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DEMAND FOR AFRICA PROJECT DEVELOPMENT FACILITY SERVICES IS STRONG

The results for the Africa Project Development Facility's (APDF) second year of operations indicate that its services are continuing to meet a deep-seated need. African entrepreneurs submitted a further 500 project proposals to the Facility for assistance during the period.

"The heavy demand by African entrepreneurs for APDF services shows that they continue to be willing to shoulder an increasing share of the economic activities in their countries," declared Mr. Pierre-Claver Damiba, Chairman of the APDF Advisory Board, at a press conference in Paris on the occasion of the release of APDF's second annual report. Mr. Damiba is Assistant Administrator and Regional Director for Africa of the United Nations Development Programme (UNDP).

The Facility was established in 1986 as a UNDP project for a four-year period and is operated by IFC, which acts as the executing agency. It has received wide support from both African and donor countries. Two other sponsoring agencies, the African Development Bank and the International Finance Corporation, together with 14 countries have contributed total funding of \$17 million.

From offices located in Nairobi and Abidjan, the APDF staff advises private entrepreneurs in sub-Saharan Africa in the preparation of viable projects. It also assists promising African entrepreneurs in organizing, diversifying, and expanding their business. The APDF does not provide funds, but it helps entrepreneurs obtain financing for

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projects with prospective investment costs equivalent to between \$0.5 million and \$5 million. The APDF regional staff works with these entrepreneurs during the whole cycle of project preparation until funding is secured and maintains regular contacts with entrepreneurs who have received APDF assistance. During its second year, the Facility assisted in arranging financing for 28 projects which will involve investments equivalent to \$45 million and which will create 2,000 jobs in Africa.

As APDF becomes better known in Africa, its services are in greater demand in an increasing number of countries in the region. In Fiscal Year 1988, the Facility worked on 105 project proposals located in 24 different countries. National and international banks are beginning to refer clients with project proposals to APDF for assistance. Currently, APDF has under consideration some 217 projects located in 25 countries that show good potential and which the Facility's staff intends to assist in the future.

The demand for assistance continued to be the heaviest from the agro-industry and fishing sectors during the period, while the number of requests from the manufacturing sector increased significantly. "It is encouraging to see that the flow of project ideas continues to be very strong," says Mr. Damiba. Some of the more interesting projects that received APDF assistance during 1988 include a flower export company in Nigeria which will produce roses for the European market. APDF advised the sponsor in selecting the market, identified a technical partner, the French firm Meilland, and, with financing obtained from Nigerian banks, helped develop a new business.

In Côte d'Ivoire, APDF advised a fish processing company in structuring a viable long-term development plan and in expanding and

modernizing its facilities to meet the increasing demand for its products in the European markets. In Tanzania, a manufacturer of biscuits and pasta obtained APDF assistance to plan a flour mill which will improve the company's supply of flour and its overall efficiency.

During 1988, APDF opened an office in Zurich where Mrs. Mou Charles, a Kenyan national, serves as the contact point between the field offices and potential European technical, marketing, and financial partners in APDF projects. The office is funded by the Government of Switzerland as part of its contribution to APDF.

"Based on the experience gained by APDF since its creation, it is clear that there is a real need for its services," remarked Mr. Makarand Dehejia, IFC Vice President for Engineering who is responsible for APDF. The report concludes that since the demand for services has been greater than expected and financial support encouraging, the donor countries will be asked to consider an extension and expansion of the APDF mandate.