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ESTABLISHMENT OF INDUSTRIAL CONSULTANCY UNIT (ICU)

DP/SOM/86/034

SOMALI DEMOCRATIC REPUBLIC

Report of the evaluation mission*

United Nations Industrial Development Organization

Vienna

32

* This document has not been edited.

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LIST OF ABBREVIATIONS

APDF	The Africa Project Development Facility
CCIA	Chamber of Commerce, Industry and Agriculture
CCTV	Closed Circuit Television Equipment
CMF	Cigarette and Match Factory
CP	United Nations Development Programme
CTA	Chief Technical Advisor, International Expert
DOP	Department of Planning of the Ministry of Industry and Commerce
EIB	European Investment Bank
FAO	Food and Agriculture Organization
FMW	Foundry and Mechanical Workshops
GDP	Gross Domestic Product.
HASA	Hides and Skins Agency
IBRD	International Bank for Reconstruction and Development
ICU	Industrial Consultancy Unit
IDA	International Development Agency
IEE	Institute for Industrial Economics, Belgrade, Yugoslavia
ILO	International Labour Organization
M	The Evaluation Mission (all three members)

MNP	Ministry of National Planning
MOF	Ministry of Finance
MOIC	Ministry of Industry and Commerce (at one time MOI = Ministry of Industry)
PD1	First Project Document (June 1987)
PD2	Revised Project Document (July 1988)
PPER	Project Performance Evaluation Report
PPM	Policies and Procedures Manual of UNDP
PRO	The Project being Evaluated (DP/SOM/86/034)
RR	UNDP Resident Representative in Somalia
SDB	Somali Development Bank
SIDAM	Somali Institute of Development Administration and Management
SIS	Special Industrial Services (UNIDO Programme)
SNV	Somali National University
SOM	Somalia
SOMTAD	Somali Management Training and Development
TEC	Technical Committee to the project (PRO)
TPR	Tripartite Review Meeting Report
TOR	Draft terms of reference of the mission (M)
UNIDO	United Nations Industrial Development Organization, Vienna
UNDP	United Nations Development Programme, New York
USAID	United States Agency for International Development

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27 June 1990

To: The Director General,
Ministry of Industry and Commerce

The Resident Representative,
UNDP, Mogadishu

The Chief Technical Adviser,
Project SOM/86/034

ACKNOWLEDGEMENT

We, members of the evaluation team of project DP/SOM/86/034 "Establishment of Industrial Consultancy Unit, ICU", would like to express our deep appreciation for the full cooperation and excellent support by yourself and your staff, without which the timely completion of the mission's activities would not have been possible.

Yours sincerely,

Hans Fahlstrom
UNDP Representative
Chief of Mission

Saad K. Henein
UNIDO Representative

CHAPTER I

SUMMARY OF FINDINGS AND RECOMMENDATIONSA. FINDINGS

1. **Context:** Of 193 units employing more than 5 people, 41 are government owned, employ 85% of the labour force, and produce 89% of the total. Average capacity utilization dropped to 26% in 1986 due to deterioration of the economy, restrictive policies and control mechanisms. Government policies now favour private initiatives, and rehabilitation of industries is a top priority. (World Bank Report No. 6543-So.)

2. **Design:** The project was designed to improve performance and capacity utilization through establishment of a consultancy unit to improve management capabilities, but did not provide for industrial engineering techniques to be applied on the shop floor, nor adequate seminars for enterprises management. The issue of sustainability was not addressed. The project had at its disposal adequate resources to deliver more than the planned outputs.

3. **Implementation:** All activities were implemented in a timely manner, including surveys of 12 enterprises except those relating to the implementation of improvement and training of managerial personnel in the three selected enterprises. Many other initiatives were carried out such as feasibility studies, fee based services, and preparing to convert ICU into a shareholding company. No adequate information has yet been collected as background to establish a national association of consultants.

Inputs of the requisite quantity and quality were provided on time and adequately maintained, except for the site which is not suitable for ICU. Its grounds are littered with scrap, and the building is run down.

The quality of outputs was very good, and the original budget of \$ 1,128,400 was adjusted through several revisions to reach \$ 1,451,427. Project monitoring was done in accordance with UNDP procedures (9 interim reports, 2 PPER'S, 2 TPRs, 2 field visits by the UNIDO backstopping officer, visits by the CTA to UNIDO Headquarters, and regular exchanges of correspondence).

4. Results: The main output, i.e. a well structured ICU was delivered. A group of highly motivated but not yet fully trained consultants (11, planned 7) has been formed but also not yet fully ready to work independently. A large number of manuals were produced, 12 enterprises were surveyed; three selected enterprises were studied, but improvement measures were not implemented for reasons beyond the control of the project. The immediate objectives were therefore only partially achieved, and there was no tangible improvement in performance to contribute to the development objective. Resistance to change, and deterioration of the overall economic situation, have had negative effects on the results. Continued international assistance is necessary to sustain the results obtained in order to complete their training in industrial engineering techniques and practical application of improvement measures. The training thus far given to nationals cannot fully substitute for the experience of seasoned international experts.

b. RECOMMENDATIONS

Concerning Project.

1. The project should be extended until end 1991, to allow for further training and supporting nationals in (i) management consultancy, (ii) industrial engineering techniques, (iii) implementing systems and methods of performance improvement in as many enterprises as possible (at least 6).

2. The CTA post should be extended till end 1991, to cover management consultancy, and an industrial engineer (summary of duties for both posts attached) should be fielded for one year. Until the nationals become financially self supporting, it is suggested to allow for 70 m/m of local subcontracting, subject to review at a later stage.

3. Allowance should be made for the continuation of existing support personnel till end 1991.

4. Needs for non-expendable equipment includes 2 cars (1 replacement, 1 additional), 2 copiers to replace existing ones, and non-expendables, plus miscellaneous expenditure of about \$ 10,000.

5. A clause in the project revision should emphasize the need for the general management of enterprises to provide access to ICU consultants for advice and training of first line management and

problem solving in their factories. The results of efforts in this regard should be reported to the Resident Representative preferably not later than end of October 1990.

6. The present number of national consultants ought not be increased, but rather strengthened, and three of them with suitable engineering background should be trained to specialize in industrial engineering and maintenance. As a result, ICU will then have a group of nationals covering the disciplines of general management, finance, marketing, production management, and industrial engineering.

7. It is preferable to link the software part of the proposed maintenance centre with ICU, and have ICU to study and outline a plan for the use of already existing workshops (repair) facilities.

8. ICU should select and initiate fee based consultancy assistance to at least 6 enterprises of national importance before the end of 1990.

9. A programme for promoting ICU's services should be prepared, discussed, and finalized with TEC approval before end of 1990.

10. ICU's efforts to relocate into more suitable premises should be supported.

11. ICU should spearhead initiatives aimed at establishing a national association of consulting firms.

12. At a late stage in the mission's activities, an urgent need was identified to analyze the requirements for replacement machinery, survey of spare parts, assigning their manufacture as much as possible to existing local maintenance and repair workshops, training of three national consultants and maintenance personnel in at least six selected resource based enterprises, and assessing the need for supplementary facilities for the long term, if any. It is therefore recommended to include an international expert/plant engineer for one year to undertake these duties in cooperation with the CTA and the proposed industrial engineer. The need for an administration assistant to the CTA was substantiated; preferably to be assigned from UNIDO Headquarters for initially 12 m/m.

Lessons Learnt

1. Adequate and careful attention should be given to project design and revisions, giving due consideration to critical assumptions, and involving project management in finalizing revisions.

2. A fire brigade provision should be built into project design at the stage of formulation to identify the power element to effect changes; and activities should be included to overcome management's reluctance to change through management of change approaches.

3. The subcontracting model used in the project has been successful. It should be considered in the future in similar institution building projects.

Evaluation

A final evaluation is recommended to take place not later than October 1991.

**SUMMARY OF DUTIES RECOMMENDED FOR THE
TWO INTERNATIONAL EXPERTS**

Management Consultancy:

Some additional activities should be included in the duties of the CTA:

- hold regular meetings with ICU staff to discuss progress and problems
- conduct regular interviews with the national consultants
- visit regularly and hold discussions with plant managers concerning the progress of work in their factories
- participate in workshops conducted in industry
- draw up a plan for promotional activities for ICU services, present it to TEC for approval before end of 1990.

Industrial Engineering:

- prepare and finalize in agreement with all concerned, a detailed programme for surveys, conducting workshops, and introduction of industrial engineering techniques and maintenance on the shop floor.
- prepare manuals including case studies, for use in training workshops and as reference for management of enterprises
- conduct a series of workshops (at least 3) for two weeks duration, for 15-20 participants selected among the technical personnel in industrial enterprises.

Areas to be covered should include, value analysis, cost reduction, work study, plant layout, materials handling, etc. The detailed description of duties should be clearly understood to focus only on industrial engineering techniques in theory and practice, as distinct from production management and related systems and procedures for the control of production, inventory, quality etc.

Note: See also Plant Engineering and Maintenance (page 36).

C H A P T E R II.

PROJECT CONCEPT AND DESIGN

A. Context of the Project

Somalia is a sparsely populated large (637,657 sq.kms.) (see Map Annex VIII) country with a current population estimated at 8 million people; with a growth rate averaging 3.1% per annum. The GNP/capita is about \$ 280, one of the world's lowest. The increase in real GDP was 7.6% in 1985, followed by 6.0% in 1986.

In 1986, the agriculture sector contributed 58.1% to the GNP, of which 37.2% came from livestock and livestock products, which also represented 73% of export earnings. The manufacturing sector's share of the GDP amounted to a mere 4.9% in 1986, although it attained high growth rates of 6.9% and 11.9% in 1985 and 1986 respectively.

The manufacturing sector is largely based on the processing of agricultural products such as sugar, edible oil, wheat and pasta, milk, cigarettes, and textiles. It was enhanced in the 1980's by the coming on stream of some capital intensive projects, such as the Urea Plant and Somali Marine Products.

Of an estimated 193 units employing more than 5 workers, 68% (131 units) are located in Banadir, in the vicinity of Mogadishu, while the remainder is scattered in the rest of the country. Forty one public enterprises, 21% of the total (of which 13 units are in Banadir) employ 85% of the manufacturing labour force. The value of their output amounts to about 89% of the total.

Capacity utilization, on an average, fell from 39% in 1982 to 26% in 1986, and varies considerably from one factory to another, and from one year to the next. About 25% of a sample survey of 27 enterprises show negative value added. Most public enterprises have been perennially short of funds both for working capital and replacement of fixed assets. Lack of raw materials, and spare parts, and shortages of working capital and foreign exchange are important constraints to the rehabilitation of industry. Additional factors which severely constrain the satisfactory performance of industrial enterprises are, inter alia, the scarcity of managerial and technological skills, the lack of pressure of properly

institutionalized ownership interests, the restrictive policies and control mechanisms, shortage and unreliability of electric power supply and fuel, and the overall weakness of the infrastructure.

Current government policies and strategies are changing the emphasis from a state controlled economy to a market oriented one, through appropriate measures aimed at realizing the full potential of private initiatives. Policies are being pursued to provide incentives for foreign investors for a fuller utilization of Somalia's rich resources. Private foreign investment is largely absent in Somalia.

Special attention is being given to improving policies relating to licensing, price controls, wage regulations, foreign exchange regulations, and other administrative and bureaucratic practices.

The government's new policies and strategies have not yet had a measurable impact on the overall economy in general, nor the manufacturing sector in particular. There are still many constraints which are upheld by the prevailing legal and administrative procedures.

The Ministry of Industry and Commerce has a very important role to play in implementing the new liberal policies for the benefit of the manufacturing sector. It will spearhead the reform of the institutional structures, and the procedures for policy formulation and implementation.

Inter-ministerial co-ordination committees have been set up with the Ministry of National Planning as the focal point, and links have been established between MOIC, MOF and MNP. The DOP of MOIC is responsible for formulation of the annual operational plans for the manufacturing sector.

The Somali Development Bank (SDB) was established in 1963 as a publicly owned institution to provide loans to Somali enterprises, within the framework of the Country's development programmes and priorities. It is owned by the Government of Somalia. The Commercial and Savings Bank (CSB), and the State Insurance Co. of Somalia are currently in a critical financial situation. Loans in foreign currencies are from international institutions such as IBRD, ADB, EIB, and loans from the Government of Iraq, Federal Republic of Germany, UAE and Kuwait; SDB is the main source of loan capital for industrial enterprises.

The Somali Institute for Development Administration and management (SIDAM) was established in 1965 to serve the needs of development, administration, and management. It also provides consultancy services to various government and public sector bodies. Short term courses are offered in addition to five long term courses in accountancy, rural development and general management.

The Chamber of Commerce, Industry and Agriculture (CCIA) was established in the late 1950s as an association of business community members under the supervision of the MOIC. Between 1970 and 1985, it was a state owned agency with no private membership. Again late in 1985, it became an association of businessmen under the supervision of MOIC. The Chamber is not currently in a position to provide the necessary services to its members because of financial weaknesses as well as lack of personnel.

The Somali National University (SNU) was established in the early 1970s with two or three faculties which increased up to the present level of over 10 faculties including economics, engineering, chemistry, veterinary, etc. Currently it offers BS and BA degrees in various disciplines; but SIDAM, in co-operation with SOMTAD, is also providing MS and MBA degrees. There is no tangible cooperation between the SNU and the industrial enterprises in order to cope with the pressing needs for industrial consultancy.

Until now, the private sector has not responded to the new policy environment with increased activity, and its capability to take over existing public enterprises is limited. Management experience, technical know-how, and means of financing are in short supply among public sector enterprises as well as private entrepreneurs.

Rehabilitation of ailing industries is now the top-most priority of the Government. Technical assistance is needed to optimize the use of existing production capacities; as well as to improve the national institutional capabilities and infrastructural facilities. It should be directed towards training managerial and technical personnel to enable them to spearhead the needed revitalization of industry.

B. Project Document

1. The problem and the Technical Approach

The Project was designed to solve the problem of unsatisfactory performance and low utilization of industrial capacities. The project document analyzed some of the underlying causes (see PD1, page 2). It also outlined the Government's policy changes which were designed to deal with this situation. The solution adopted by the project was to provide technical assistance which was specifically designed to minimize the specific problems of skilled managerial and technical know-how at the level of the industrial enterprise.

The project's approach consists of a national consultancy unit to be established by a team of international management consultants subcontracted for that purpose. The newly adopted government policies, if implemented and supplemented with improved management capabilities and systems, could go a long way towards achieving the objective of improving manufacturing performance.

From that point of view, the adopted approach was appropriate.

2. Objectives, indicators, and major assumptions

Development objectives: The development objectives of the project in the original project document (PD1) was stated as "to increase the national industrial productive capacity in accordance with the goals of the national economic plan, thereby meeting the basic needs in consumer industrial products for the local market, and increasing opportunities for attaining self-reliance targets".

It is stated further that the Government accords high priority to rehabilitate and improve the economic performance of existing industrial capacity, and to encourage further industrial development as spelt out in the Five Year Development Plan 1987-91, which comprises the following approach:

- establishment of a consultancy unit to speed up and promote modern industrial management consultancy and management capabilities,
- rehabilitation and improvement of the industries considered viable,

- development and improvement of technical and management capabilities of the national personnel employed in the industrial sector.

There is some narrative under the heading of development objectives which may more appropriately fall under other sections of the document. For instance, the establishment of a consultancy unit actually constitutes the immediate objective of the project. The first paragraph relating to the high priority accorded by the Government to rehabilitation and improving performance could fall under background and justification. Furthermore, the statement that specific industrial enterprises selected for rehabilitation would constitute the achievement of the development objective is inaccurate, since this, in itself, represents only part of the project's contribution to its achievement, as these would be used as a model for improvements in other enterprises.

The revised project document (PD2), replaced the previous development objective by the above quoted approaches given in PD1. In the opinion of the mission, these may be considered as a mix of development and immediate objectives, and therefore, do not constitute any significant improvement on the original document.

Immediate Objective: Under this heading, the document should spell out what should be achieved by the end of the project. The original document stated the first objective as:

- " Establishment of a national consultancy unit capable of diagnosing and solving problems, determining necessary actions to be taken as well as specific plans of operations and advising on their implementation in the fields of management, production and maintenance, finance and marketing".

It has been observed that in the revised PD2, the word "maintenance" has been eliminated. In the mission's opinion, this is a very serious omission in view of the fact that plant maintenance in terms of organization, planning, training, and spare parts should be given the highest priority. This deficiency presents itself clearly in the reports, which do not cover adequately this very important aspect and its bearing on the performance of enterprises. If the maintenance function were to be undertaken by some other Institution the needed coordination should have been stated in the document.

PD2 statement of the second and third objectives constitute a

significant improvement by quantifying the number of enterprises to be improved, and the number of national consultants to be trained.

PD1 second objective i.e. "the separation of the viable from non-viable industries," was eliminated from PD2. The reasons for this are not clear to the mission, since any efforts to revitalize completely run down industries, would not only constitute a drain on the resources of the project, but would also be extremely costly and economically not feasible, in addition to the fact that such endeavors would be doomed to failure.

It should also be noted that the effective introduction of performance improvement measures in the industrial enterprises calls for specially designed seminars for all levels of management. This would guarantee their full participation and involvement in all stages of surveys, preparation, and implementation. There was no provision in the project document for any such training.

Outputs: The statement of outputs in PD2 is less specific than PD1 so that the project revision undertaken in July 1988 did not really contribute to improving the design of the project. For instance, output 2.1 in PD2, which corresponds to 1.3 in PD1, omitted the examples given initially as part of the management systems, i.e. cost systems, interim comparison systems, revised and implemented plan and budget, financial accounting systems, management and production planning and control systems. Similarly, output 3.1 "Trained team of at least seven nationals in specific functional areas" replaces the previous statement of training in "Finance, Marketing, Industrial Management, Industrial Production and Maintenance, running independently the consultancy centre".

The revised project document, under the title of justification, states that "the mainstream inputs will be in the disciplines of finance and marketing, management development, industrial engineering and maintenance". These last two areas have not been specifically mentioned under outputs and related activities; and as a consequence, were not given due consideration in project implementation.

This lack of specificity in the revised project's outputs renders the task of evaluating the project's achievement all the more difficult.

Activities: PD1 listed 39 activities for the project, and it has been observed that one particular activity No.1.2.3, scheduled for completion on 31/1/1988, was repeated again under 1.4.4 for

completion on 10/4/1988. It was difficult to find a clear relationship between immediate objectives, outputs and activities.

PD2 listed only 24 activities instead of 39 originally planned; but they were given in concise statements providing a much clearer causal relationship between objectives, outputs, and activities. In this respect, this represents some improvement in design

Seemingly, however, the reduced number of activities did not occur as a result of already implemented activities. Rather several activities in PD1 were not included in PD2 (Checked with the CTA.) These were, for instance, the activities 1,2,3, 1,3,1, 1,3,2, 1,3,3, 1,3,4, . 1.3.5, 1.3.9 and 1.3.10 in PD1 which covered action programmes for solution of problems identified in enterprises requiring support, participation in problem solving at enterprise level, holding of operational reviews at the plant site level, the participation in implementation and training of enterprise staff.

A new activity in PD2 (2.2.2.) suggested the preparation of short market surveys in three selected pilot plants.

Function: The primary function of the project, which is to establish an industrial consultancy unit, is clearly an institution building function. The secondary function involves direct assistance to industrial enterprises in preparing and implementing action plans, management systems, and providing marketing studies and recommendations for better marketing practices.

Means - end analysis: The project's contemplated outputs were to be the national consultancy unit with seven trained national consultants; management systems action plans, marketing studies and action plans for three enterprises; and operating systems manuals -

To produce these outputs, the project was given a budget of UNDP contribution amounting to US \$ 1,416,677 which provides for the services of long and short term international consultants totalling 130 m/m and national consultants amounting to 126 m/m, 96 m/m of supporting staff.

This considerable manpower, aided with appropriate transport and computers should enable them to undertake more surveys than just 12 enterprises, and much more than only three management and marketing studies. The rational approach using computers to simplify the production of documentary outputs should permit an efficient utilization of the consultants capabilities, and should permit the achievement of better results than those specified in

the document, both in quality and quantity.

The project document should have also called for a specific number of workshops or symposiums to be conducted by the international staff, assisted by the national consultants, to benefit a number of managers and technicians of the industrial enterprises as a means of preparing them for the eventual cooperation with ICU consultants in the various stages of surveying, studying, and implementing performance improvement schemes.

The document could have also called for training workshops and the application on the shop floor of industrial engineering and cost reduction techniques to improve layouts, materials handling, waste control, work simplification etc. The use of such methods could have produced tangible improvements in relatively very short time, when compared with management systems.

More importantly, the issue of sustainability of ICU activities once UNDP/UNIDO assistance comes to an end has not been given due consideration. Under "justification," it is mentioned that the Ministry staff attached to the project will be trained to form a management consultancy unit to provide consultancy and implementation assistance services with a view to enable continuation of such services after the completion of the project. However, there was no provision in the project document for revenue generating outputs such as training workshops, feasibility studies....etc for public and/or private sector enterprises, as has actually been pursued by the project, and which will be given in more detail later in the report.

Institutional framework Analysis: The Framework for Effective Participation of National and International Staff in the Project, calls upon the national and international staff to carry out jointly the project's activities, by mutual discussion at the beginning of the project, and set out their respective roles in an annex to the project document. This would be reviewed from time to time. Such an annex could not be found.

The section of PD2 on "Institutional Framework" specifies that the "Technical and Economic Committee (TEC) will form the institutional co-ordinating base for the project. The basic task of the Committee will be to make recommendations for priorities to be tackled by the project, as well as to review enterprise plans and performance, and to initiate action necessary for remedial action;

also, part V "Development Support Communication" calls for periodical meetings between ICU staff and general managers and other functional managers to exchange information regarding the functioning of the Unit. However, this did not go far enough to ensure that remedial measures, as agreed upon with management, would be implemented with the assistance of ICU consultants. The modalities of such cooperation at the crucial stage of implementation were not clearly indicated. In fact, this has proved to be the major stumbling block for ICU, preventing it from achieving any tangible results for its efforts.

3. Beneficiaries

It is clear from the project document that the beneficiaries of the project are the enterprises selected for introducing management systems. The project actually widened the scope of its end users by marketing its services to include other enterprises.

4. Work Plan

A master plan (Annex VIII) was prepared at the start of the project, and detailed work plans were made subsequently for 4 months periods, reviewed and updated regularly, as can be seen from the interim reports.

CHAPTER III

PROJECT IMPLEMENTATION

A. Activities: Project activities, as given in PD2 and the CTA's terminal report dated 10 June 1990 are given below:

List of Project Activities

<u>Activity</u>	<u>Scheduled</u>	<u>Actual</u>
1.1.1. Draw up consultancy unit organigram specifying the responsibilities of the unit, its status, modalities of delivery of its service and system for review and revision.	15.11.87	08/10/87
1.1.2. Discuss above proposals for the organization of the consultancy unit.	25.11.87	10/10/87
1.1.3. Formulate the final version of the consultancy organization service structure for implementation	30.11.87	24/10/87
1.1.4. Arrange for the approval of the proposals	30.11.87	02/11/87
1.1.5. Select nationals staff	as soon	Aug. 87
1.1.6. Establish consultancy unit	15.01.88	02/11/87
1.1.7. Draw up consultancy unit activities plan	Project period	08/10/87
1.1.8. Discuss and decide on the above plan	15.01.88	02/11/87
1.1.9. Implement the plan	Project period	Project period
1.1.10. Review and adjust the plans as	"	"
2.1.1. Survey industries and prepare	15.03.88	15/12/87

assessment reports of twelve (12) enterprises including action plans for problems identified.

2.1.2. Based on assessment reports discuss with Government and determine on choice of 3 enterprises to be assisted.	01.04.88	15/12/87
2.1.3. Survey industries and make comprehensive study of three enterprises including action programme for problems identified.	15.06.88	26/04/88
2.1.4. Prepare assessment reports	15.06.88	28/04/88
2.1.5. Discuss with Government	15.06.88	10.05.88
2.1.6. Prepare a list of requirements and action programmes for solution of problems requiring support in the selected enterprises.	25.07.88	25.07.88
2.1.7. Design and assist in implementation of specific management systems in three selected enterprises.	15.07.88	incomplete
2.1.8. Prepare and conduct on-the-job seminars workshops as well as other forms of training for managers for selected enterprises.	duration of the project	"
2.2.1. Participate in making studies and introducing better practices in marketing.	30.11.88	15.11.88
2.2.2. Prepare a short market survey in three selected enterprises.	30.11.88	15.11.88
3.1.1. Systematic training of formed and on-the-job of at least national consultants in their respective fields and in consultancy methodology.	duration of the project	Project period

3.2.1. Draft manuals for consultants	15.08.89	31.05.89
3.2.2. Prepare final versions of manuals	15.08.90	15.07.90
3.2.3. Review the efficiency of the manuals and incorporate in the manuals, the changes required	duration of the project	Project period

The overall conclusion is that the project has been able to implement the activities in accordance with established schedules, except two important activities:-

2.1.7. "Design and assist in implementation of specific management systems in three selected enterprises". This activity was scheduled for completion on 15/7/88. Although the design was completed, ICU is currently assisting only one of the three factories, namely CMV, while the other two factories are closed for various reasons. Existing equipment of FMW needs to be rehabilitated and additional equipment must be provided for a new production programme yet to be defined. A joint venture is being sought. The Tannery and Shoe Factory lacks the hides and skins necessary for its operations. There are problems with HASA, the hides and skins agency which owns the tannery.

2.1.8. "Prepare and conduct on-the-job seminars, workshops, and other forms of training for managers for selected enterprises". The reluctance of factory management to provide access to ICU consultants to assist in the implementation, did not enable them to implement this activity.

This has been the central issue in the mission's discussions with Government, UNDP, and project personnel. It is a serious impediment to the implementation of the new management systems and the improvement of the performance of the selected enterprises. This problem was brought up by the CTA to the attention of the Technical Committee and UNDP Resident Representative. In its discussions with high level authorities of MOIC, the mission was assured that measures will be taken soon to reach a solution.

All in all, the implementation of the activities did not require the planned inputs of more than 10 man/years of foreign consultancy. So the CTA initiated on his own many additional activities. He mentions them in his regularly submitted interim reports. Some recent examples are:

- i) feasibility study for the establishment of lime production in Mogadishu (March 1989)
- ii) feasibility study for the rehabilitation of salt production in Jesira (March 1989)
- iii) investment needs of the Somali economy (May 1989)

The Project also undertook several income generating assignments, two of them were concluded with private sector enterprises (8th interim report p.8, March 31, 1990). Support was also given to a number of other industry related projects within the UNDP fourth country programme, executed by UNIDO or other UN agencies (draft terminal report, p.12, June 10, 1990).

Other examples of additional activities relate to activities 3.2.1. and 3.2.2. (the preparation of manuals for consultants). No numbers are mentioned. The CTA decided to initiate two kinds of manuals: i) such as to be used during the training of the national consultants and ii) such as to be used by managers in the industry, this being a promotional-service activity rendered by the ICU. The mission has sampled some manuals on different subjects in the two groups and found them to be realistic. Furthermore, the CTA shows in his most recent interim report (No 8 of March 31, 1990) that the manuals have been translated into the Somali language.

In PD1 it is mentioned (p.6) that the ICU national consultants should be able to continue on their own after the completion of the project (July-August 90). The preparation for this event has not been included in the list of project activities. On his own, the CTA has therefore initiated several activities that will make this step possible. Gradually, the national experts are becoming paid for services rendered (7 are now self supported financially but still partly paid by UNDP funds. Also the CTA has outlined the terms of a decree that in the future will transform the ICU to become an independent consultancy firm.

B. Inputs: The Government has provided the premises and support services to ICU, estimated at So.Shs. 4,590,000 (about US \$ 45,900 at the prevailing rate of exchange). Further support was also given as Government Counterpart contribution in cash (GCCC), from 1988 to 1990 totalling So.Shs. 13,700,000 (about US \$ 25,000) to cover incentives and allowances to participating personnel, equipment and office supplies, vehicle maintenance and other operating and support costs. These inputs have been instrumental in enabling ICU to maintain a good cash flow situation. The Government of

Yugoslavia and IEE have also provided US \$ 62,000 for the training of ICU consultants in Yugoslavia.

The original project document PD1, signed on 29/7/89 provided the following UNDP inputs:

a) Personnel

Internationally recruited experts (subcontract to IEE)

Expert in Industrial Finance Management	36 m/m
Expert in Industrial Engineering/ Production Management	36 m/m
Expert in Industrial Management	24 m/m
Short term experts and consultants	34 m/m

Supporting Staff (Locally recruited)

Senior Secretary	36 m/m
Senior Driver	36 m/m
Driver	24 m/m

Mission Costs US \$ 19500

National Experts/Consultants

1. Project coordinator (Finance Management)	18 m/m
2. Industrial Management	18 m/m
3. Industrial Engineering (Production)	18 m/m
4. Quality Control	18 m/m
5. Industrial Maintenance	18 m/m
6. Industrial Marketing	18 m/m
7. Management Information Systems	18 m/m

b) Fellowships	US \$ 22300
c) Study Tours	" 20000
d) Equipment (4 vehicles, 5 air conditions,	" 50000
e) Miscellaneous	" 14000
Total UNDP Budget	US \$ 1,128,000

Subsequently the following revisions were finalized:

<u>Rev.</u>	<u>Type</u>	<u>Date</u>	<u>New budget</u> \$	<u>Increase</u> \$	<u>Remarks</u>
B	Mandatory	29/10/87	1,148,400	20,000	Additional equipment
C	"	21/05/88	1,177,400	29,000	Budget Line 15 established, equipment and miscellaneous components increased
D	Major(PD2)	26/07/88	1,416,677	239,277	
E	Mandatory	14/11/88	1,423,677	7,000	
F	"	14/4/89	1,423,677	-	Saving in BL17 converted to allow 5 months extension of national experts.

There are two important remarks concerning UNDP inputs as they have evolved from the original concept to implementation:

1. The attention given to industrial engineering as described in the mission's recommendations is inadequate. PD2 specified the CTA as expert in industrial engineering, but that particular aspect did not figure prominently in the description of his duties, and may have been interpreted as to include duties which belong more appropriately to production management.

2. PD2 increased the budget by \$ 239,277, but did not clearly justify this considerable additional input. It has been explained to the mission that this provided for a six month extension of six national consultants, and four others for 18 months of (a total of 108 m/m); The increase in the subcontract component amounted to \$ 157,000, and the equipment component was increased by \$ 57,325 to cover a vehicle, computers, a generator, and a slide projector.

UNDP inputs in terms of subcontracted services, administrative support personnel, the support to the national project coordinator and the national consultants, fellowships and study tours, and equipment, have all been delivered in the planned quantity and quality and in a timely manner. Equipment provided under UNDP budget is generally in good condition, with two exceptions (one air conditioner was not received and one personal computer was stolen, estimated total value \$ 6300).

C. Quality of monitoring and backstopping: Progress of project activities was monitored in an orderly and timely manner in accordance with UNDP policies and procedures. Relevant reports produced by the project include the following:

- Technical report on project startup November 1987
- Eight Interim Reports Dec. 87 to March 90
- Two Project Performance Evaluation April 88 to April 90
 Reports
- Report on the training of national March 1988
 consultants
- Report on the study mission of the June, 1988
 Delegation of MOIC of Somalia to
 Pakistan, Egypt and Yugoslavia
- Two reports on the Tripartite Review Jul.88-Nov.89
 Meetings
- Terminal Report June 1990

The recommendations of the tripartite review meetings were reflected in actions taken regarding the project, and in budget revisions.

The Technical Committee (TEC) formed the institutional

coordinating base for the project. The task of the Committee is to make recommendations for priorities to be tackled by the project, as well as to review enterprise plans and performance, and to initiate actions necessary for remedial measures, advising the minister on these matters.

The Committee is composed of the following:

The Vice Minister, Ministry of Industry and Commerce

The Director General, Ministry of Industry and Commerce

The Director of Public Enterprises Department, MOIC

The CTA, ICU

The National Project Coordinator, ICU

The International Project Coordinator, ICU

There were eleven meetings of the TEC since 1987. In the meeting held on 16 December 1989 the important issue of implementation of performance improvement in three selected enterprises was discussed, and a decision was taken to convene a meeting of general managers of these enterprises. Such decision was again restated in the meeting of 25 March 1990. However, that meeting did not take place due to unforeseen circumstances.

The UNIDO backstopping officer visited the project twice. He attended the tripartite review meetings. He also maintained close liaison with project personnel, through visits of the CTA to UNIDO Headquarters in Vienna, and regular exchange of correspondence.

CHAPTER IV

PROJECT RESULTS

A. Outputs:

The most important output, which is the Industrial Consultancy Unit, has been produced with eleven highly qualified and motivated national consultants. As a group, they work in harmony and constitute a valuable asset for the industrial development of Somalia. The Unit is expected to become a shareholding company with ICU consultants and the Government of Somalia as preferential share holders.

The second and third outputs, which call for objectives, action plans, management systems, and marketing practices to be designed and introduced in three selected enterprises, have been facing problems at the stage of implementation. The Cigarette and Match Factory resumed its operation recently after receiving the tobacco ordered from Zimbabwe. ICU consultants are busy assisting the company in cost accounting, budget revisions, management information systems, etc. The Foundry and Mechanical Workshops is virtually at a standstill, due to a myriad of problems. The Tannery and Shoe Factory is also closed, having discontinued its operations since mid 1989. The various causes for this failure are fully detailed in the CTA's interim and terminal reports, all of which are beyond the control of the project. The management of these enterprises are so preoccupied with serious problems, or for other reasons, are not willing to accept the proposals nor to provide access to ICU consultants to their factories in order to assist them in implementing the proposed systems.

The last two outputs, i.e. the trained team of at least seven nationals and the manuals for operating to them have been more than achieved, since eleven consultants have actually been trained in the specific functional areas within ICU, and a large number of manuals detailed in annex 4 of the CTAs terminal report dated June 10, 1990.

As a consequence, although a well structured Industrial Consultancy Unit has been successfully established and manned with qualified nationals, there has been no measurable improvement of performance, for the time being, in any enterprise as a result of ICU's commendable efforts.

B. Immediate objectives

The objectives of establishing ICU and the training of consultants have been achieved as indicated under outputs. The objective of improving the performance of three selected enterprises could not be achieved due to unforeseen circumstances as outlined above and explained in full detail in the project's reports.

C. Development Objective

The statements of the development objective as given in PD-1 and PD-2 were discussed in chapter II, section B-2. It may be concluded that:

1. "The rehabilitation and improvement of the industries considered viable": To date, there is no impact from the project in this regard, as explained above.

2. "The development and improvement of technical and management capabilities of the national personnel employed in the industrial sector". The project has made a contribution through seminars: "evaluation of performance of public and private enterprises", and a seminar for foremen of public enterprises. The ICU eleven trained consultants could constitute a multiplier effect through their interaction with industrial establishments.

D. Unforeseen effects

It became known at a late stage during the project's life that there was some reluctance, in general, on the part of the management of the enterprises to provide access to ICU consultants in order to assist in the implementation of performance improvement measures. It shows that improved management systems have been accepted by them, and were afterwards incorporated into manuals, and the relevant parts translated into Somali language. A review of the project's records shows clearly that a series of meetings and discussions with representative management of three enterprises have been organized; that their opinions were sought.

In addition to the understandable inertia of traditional attitudes which tend to offer resistance to change, the overall economic situation in the country deteriorated. The lack of foreign exchange needed for imported raw materials, the lack of working capital, the low morale among workers, the low market demand, and

other factors forced many enterprises to reduce their production or completely shut down. Efforts are still under way to rectify this situation.

These unfortunate developments were not foreseen at the outset, and are beyond the control of project personnel. The project, having to face such problems, diverted some of its attention to other income generating activities, as set out in other parts of this report.

E. Sustainability

Although a capable group of national consultants has been formed, sustainability without international assistance is open to question. Firstly, an important part of the training of national consultants is in their participation in implementing the proposed measures for improvement. This is still pending.

Secondly, none of them have been introduced into the techniques of industrial engineering which could institute changes on the shop floor, such as cost reduction, value analysis, work study etc. These should be used as an integral and important part of the approaches to improvement of performance.

Thirdly, although commendable initiatives have been taken to undertake revenue generating activities which were very successful, ICU is still not yet able to become financially fully self supportive.

Fourthly, the training given to the national consultants cannot substitute fully for the many years of experience which provide credibility to seasoned international experts. It has been demonstrated again and again, that consultancy organizations in developing countries take many years to develop and mature, so that their association with foreign consulting firms in one form or another will enable them to draw upon a wealth of experience, without which their work would not be fully appreciated.

In the final analysis, continued international assistance is unavoidable if it is required to consolidate the gains achieved in establishing ICU, especially during these turbulent and difficult times, in the expectation of an improved overall environment in future years.

F. Follow-up

The project has produced a large number of reports, surveys, and manuals, which constitute a very valuable data base for government agencies and other national and international organizations concerned with the industrial development of the country. It has also produced recommendations relating to various aspects of industrial development policies and strategies in addition to enterprise level performance improvements.

The prevailing cooperation among international and national staff on the project should be substantiated with fuller support from Government authorities in order to ensure that agreed upon measures would be implemented and instituted. Without tangible results in the performance of industrial enterprises, ICU's existence could hardly be justified.

CHAPTER V.**FINDINGS****A. Did the project attain overall objectives strengthening the industrial development sector?**

(The mission's answer is no, or alternatively, only to a limited extent)

This assessment is substantiated in the detailed analysis of the project's concept and design, implementation, and results, as given in chapters, II, III, and IV. The main findings are summarized as follows:

1. The project had at its disposal adequate resources to deliver more than the planned output.

2. Many other initiatives were carried out, such as feasibility studies, fee based services, and preparing to convert ICU into a shareholding company.

3. All activities were implemented in a timely manner, including surveys of 12 enterprises except those relating to the implementation of improvement and training of managerial personnel in the three selected enterprises.

4. The quality of outputs was very good. The original budget of \$ 1,128,400 was adjusted through several revisions to reach \$ 1,451,427. Project monitoring and evaluation was done in accordance with UNDP procedures (9 interim reports, 2 PPER's, 2 TPRS, 11 meeting of TEC, 2 field visits by the backstopping officer, visits by the CTA to UNIDO Headquarters, and regular exchanges of correspondence).

5. The project dealt with existing factories under the aegis of MOIC. At the outset, there were 23 of them (see annex vii). It is the mission's understanding that out of these, three factories were to be selected (see activities No.2.1.1. p.15 above) as being viable and susceptible to improvement of performance with consultancy inputs to be provided by ICU. It was assumed that this, in turn, would start a snow-ball effect by arousing the interest of management in other factories to seek assistance and advice from ICU. The three selected factories might then be called "pilot or

demonstration units".

The three selected factories, all of them in Mogadishu were:

- Cigarettes and Matches Factory (CMF) (No 5 on the list)
- Foundry and Mechanical Workshop (FMW), (No.6 on the list)
- Tannery and Shoe Production (Km.7) (No.13 on the list)

Gradually, the mission understood that two of these units were not viable from the outset (No.6 and 13), while the third one (No.5) could be considered viable. It seemed that the criterion for determining the non viability was that the nature and extent of the needed rehabilitation would require substantial capital investments (hardware), in addition to comprehensive training programmes for managerial, technical, and administrative personnel (software) of the enterprises. Some UNIDO technical assistance inputs were provided in the past to units No.6 and 13, but did not result in any improvements. When the evaluation mission arrived in Mogadishu on 12 June 1990, these two units were closed down, while the Cigarettes and Matches factory had resumed production after a period of stagnation, as a result of receiving a batch of raw materials. ICU had just started to assist its personnel in the introduction of systems and procedures aiming at improving the performance. It is therefore too early at this stage to expect any results, particularly that the measures to be introduced are of a long term nature.

6. Other factories listed in Annex VII located in Mogadishu, had also been closed. To mention a few, the Aluminium Utensils Factory, No.8, and Sopral Meat Factory, No.12, were closed. The Urea Plant No 10 never became operational.

7. The CTA had called attention to the problems which ICU was facing in its efforts to introduce performance improvements in the two pilot plants mentioned above. This was clearly spelt out in his seventh interim report (November 29, 1989), and further stressed in a letter addressed to the Resident Representative of UNDP in March 1990. However, no specific recommendations were made as to select substitute pilot plants, presumably because efforts were still continuing to solve the problem. The Technical Committee was fully aware of the situation, but its call for convening a meeting of general managers was not heeded. In the opinion of the mission, resources and valuable time have been wasted which could otherwise been saved by diverting the attention to viable enterprises.

Why is it that no immediate action was taken to select two other pilot units for introduction of performance improvement measures, to avoid losing momentum in the training of nationals, and jeopardising the credibility of ICU as an effective and useful consultancy organization.

8. After discussions with the CTA on the viability of the enterprises in Mogadishu area, it has been possible to identify nine viable national resource based enterprises as listed below:

1. Pasta and Flour Factory
2. Maize Mill
3. Milk Factory
4. Coca-Cola
5. Alba (Bottling Company)
6. Benadir (Bottling Company)
7. I.T.O.P. (Fruit processing)
8. SOMALTEX (Ginning, spinning and weaving of Cotton)
9. Brick Factory - Afgoi

These are mainly agro based units, seven of which are food processing operations, and one textiles factory using cotton as its basic raw material.

9. The mission interviewed in detail seven of the eleven national consultants individually; in separate, strictly confidential sessions. The summary of the findings is as follows:

(i) The methodology used in the training process was very much appreciated. The use of case studies, and the participation in plant surveys (altogether 12), had opened their minds as to the kind of problems and solutions which could possibly be applied in the Somalia industrial environment, as well as the thinking of the general management of the enterprises.

(ii) The implementation of the joint study tour abroad for the

seven trainees was very beneficial as they got to know each other more closely, exchanging their views and experiences, and drawing lessons which may apply to their own situation. This approach also bolstered their capability to work together as a coherent group in the future.

(iii) The national consultants expressed their appreciation of the highly professional and competent manner with which the international experts conducted their training programmes.

(iv) The consultants expressed their keen interest and intention to form a self-supporting independent "Industrial Consultancy Unit", at an appropriate moment in the future.

(v) They confirmed that they were not fully trained. Nevertheless, they were ready to begin implementation of performance improvements in factories under the guidance of the CTA and the other international experts. Further support from them would still be needed in the initial three disciplines (management, finance, and marketing), particularly at the implementation stage.

10. The interviews brought up two specific issues:

In the first instance, a desire was expressed to implement some individual fellowships. The Mission takes the view that this is premature, particularly that until today, the national consultants have not been given the opportunity to put the knowledge and experience which they acquired into actual practice, except for the Cigarettes and Match Factory, just now begun. At a later stage, it might be useful, and ought to be considered and decided upon, to undertake fellowships in specific areas, as may be recommended in future Tripartite Review Meetings.

The second issue concerned the need for training in the field of industrial engineering, including maintenance. Three of the consultants are engineers and would like to be trained in this field. In PD-2 p.5, it is said that the project mainstream inputs will be in the disciplines of finance, marketing and management development and industrial engineering including maintenance. This fourth discipline has not been included in the training programme. As a result, the ICU programme is not yet complete.

11. It was found out during the mission's activities, that the general managers hesitated, were reluctant, or just refused to let the consultants contact, advise and train their first line of

management. This was now a definite stumbling block. It is more so since in many instances these general managers had previously allowed ICU to undertake surveys. Several reasons were given for this unexpected situation, and the most frequent one was that the general managers were not professionals, but rather politically appointed.

12. As a result no advice and training of the first line managers could take place. As a direct consequence, the ICU consultancy group, with its knowledge and motivated spirit, has hardly been used until now, to contribute to the Government's efforts to increase efficiency in public sector enterprises. This is evidently clear from the list of activities, where activities No. 2.17 and 2.1.8 have yet to be implemented.

13. As a result of these findings, the mission would like to ask why no timely efforts were initiated to change this general management attitude? This situation seems to have been known to TEC, which includes the CTA; and why did this last until the evaluation mission was fielded, when this persistent problem was the central issue in all discussions. Valuable time has been lost in the effort to utilize ICU as an efficient tool in the Government's efforts to improve the efficiency in public sector enterprises.

14. In the meantime, the CTA, as indicated in his eighth interim report (31st March 1989), had undertaken other income generating activities, such as feasibility studies and assessment of the needed equipment. However, these additional activities, along with others enumerated in the CTA's report, do not result in any tangible or directly measurable results towards the overall objective of improving the performance of existing industrial enterprises.

15. Referring to the above, the evaluation mission (M) concludes that the overall objective of improving the performance of existing public enterprises has not been met, in spite of the successful establishment of ICU group of national consultants.

16. The condition and utilization of the equipment provided by UNDP/UNIDO was inspected on the spot, and found to be acceptable.

The national consultants and the foreign experts utilize all

the time the seven PC's that have been provided. The mobility of the lap-tops is a definite advantage. One of the three cars is more or less worn out. This is also the situation with one of the two copying machines. It was encouraging to hear how efficiently the CCTV equipment had been used during the training process of the national consultants.

17. The office premises are housed in a section of the run down Foundry and Mechanical Workshops. The CTA has done his best to improve temporarily the working conditions by installing new doors, and curtains at some windows. The entrance to the ICU is littered with dumped scrapped automobiles. For potential clients who visit ICU, this does not give a good impression, in particular since ICU is advising on improvement in industry.

B. Can the project become self-sustainable?

(The evaluation mission's answer is YES)

In PD-2 it is stated (p.3) that "the consultancy unit national staff will be paid from the UNDP inputs in the first eighteen months and this will gradually be reduced as the consultancy unit becomes financially self-sufficient". The DP does not mention how this should be done, nor is it mentioned in the list of immediate objectives, outputs and activities. So, on his own initiative, the CTA added himself this important activity on to his duties.

From the outset, the prospective national consultants were informed, as well as guided, as to keep in mind the future situation of becoming an independent private company. (Due training aspect included i.a. the use of the CCTV equipment as to the study and analyse on behaviour and techniques of the individual member in his effort as to how to sell the services of the ICU company to potential buyers).

CCTV equipment was utilized in training them to adopt the most effective approaches in their efforts to sell ICU services to potential customers. This novel method enabled the study and analysis of techniques used by each individual customer.

The degree of financial self-sufficiency of the individual consultant has depended on the amounts paid for consultancy assignments, and the area of discipline covered. At present, seven out of the eleven consultants are financially supporting themselves. The other four are somewhat concerned since they do not know how they will end up. Only at a future point when all

eleven consultants become self-supporting, can the prospective "Industrial Consultancy Unit Ltd" shareholding company become a reality.

The concept of a private company, fully independent from the MOIC, has its advantages, especially since industry will no longer suspect leakages of information. The CTA has drafted a memorandum - an outline on how to establish and organize this private consultancy unit, (see Annex p.42-50, in the CTA draft terminal report of June 10, 1990.)

The (M) draws the conclusion that the transformation process is well under way.

C. Can the subcontracting approach be recommended in the achievement of institution building.

(The evaluation mission's answer is YES)

The Institute for Industrial Economic (IEE) in Belgrade had previous experience in advising on the establishment of consultancy institutions in Yugoslavia. There, the IEE could draw upon existing professional resources at short notice to backstop new projects. These professionals already knew each other, they worked in the same firm/unit in an established internal environment. Project DP/SOM/86/034, now being evaluated, is IEE's first attempt to go abroad, to export the methodology developed in their country.

In UN assisted projects, the recruitment of the experts is mainly based on the use of roster files showing the CVs of experts living in various countries. It has been a complicated process to select the most suitable ones and have them join the project in accordance with the plan of work. In almost all instances, delays have occurred. The momentum of implementation has suffered and difficulties developed when experts from different cultures and factory environments met for the first time in a foreign country as members of the advising teams.

The approach used in the project, namely the subcontracting of all the expert component to one consultancy firm, IEE in Belgrade, has eliminated these problems.

D. Should the ICU participate in the efforts of establishing a national consultancy association?

(The findings of the mission support this activity)

The time available for the evaluation team to study this tentative project was limited. Information was collected during the previously mentioned interviews with the national consultants, and in several instances with the CTA. At the reporting to the Technical Committee of its findings and recommendations on 24 June 1988, the Director General of MOIC wanted this activity to remain in the list of the mission's recommendations.

Approximately 50 consultants exist in Mogadishu. The majority of them are in the fields of civil and mechanical engineering, primarily in the areas of construction. Importers of equipment and raw materials from abroad often call them selves consultants. Many of the consultants are one-man businesses, sometimes on an ad-hoc basis.

E. How successful has the project been in developing or implementing new management systems in the three selected enterprises given the prevailing socio-economic conditions?

(The answer is that the ICU has not been successful till now)

1. It has been mentioned that two out of the three pilot factories are no more operational. In the third, (the Cigarette and Match Factory) ICU assistance began only recently.

2. An additional nine factories were surveyed and assessment reports have been prepared by the foreign experts in cooperation with the national trainees in 1987. (See activities 2.1.1. and 2.1.2 on p.15).

3. The CTA, during interviews with the evaluation mission, stated the following: (a) when the findings and recommendations had been completed the foreign experts assisted by the trainees met with each general manager individually to present and discuss the findings and recommendations. Members of the first management level did not attend, (b) A short period of time (1-2 weeks) was then agreed upon in order to give the general managers the time to study the recommendations (c) Upon returning, the ICU members presented a schedule for a series of steps for implementation. Once again the general managers were alone. (d) The CTA, in each case, again visited the factories in the efforts to obtain the agreement to

initiate ICU consultancy work at the first line of management. This was not obtained. Various kinds of excuses where given.

CHAPTER VI

Recommendations:International consultants

1. There is the need for further support of the eleven ICU consultants. They are not yet fully ready to work on their own. In particular in view of anticipated problem when advising the factories on practical steps for implementation. Accordingly the contract of the CTA on board should be extended to the end of 1991 (16 1/2 months).

2. A new post on industrial engineering (duties outlined in Annex to chapter I) is required to train specifically 3 ICU consultants and advise on direct problem solving in the factories (12 man months).

3. A second new post will cover plant engineering and maintenance.

4. An administrative assistant to the CTA and other foreign experts preferably on loan from UNIDO Headquarters. Duration minimum 12 m/m. This is essential to relieve the CTA and other international and national consultants from wasting their time and efforts in such matters. This will improve their efficiency, and enable them to concentrate fully on their main tasks. (See below). Recommended duration is 12 man months.

Local consultants.

5. Four of the 11 local consultants are not yet generating ICU income to make themselves financially independent. Additional 70 m/m are recommended for subcontracting by ICU. This figure might be revised at a future Tripartite Review Meeting.

Local Administrative staff

6. The present number should remain.

Non-expendable equipment

7. Needs for non-expendable equipment includes 2 cars (1 replacement, 1 additional), 2 copiers to replace existing ones, and

non-expendables, plus miscellaneous expenditure of about \$ 10,000.

Other recommendations

8. A clause in the project revision should emphasize the need for the general managers in the public sector factories to change the present attitude towards consultants. This, in turn, would permit ICU consultants to advise and train first line management in problem solving. The results achieved in this change process should be reported to the Resident Representative not later than the end of October 1990.

9. The present number of national consultants ought not be increased, but rather strengthened, and three of them with suitable engineering background should be trained to specialize in industrial engineering and maintenance. As a result, ICU will then have a group of nationals covering the disciplines of general management, finance, marketing, production management, and industrial engineering, including maintenance.

10. ICU should select, with the confirmation by the TEC, and initiate fee based consultancy assistance to at least six viable enterprises of national importance in the Mogadishu area before end of 1990. It is understood that these will have their raw material supply guaranteed.

11. ICU's efforts to relocated into more suitable premises should be supported.

12. ICU should spearhead initiatives aimed at establishing a national association of management consulting firms.

Plant Engineering and Maintenance

At a late stage of the mission's activities in Somalia, the problem of physical rehabilitation of enterprises was discussed in depth with Government officials and the UNDP Resident Representative, who expressed his deep concern regarding the condition of production facilities and the availability of spare parts. Extensive discussions on the subject also took place in the mission's debriefing meeting on 24 June. Later, detailed discussions were held with the CTA and UNDP Programme Officer.

The mission considers the preparation and/or the implementation of an overall plan for the rehabilitation of industrial enterprises to be very broad. It should be taken up as

the highest priority in the next Country Programme Cycle.

A quick review of the ongoing UNIDO project (DP/SOM/88/008) shows that its objective is to introduce facilities for improved maintenance management, including the training of national personnel in eighteen industrial enterprises. The project's approach is basically to conduct surveys of maintenance organizations and to train the professional maintenance staff in these enterprises. The project is scheduled for completion in February 1991, and does not specifically address the problem of physical rehabilitation.

While the mission has included the maintenance aspect in the proposed duties of the recommended industrial engineer, it is recommended that the "Plant engineering and Maintenance" function be covered by an international expert for a one year period.

He would then coordinate his activities relating to the selected minimum six resource based viable enterprises in his field of competence with the other two international experts. He would focus his attention on the hardware component, undertake an analysis of the needs for replacement of worn out machinery, advise on the local manufacture of spare parts through optimum utilization of workshop facilities already existing in the country, assigning work to individual units as appropriate.

In case where importation is unavoidable, he should advise the competent authorities for speedy action to provide the necessary funds and foreign exchange. He would also ensure that appropriate action is taken to provide the raw materials required for the local manufacturing of spare parts.

A thorough evaluation of the capability of existing repair and spare production capabilities to cope with the needs at the national level should be carried out, and specific recommendations made indicating the supplementary facilities which may be needed for the long term, if any.

One of his main activities would be to train three selected national consultants (one currently with ICU, and two working on DP/SOM/88/008); as well as professional plant maintenance personnel, through workshops conducted locally and on-the-job.

CHAPTER VII

LESSONS LEARNT

1. The importance of adequate project design cannot be over-emphasized. Careful attention should be given to the clarity and precision of the statements of objectives, outputs, activities and inputs; and the logical causal relationship between them. At the early stages of project design, indicators should be built in to simplify monitoring of implementation, and evaluation of work progress.

2. Assumptions made during project formulation that management of enterprises would react favourably and positively to changes in critical situations should be evaluated, and activities should be included in the project document to overcome this reluctance through "management of change" approaches.

3. Project revisions should be prepared by competent professionals and, similarly to project documents, must be fully justified, elaborated with the participation of project management, and reviewed carefully by the UNDP and the Executing Agency.

4. Important deviations which occurred at a critical point in the project's implementation, such as when a meeting of general managers of enterprises could not be convened, an urgent meeting of TEC should have taken place to rectify this situation. Lack of prompt action in this regard demonstrates the need for identified power element to effect changes in emergency situations. The "Fire Brigade" should be identified.

5. The approach used by the project in subcontracting project execution to one international institute has been beneficial and successful. The orchestrated cooperation among members of a coherent team and the backing of their organization at home has demonstrated its usefulness in the timely implementation of project's activities, and the quality of the outputs. This approach is recommended for consideration in similar institution building projects.

A N N E X E S

- I. Background to the Mission
- II. Terms of Reference
- III. Composition of the Mission
- IV. List of persons met and institutions contacted
- V. Work Programme of the Evaluation Mission
- VI. List of documents consulted
- VII. List of industrial enterprises, under the aegis of MOIC
- VIII. Project's main activities and work programme (3 years) by the CTA
- IX. Somalia Regions and Districts (map)

Background to the Mission

UNIDO's assistance to the Ministry of Industry and Commerce (MOIC), at one time the Ministry of Industry, began in 1972 (DP/SOM/72/006/ to be followed by DP/SOM/72/007. Both projects were aimed to strengthen the MOIC. Some 9 years then passed before technical assistance began in 1981 by advising the Ministry on how to improve the performance of industrial enterprises (DP/SOM/81/013). An SIS Project later (1985) dealt with the rehabilitation and improvement of industrial productivity (SI/SOM/85/801).

In 1986, the MOIC began to consider the establishment within it of a Consultancy Unit to advise existing state owned (20 of them) enterprises on how to improve this efficiency and productivity (DP/SOM/86/016). This preparatory assistance resulted in the large scale project (US \$ 1,128,400) DP/SOM/86/034 for three years duration for the establishment of a consultancy unit. It was financed by UNDP with UNIDO as the executing agency. This project became operational in August 15, 1987.

The project was revised in July 1988 in order to ensure that the immediate objectives are cast in an unambiguous language, that they describe the achievements which may realistically be obtained with the resources of the project, and to achieve sound implementation. It was agreed to refine the development objectives, immediate objectives, outputs, and activities. The budget was increased to US \$ 1,416,677, and the project is now scheduled to end in august 1990.

The Tripartite Review Meeting held on 14 November 1989 recommended a more thorough evaluation of the project which would provide and additional insight into the achievements and serve as the "green light" for future activities related to the project.

UNDP and UNIDO then agreed to field a joint evaluation mission which, after spending two weeks in the field, would submit its findings and recommendations to UNDP, UNIDO and the Government, for action.

TERMS OF REFERENCE

Terms of Reference for the Joint Evaluation Mission of Project SOM/86/034. Establishment of Industrial Consultancy Unit

A. Background

Industrial development in Somalia has been slow due to extreme under utilization of capacity and low levels of production. Capacity utilization in some key industries has been below 10 percent in recent years and therefore the manufacturing sector in Somalia is quite small. This situation is mainly the result of a shortage of skilled managerial and technical know-how, as well as a lack of infrastructure.

Among some of the problems which cause the unsatisfactory performance of the industrial sector, the most notable are:

- Shortage of skilled managerial and technical know-how;
- Shortage of foreign exchange for raw materials, equipment and spare parts;
- Outmoded pricing structure;
- Lack of productivity-based wage policy.

The Government policy changes include liberalization of the foreign exchange market, greater financial and management autonomy for public enterprises, as well as intensification of in-plant and on-the-job training programmes for the personnel of individual enterprises. In this context, the Government also intends to mobilize possible financial, material, and human resources through the introduction of a rehabilitation and productivity improvement programme which would include extension services to the industrial sector, both public and private, and assistance in organization, training and advice. The Government needs to obtain further technical assistance, particularly in view of the shortage of nationals with the necessary qualifications and experience.

Based on the lessons learned from previous assistance under SOM/72/007, the Government, UNIDO and UNDP agreed in their Terminal Tripartite Review in October 1986, that the establishment of a national industrial consultancy unit in which Somali nationals will progressively undertake problem-solving assignments in the enterprise will lead to self-reliance. The purpose of project

SOM/86/034 is to train Somali nationals in the practice of the methodology of consultancy and practical problem-solving techniques. This would be achieved through on-the-job as well as formal training programmes. The consultancy unit national staff will be paid from UNDP inputs in the first eighteen months and will gradually be reduced as the consultancy unit becomes financially self-sufficient.

The broader objective of SOM/86/034 is to increase national industrial productive capacity in accordance with the goals of the national economic development plan. Specific industrial enterprises will be selected on the basis of their viability as well as increase in their production and profit. Promotion of industrial development through the support of the Government and the establishment of a national consultancy unit are the end results of this development objective.

The above objective is to be realized through the establishment of a national industrial consultancy unit which will not only determine the necessary actions to be taken but also diagnose and solve problems in the fields of management, production and maintenance. This unit will utilize trained nationals who will independently carry out the functions and responsibilities of the unit.

B. Purpose of the mission

1. To assess the effectiveness, impact and relevance of the project with respect to the development of the industrial sector as stated in the project document's development and immediate objectives.
2. Recommendations to improve the future effectiveness and impact of UNDP/UNIDO's technical assistance to the industrial sector, particularly with regard to the justification of a 12 months project extension beyond August 1990 as requested by project management.

C. Issues to be covered

1. the project will seek to address the following specific questions;
2. How the project can become self-sustainable given the strong

interest and links the consultancy unit will have to the Ministry of Industry;

3. Whether a subcontract approach is to be recommended in the achievement of institution building;
4. The feasibility of establishing a national consultancy association;
5. How successful the project has been in developing or implementing new management systems in selected industrial enterprises given the prevailing socio-economic conditions.

D. Project concept, design, implementation and output

1. The evaluation mission will consider whether:
 - a) The problem the project envisages to solve is clear and the approach used sound;
 - b) The beneficiaries and the users of the project results have been identified;
 - c) The objectives and outputs have been stated explicitly, precisely, and in terms that are verifiable;
 - d) The objectives are achievable; the relationship between the objectives, outputs, activities and inputs clear, logical and commensurate to the time and resources available;
 - e) A work plan was included in the project document and whether it was followed and updated.

2. Implementation

The mission indicate the appropriateness, quality and timeliness of:

- a. Inputs;
- b. Activities;
- c. Responsiveness of project management to changes in the environment of the project;

- d. Monitoring and backstopping by all parties to the project (Government, UNIDO, UNDP) staff.

3. Results

The evaluation mission's report will contain:

- a. The results of the project: whether the project is producing or has produced its outputs effectively and efficiently; their quality and how they are being utilized; and whether the project has achieved, or is likely to achieve, its objectives and when;
- b. The project's effects on target group(s) or institutions, the project intended to benefit, any unintended effects should be enumerated,
- c. The significance of the results achieved for the achieved for the country or region.

E. Methodology

1. Composition of the mission

The mission will be composed of two international and independent consultants with adequate training and broad experience in industrial issues, and who will represent UNDP and the executing agency UNIDO. The Government will also select an independent consultant who will accompany the mission at all times and be an integral part of the same.

2. Duration

The mission will assemble in Mogadishu for a total duration of two weeks undertaking visits to all project sites as appropriate.

3. Consultations in the field

the mission's summaries and recommendations will be finalized prior to their departure from Mogadishu and discussed with the Government officials concerned project management and the UNDP Resident Representative. The mission will maintain close liaison with the UNDP Resident Representative in Somalia, the concerned agencies of the government, any members of the international team of experts, the counterpart staff assigned to the project and although the mission should feel free to discuss with the authorities concerned anything relevant to

its assignment, it is not authorized to make any commitments on behalf of the UNDP or UNIDO.

4. Briefing

Both international and other members of the team will be briefed at UNIDO Headquarters. The need for debriefing at UNIDO and UNDP Headquarters will be determined upon review of the mission report which should be presented by the mission within two weeks of completion of the same.

5. Commencement date:

Second half of April 1990

6. Background material

the executing agency will forward to both international participants upon their selection and prior to their departure to Somalia copies of the project documents, PPER's TPR and all technical reports prepared by the project staff during its implementation. The mission members will be provided by UNDP office with copies of PPM guidelines on evaluation procedures and its reporting.

Composition of the Mission

The mission was composed of the following

Mr. Hans Fahlstrom, Chief of Mission, Industrial
Consultant, representing UNDP New York

Mr. Abdurahman M. Yusuf, Director of Trade, Ministry of Industry
and Commerce, Mogadishu, representing the Somali
Government

Mr. Saad K. Henein, Industrial Consultant, representing UNIDO

The terms of reference for the mission specify that "the executing agency will forward to both international participants prior to their departure to Somalia copies of the project documents, PPER's, TPR and all the technical reports prepared by the project staff during its implementation". Due to certain circumstances, this could not be done, and there was no proper briefing of either participant on the various aspects of the project. The two participants started reading the documents which were available to them during the night flight from Rome via Cairo to Mogadishu. This situation has had a negative impact on the work of the mission during the first few days.

The UNDP and UNIDO representatives arrived in Mogadishu on Tuesday 12 June 1990, and were joined by the Government Representative on Thursday 14 June 1990.

The mission held meetings with a large number of Government officials involved in project activities as well as with UNDP Resident Representative and ICU international and national consultants and undertook visits to some manufacturing units which received assistance from UNDP/UNIDO. A detailed list of persons met and institutions contacted is attached as annex IV. Project main activities and work progress (3 years), prepared by the CTA, is attached as annex VIII. The UNDP Representative, Chief of Mission, and the UNIDO Representative left on Friday 29 June 1990, early in the morning.

The members of the mission were in full agreement with regard to its conclusion and recommendations.

List of Persons Met and Institutions ContactedMinistry of Industry and Commerce (MOIC)

H.E. Inj. Mohamed Noor Alio, Vice Minister

Mr. Omar Hersi Omar, Director General

Mr. Ahmed Mohamed Aden, Director of Planning

Mr. Abdurahman M. Yusuf, Director of Trade Development

Ministry of Foreign Affairs

Mr. Musa Y. Hussein, Director General a.i, Economic
Cooperation Department

Mr. Omar Sheikh, UNDP Desk Officer

United Nations Development Programme (UNDP)

Mr. Osman Hashim, Resident Representative

Mr. Sander S. Haarmans, Deputy Resident Representative

Mr. Niels Maagaard, Programme Officer

Industrial Consultancy Unit (ICU)

International Consultants:

Dr. Pavle Popovic, Chief Technical Advisor

Mr. M. Gudic, Project Co-ordinator

Mr. B. Cernovsek, Senior Consultant

Mr. M. Cvetancvic, Senior Consultant

Mr. Milan Radic, Expert on maintenance

National Consultants:

Mr. Mohamed Abdi Elmi, National Project Co-ordinator/

Financial Management

Mr. Yusuf Ainab Muse, Production Management
Mr. Bana Mohamed Siyad, General Management
Mr. Mohamed Adan Ahmed, Production Planning and Control
Mr. Hassan Yusuf Noor, Management Information System
Mr. Abdi Isse Farah, Maintenance Management
Mr. Ahmed Hassan Afi, Financial Analyst
Mr. Mohamud H. Abdulla Farah, Marketing
Mr. Muse Ahmed Muse, Industrial Economist
Mr. Ali Mohamed Omar, Computer Analyst
Ms. Muhubo Jama Hersi, " "

Administrative Staff:

Mrs. Amina Absirh Sh. Ali, Administrative Assistant
Mr. Ahmed Mohamed Samater, Senior Secretary

Somconsult: Independent Consulting Organization

Mr. Ali A. Osman

Foundry and Mechanical Workshops:

Mr. Mohamed Ali Dahir, General manager
Eng. Abdullahi Ali Geedi, Manager, Engineering Dept.
Eng. Jama Hassan Ali, Planning Officer
Mr. Mohamed Abdel Nasser, Department head

Milk Factory:

Mr. Ibrahim Ali Shegow, General Manager

Cigarettes and Matches Factory:

Hon. Abdullahi Jama Mohamed, General Manager
Eng. Yusuf Hassan Mohamed, Production Manager
Mr. Ahmed Hussein Malin, Finance Manager
Mr. Qassim Ahmed Ali, Planning Manager

Flour and Pasta Factory:

Mr. Said Hassan Ali, Deputy General Manager
Mr. Omar Edleh Sulaiman, Chief Accountant
Mr. Abdi Abdullahi Aden, Finance Director

Somali Institute of Development Administration and Management (SIDAM):

Mr. Warsame M.Ali Siyed, Direct of Academic Affairs

African Projects Development Finance (APDF)

Mr. Ignacio D. Maramba, Regional Manager
Mr. I. James, Investment Officer

Work Programme of the Evaluation Mission

Tuesday, June 12	8.00	Arrival at Mogadishu	
	12.00	Meeting with UNDP Representative	Resident
	14.00	Meeting with Mr. Niels Maagaard, Programme Officer, UNDP	
Wednesday, June 13	11.00	Meeting at MOIC with Mr Omar Hersi Omar, Director General, Mr. Ibrahim Ali Shegow, General Manager, Milk Factory. Ahmed Mohamed Aden, Director of Planning. and Abdurahman M. Yusuf, Director of Trade.	
		Review Documentation	
Thursday, June 14	8.00	UNDP	
	9.00	ICU	
	10.30	Presentation of Project progress by the CTA	
	12.00	Interviews with National Consultants	
Friday, June 15		Drafting	
Saturday, June 16	8.00	Visit to Foundry and Mechanical Workshop	
	9.00	General Meeting with ICU International and National Consultants	
	11.00	Interviews at ICU	
Sunday, June 17		Drafting	
	10.00	Visit to Cigarette and Match Factory	
Monday, June 18		Drafting	
		Interviews with Consultants	
	12.00	Meeting with the Resident Representative, UNDP	
	16.30	Meetings with consultants	

Drafting

Tuesday, June 19	9.00	Visit to Flour Mill and Pasta Factory
	11.00	Visit to SIDAM Meetings with consultants Drafting
	18.00	Meeting with Representatives of APDF
Wednesday, June 20	9.00	Meeting with Director General, MOIC Drafting Summary presentation
	13.00	Meeting with H.E. Vice Minister, MOIC Drafting
Thursday, June 21		Finalizing and distribution of short presentation of findings and recommendations Meeting with the Resident Representative, UNDP Drafting
Friday, June 22		Drafting
Saturday, June 23		Drafting
Sunday, June 24	9.00	Meeting with the Deputy Resident Representative, UNDP
	9.30	Meeting with the Resident Representative, UNDP
	10.30	Final meeting with the Technical Committee, Representative of the ministry of Foreign Affairs, UNDP, and Project's Staff at the Ministry of Industry and Commerce Drafting

Monday, June 25	9.00	Meeting with Programme Officer, UNDP
	10.00	Meeting with CTA Drafting
Tuesday, June 26	8.00	Meeting with Programme Officer, UNDP
	10.00	Final assembly of draft report
Wednesday, June 27	11.00	Meeting with H.E. Vice Premier of Somalia together with the UNDP Resident Representative and the Director General of the Ministry of Industry and Commerce.
	21.00	Departure to airport.
Thursday, June 28		Proof reading and editing the draft report.
Friday, June 29	04.30	Departure from Mogadishu.

List of Documents consulted

- . Project file DP/SOM/88/008: Industrial Maintenance Management
- . Project file DP/SOM/81/013: Assistance to the Ministry of Industry in improving the performance of industrial enterprises.
- . Project document SOM/86/034/A/01/37 (29/7/87), Establishment of Industrial Consultancy Unit, and revisions B, (29/11/87) C.D.E.and F.
- . Sub-Contract Agreement 87/82 between UNIDO and the Institute for Industrial Economics, Belgrade, Yugoslavia, for the establishment of a National Consultancy Unit.
- . Seventh interim report on activities of DP/SOM/86/034 from 1/8 to 30/11/89, by the International experts.
- . Eighth interim report on activities of DP/SOM/86/034 from 1/12/89 to 31/3/90.
- . UNDP/UNIDO Project Performance Evaluation Report, Project DP/SOM/86/034, 11 May 1989.
- . Report on the Tripartite Review of DP/SOM/86/034 - Industrial Consultancy Unit held on 14 November 1989.
- . Draft Terms of Reference: Terms of Reference for the Joint Evaluation Mission of Project SOM/86/034 - Establishment of Industrial Consultancy Unit.
- . Summary guidelines for terms of reference of an in-depth evaluation mission, UNDP Basic Documents Manual Chapter III, document No.111-17, 18 and 19.
- . Statistics from Europe Year Book 1989
- . World Bank reports on industry in Somalia (eg. No. 5584 of August 1985).

- . UNIDO Country study report on Somalia, Vienna 1988
- . Sub-contract Agreement 89/014/VC/INT/87/239 between UNIDO and the Institute for Industrial Economic, Belgrade, Yugoslavia, for two economic studies on extension of an existing salt works in Jezira, and establishment of a plant for the manufacturing of lime.
- . Report on in-depth survey of the Tannery and Shoe Factory, Km7, Mogadishu, I.I.E unit in Mogadishu, 13 November 1987.
- . Investment needs of the Somali Economy, by Dr. Zoran Popov, Senior Consultant, I.I.E.
- . Somalia Private Sector assessment and strategy; A report to the Government of Somalia and USAID/Somalia, Dimpex Associates. IVC, April 1988.
- . World Bank, Somalia, Industrial Policies and Public enterprises Reform No.6639-SO, April 1987.
- . Report on In-Depth Survey of the Cigarette and match Factory I.E.E. unit in Mogadishu, April 28,1988.
- . Feasibility study for the Establishment of Salt Production in Jesira, by Djordje M. Lajsic, Advisory Consultant, ICU National Consultants, March 1989.
- . Feasibility study for the establishment of Lime production in Mogadishu, by Djrdje M. Hajsie, Advisory Consultant, ICU National Consultants, March 1989
- . Assessment Report, on Preliminary Survey of Twelve Industrial Enterprises, Project DP/SOM/86/034 prepared by Dr. P.Popovic, Project Manager, B, Cernovsek, Senior Consultant, and M. Cvetanovic, Senior Consultant, I.I.E., ICU Mogadishu, 31/12/1987.
- . Report on the Symposium on Industry in Somalia. Its past, present and future, I.E.E., ICU Mogadishu, 13/11/1987.
- . Minutes from the Technical Committee Meeting of DP/SOM/86/034, held on December 16,1989
- . UNDP/FAO Draft Project document (SOM/90/022), Development of hides, skins, and animal by-products. UNDP/UNIDO.

- . Draft Project document for a proposed industrial rehabilitation project, November 1988.
- . Draft Terminal Report prepared by Dr. Pavle Popovic, CTA, DP/SOM/86/034, June 10, 1990.

**List of Public Industrial Enterprises
Under Aegis of
The Ministry of Industry and Commerce**

<u>No.</u>	<u>Enterprise</u>	<u>Location</u>
1.	Juba Sugar Project (JSP)	Marerey
2.	Jowhar Sugar Factory (SNAI)	Jowhar
3.	SNAI-BIASA (A Subsidiary of SNAI)	"
4.	Somali Textile Factory (SOMALTEX)	Balad
5.	Cigarette and Match Factory	Mogadishu
6.	Foundry and Mechanical Workshop (FMW)	"
7.	Edible Oil Mill	"
8.	Aluminum Utensils	"
9.	Mogadishu Dairy Plant (Milk Factory)	"
10.	Urea Plant	"
11.	Oil Refinery (Iraq-Soma)	"
12.	Sopral Meat Factory	"
13.	Tannery and Shoe Factory (Km.7)	"
14.	Kismayo Tannery	"
15.	Hargeysa Pickling Plant	Hargeysa
16.	Burao Pickling Plant	Burao
17.	Berbera Cement Agency (BCA)	Berbera
18.	Gypsum Plant	"
19.	Asbestos Sheet Plant	"

20. Auto Maintenance Factory (WDI)	Mogadishu
21. HASA (Hide and Skin Agency)	"
22. SOMPET (Petroleum Agency)	"
23. ENC (National Agency of Trade)	"