultant need further promotional activities. This type of consulting services which comprehensively covers activities on specific project promotion in Japan, follow-up mission to the fields, invitation of prospective partner to Japan and arrangement of feasibility study will be strongly and continuously needed for the coming years.