

Independent evaluation
JAPAN

Investment and Technology
Promotion Office

UNIDO service in Japan for the
promotion of industrial investment
in developing countries
US/GLO/04/119



UNIDO EVALUATION GROUP

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Acronyms and abbreviations

AIST	National Institute of Advanced Industrial Science and Technology
AOTS	Association for Overseas Technical Scholarship
APPS	Automotive Parts Product Solution
CDM	Clean Development Mechanism
COMFAR	Computer Model for Feasibility Analysis and Reporting
CPP	UNIDO Company Project Profile
CSR	Corporate Social Responsibility
DIPP	Database for Investment Project Profiles
ECB	Energy and Cleaner Production Branch
EDS	Ecology Diversity Synergy
FDI	Foreign Direct Investment
GOJ	Government of Japan
ICU	ITPO Coordination Unit
IIPP	Industrial Investment Project profile
IPS	Investment Promotion Service
ITP	Investment and Technology Promotion
JBIC	Japan Bank for International Cooperation
JCCI	Japan Chamber of Commerce and Industry
JCCME	Japan Cooperation Centre for the Middle East
JCIPO	Japan-China Investment Promotion Organization
JETRO	Japan External Trade Organization
JICA	Japan International Cooperation Agency
JOGMEC	Japan Oil, Gas and Metals National Corporation
JOI	Japan Institute for Overseas Investment
JST	Japan Science and Technology Agency
KOTRA	Korean Trade-Investment Promotion Agency
LDC	Least Developed Country
METI	Ministry of Economy, Trade and Industry
MOFA	Ministry of Foreign Affairs
NCPC	National Cleaner Production Centre

NEDO	New Energy and Industrial Technology Development Organization
NEF	New Energy Foundation
ODA	Official Development Aid
OVTA	Overseas Vocational Training Association
PROPSPIN	Project Profile Screening and Pre-appraisal Information System
PTC	Programme Development and Technical Cooperation Division
SMRJ	Small & Medium Enterprises and Regional Innovation Japan
SPX	Subcontracting Exchange
TC	Technical Cooperation
WRPC	Water Re-use Promotion Centre

Glossary of terms

<i>Term</i>	<i>Definition</i>
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change due directly or indirectly to an intervention.
Effectiveness	The extent to which the development objectives of an intervention were or are expected to be achieved.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Logframe (logical framework approach)	Management tool used to guide the planning, implementation and evaluation of an intervention. System based on MBO (management by objectives) also called RBM (results based management) principles.
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed

Executive summary

Meeting demand and expectations of clients

Over the three years under evaluation the ITPO Tokyo engaged in a vast array of information dissemination and matchmaking activities targeted at SMEs and larger companies in Japan. The ITPO organized, co-organized or supported 61 country seminars attended by approximately 5900 participants and five business missions of Japanese entrepreneurs and hosted 23 delegates from 20 countries.

The ITPO Tokyo has never significantly engaged in downstream advisory services. This orientation complies with the expectations of delegates and Japanese companies, as transpired from the surveys among both groups. The survey among Japanese companies revealed, among others, that (1) the companies are primarily interested in information and matchmaking; (2) satisfaction with ITPO services is relatively high and seems to be attributed to the quality of staff; (3) being linked to the UN is a significant factor of reputation of ITPO; (4) the other agency most frequently used by ITPO clients is JETRO.

The survey of delegates also confirmed that most of the delegates accept and endorse the upstream orientation of their work at ITPO focused on establishing contacts with Japanese companies and organizations and disseminating country information. Project follow up after their return remains primarily under the responsibility of delegates. A different orientation occurs exceptionally (support to transfer of technology with involvement of venture capital). Satisfaction of delegates with ITPO services is also high.

Importance of the delegates programme

During the three years period under evaluation a total of 247 projects were selected for promotion. All projects were identified by delegates, no projects were received from the ITPO network, UNIDO HQ or IPAs. Delegates promote their projects in Japan and by doing so they improve their knowledge of Japanese industry and business environment. The delegates who participated in the survey claimed to have upgraded their skills particularly in presenting investment opportunities to potential foreign partners, approaching and finding suitable project partners, preparing visits of investors to home countries, selecting projects worth to be promoted and preparing missions abroad for entrepreneurs from home countries.

Out of the 23 delegates 9 were from Africa and 8 from Asia.

Delegates spent between 10 and 28 working days at the ITPO. This period is considerably shorter than at other ITPOs, in particular ITPO Paris. As revealed by the survey, the

delegates themselves do not expect a much longer duration. Some recommended, however, that the duration could be extended from 3,5 weeks to 4,2 weeks.

Technology promotion

In addition to standard investment promotion activities the ITPO supported the dissemination and transfer of Japanese technologies with an environmental and social dimension (banana paper and banana fibres, EDS wood drying, mini hydro-power). The initiative to promote such a technology usually originates at the supply side and the ITPO carried out awareness raising activities (workshops) and supported other organizations in negotiating and establishing demonstration plants. In the case of mature technologies (mini hydro-power plants) the ITPO assisted the manufacturer in establishing contacts in the target country. The only successes during the period under evaluation are two demonstration plants for banana paper (in Jamaica and Uganda) but this success is limited because no replication of the technology has been recorded. EDS houses built in Indonesia were financed by the inventor himself and not replicated either so that the outcome is limited to the demonstrations only. The ITPO does not dispose of funds for demonstration plants and can hardly do more. However, a more systematic approach should be applied to make this activity more effective.

Relevance for UNIDO and the Government

The project document stipulates that "... the work programme of the Office should also take into account priorities agreed with the donor Government and main directions of its policy on international cooperation" and thus acknowledges the need to respect policy objectives of both UNIDO and the donor.

The project complies with the ITPO mandate as stipulated in Decision 18 of the UNIDO General Conference (2003). However, questions may arise about the relevance of those activities that do not directly support the development objective, such as the public relations activities and promotion of COMFAR in Japan.

For the Government of Japan the ITPO is relevant in particular because of its focus on Africa. Several organizations in Japan carry out investment promotion activities similar to those of the ITPO but the ITPO is the only one with a delegate programme.

The environmental and social dimensions of technology promotion and partly investment promotion (CDM) comply with policy objectives of both UNIDO and the Government of Japan. Satisfaction of clients is also a factor of relevance.

Efficiency of operations

Out of 247 projects promoted during the three years under evaluation approximately 15 reached the stage of conclusion or implementation (approximately 6%). This percentage is similar to the ITPO Paris (7,5%) but the numbers of projects are much smaller. In this respect it should be reminded that, compared to other ITPOs, certain promotional activities are more costly and challenging in Japan due to the language barrier and geographical distance from target regions and UNIDO HQs.

Low effectiveness in terms of operational projects

In principle, the effectiveness of mobilizing financial and technology resources in Japan for investment in developing countries is assessed rather low. In terms of number of concluded and operational projects (15) the outcome is comparable to the period under the previous evaluation but it is lower compared to the situation nine years ago and also lower compared to other ITPOs such as ITPO Paris. In terms of impact measured by number of new jobs (90) and volume of investment (USD 3,6 million) the difference is even larger. Outcomes and impact of technology promotion are not significant either.

This assessment “in principle” requires some qualification. Outcomes and impact achieved nine years ago were assigned to a great extent to a few large projects in Central Europe. With moving promotion away from Central Europe to Africa it is not surprising that investment promotion is less successful in terms of number of implemented projects and impact. When comparing these figures with other ITPOs such as Paris, one has to consider the much closer traditional and political ties of France with Africa and Latin America, not to mention the much larger geographical distance of Japan from these regions.

Other outcomes

Apart from resource mobilization there are other outcomes: capacity building of delegates organizations, improving the level of information and knowledge of Japanese companies about countries and regions outside their traditional sphere of interest, and newly established contacts and networking. Awareness raising activities carried out for African embassies contributed to improve the capacities of their staff to deal with their trade, investment and technology promotion functions. Very positive mentioning of these intangible outcomes both by JCCI and African embassies signal that they should be recognized as results in their own right.

Capacity building and its sustainability

Though the duration of the delegate programme did not allow for specialized training, delegates who participated in the survey mention that they improved their skills (see the delegate programme above). This upgrading of skills contributed to building capacities of their home organizations. The sustainability of these capacity building benefits is satisfactory: 19 out of 23 delegates still work in their home organizations and only one left his home country.

Some missions of ITPO staff also contributed to capacity building of IPAs in the developing countries (for example, participation of ITPO staff in CDM discussions in the Orissa IPA project).

Structure of expenditures aggravates budget constraints

The ITPO is almost fully funded by annual contributions of the Government of Japan, with some minor co-financing of certain activities, such as delegates programme. The decline of Japanese ODA over the past ten years affected this project as well. The key feature of the ITPO funding situation is the decrease of Government contributions since 2002. Since 2004 the funding was stabilized at the level of 170 mil Yen.

The share of personnel costs in total costs has always been high. After the budget reduction their share further increased to 71,5 % excluding staff travel. Fixed costs (personnel excluding travel plus rent for premises) amounted to 84,6 % of expenditures over the last three years. This share is very high and to some extent a constraint for programming ITPO activities and the regular mandatory salary increases aggravate the financial situation even further. One staff had to be released at the end of 2006 and administrative support was arranged through a subcontract with a service company. In view of further ODA reductions it is not realistic to expect an increase of METI funding and, to at least maintain the current level of activities and staffing, certain extra-budgetary resources would have to be mobilized.

Project document and planning

As the Government of Japan cannot make any financial pledge to UNIDO for more than one year, the three years project document represents only a framework without quantitative indicators. These are then specified in annual work plans.

However, even as a framework, the project document requires certain improvements: the immediate objective needs to reflect the fact that three categories of outcome are expected (successful mobilization of resources for investment; successful promotion of technology; strengthening institutional or policy framework in developing countries); outputs and activities which are not pursued should be pruned; outputs and activities which are not in a means-end relationship with the project purpose and rather serve the purpose of increasing UNIDO visibility should be indicated as additional tasks outside of the core business of ITPO (and hence not part of the logframe). Some key indicators such as the number of delegates could be quantified also in the project document, under the assumption of consolidated funding at current levels.

The project document should explicitly mention policy priorities common to UNIDO and the donor, such as the common focus on Africa and LDCs.

Staffing and internal management

At the time of the evaluation the ITPO had five professional staff members, one short-term consultant and one temporary clerk. The Head occupies this position since 2004 and is highly experienced in industrial policy and international activities. The other professional staff members have been working for the ITPO between 9 and 18 years, during which they accumulated considerable experience in investment promotion. All professional staff have an excellent command of English, two staff members are qualified to lecture and advice on feasibility studies and COMFAR and one has several years of experience at UNIDO HQs. The evaluation team could witness client-friendly attitudes, swift responsiveness and dedication to work. Three general service staff carry out secretariat and accounting functions on the basis of a contract between ITPO and a service organization.

The evaluation mission interviewed all professional and general staff members. Professional staff appreciate the teamwork and recognition by clients. Their strong identification with the Office is also confirmed by the voluntary cost-saving measures they adopted. During the interview with the evaluation mission the Head articulated clearly the programmatic priorities (cooperation with the Government on TICAD 4 with focus on bio-fuels for Africa), geographic priorities (Africa) and strategy for extra-budgetary funding, the staff miss a longer-term vision. However, the uncertain budgetary situation apparently induces increased sensitivity among the staff that requires a more engaged communication between the Head and the staff.

The Deputy Head moderates regular weekly meetings of all staff. In addition there are “management meetings” with the participation of the Head, Deputy Head and other professional staff. Annual work plans, annual reports, four-monthly reports and other documents are prepared and submitted to UNIDO HQs as required.

What is missing is a project-oriented system to monitor the entire process of investment promotion from project promotion to conclusion and implementation. The evaluation mission experienced difficulties in tracing results in terms of concluded projects and their (potential) impact. This is an important management task that applies primarily to the delegate projects but also to any activity during which project-related business contacts are established.

UNIDO management and tools

The ITPO Coordination Unit (ICU) at UNIDO HQs had one professional and two general service staff. As experienced by the ITPO, the ICU - in spite of shortage of staff - managed to keep an overview of activities and problems of the ITPO, made efforts to encourage networking of ITPOs particularly with NCPCs but did not have the capacity to advice/comment on programmatic issues. The situation aggravated further when the ITPO Coordinator retired in April 2007 without a successor standing by to take over, despite the fact that his retirement date was known months ahead.

The IPS Manual guiding the operational management of the ITPO was issued in 1996 and has been since then partly revised. From the software tools developed in the 1980's and early 1990's only COMFAR survived, more or less as an isolated witness of the once extensive programme. UNIDO Exchange has not become an attractive single database of business opportunities; currently it is dormant.

The operational tools require profound updating (including the need to reflect RBM in the monitoring and reporting system etc.). Moreover, the entire approach to investment and particularly technology promotion and the related mandate of the ITPOs and of the ITPO Network as a whole require a conceptual review.

Issues for the future

In the next months the ITPO will have to address the following issues:

- Clarify the strategy for technology promotion;
- Closer integration with UNIDO programmes;
- Make policy objectives and criteria of effectiveness and impact compatible;
- Overcome budgetary constraints.

Mobilizing extra-budgetary resources to overcome budgetary constraints will be the most difficult task and closer integration with UNIDO programmes will be most important one. Professional back up from UNIDO HQs and potential synergy with other UNIDO interventions in the field are unique features and a key advantage of ITPOs. Technology promotion and particularly the delegate programme could be more effective if programmed and implemented in coordination with UNIDO HQs and its programmes. Ongoing or planned technical cooperation programmes of UNIDO should be taken into consideration when selecting the countries for delegate programmes. Coordinated interventions would increase synergy, effectiveness and impact as well as offer possibilities of funding parts of the delegate programme from UNIDO HQs projects.

Introduction

ITPO Tokyo is one of 13 investment and technology promotion offices of the UNIDO ITPO Network. It was founded in 1981 as one of the first ITPOs based on an Agreement between UNIDO and the Government of Japan. It is funded by the Government of Japan through annual voluntary contributions to UNIDO, administered by the Ministry of Economy, Trade and Industry. The Agreement has been repeatedly renewed and extended for a period of three years based on the results and recommendations of a joint evaluation. The current Agreement covers the period till December 2007 so that this evaluation should serve as a basis for decision about extending the Agreement for another three years period.

The evaluation of ITPO Tokyo coincides with evaluation of some other ITPOs (in particular Paris, Marseille, Rome) so that it can contribute to a broader review of the mandate and practices of the whole ITPO Network.

The terms of reference for the evaluation are in Annex 1. Prior to the field mission to Japan (7-18 June 2007) a number of UNIDO staff members associated with the work of ITPO Tokyo were interviewed, documents and files studied and several e-mail surveys of ITPO clients (Japanese companies, delegates) were carried out. In Japan the evaluation team interviewed all ITPO staff, a number of investment and technology promotion or FDI-related organizations, five beneficiary entrepreneurs and several African embassies. The evaluation team attended also the Automotive Parts Product Solution fair and interview delegates from five countries participating in the fair with organizational and in some cases financial support from the ITPO. Meetings were held with the permanent mission of Japan in Vienna and MOFA and METI in Tokyo. At the end of the mission in Tokyo the preliminary findings and recommendations were presented to MOFA and METI and later also to UNIDO staff and the representative of the Permanent Mission at a meeting in UNIDO Headquarters (29 June 2007). The list of persons met is in Annex 2.

The evaluation team was composed of:

Mr. Jaroslav Navratil, consultant, nominated by UNIDO

Mr. Hidekazu Tanaka, General Manager/Principal Consultant, Mitsubishi UFJ Research and Consulting Co. Ltd, nominated by the Government of Japan.

Both members of the team carried out similar evaluations of the ITPO Tokyo in 1995 and 1998.



UNIDO and country context

ITPO Tokyo was established in 1981 on the basis of an Agreement signed between UNIDO and the Government of Japan in 1980. The Office is funded by the Government of Japan and managed by UNIDO in accordance with the project document signed by the Government and UNIDO. The project document stipulates that “... the work programme of the Office should also take into account priorities agreed with the donor Government and main directions of its policy on international cooperation” and acknowledges the need to respect policy objectives of both UNIDO and the donor.

UNIDO policy and organizational context

Investment and technology promotion has been an integral part of UNIDO services from the very beginning but its concept changed several times. At the General Conference in Yaoundé (1993) “international cooperation in industrial investment and technology” became one of the five development objectives of the Organization. At that time the Investment Promotion Service (IPS) offices were one of the instruments to support achievement of the above objective. The other instruments were investment forums, technology transfer meetings, training workshops on investment project formulation and evaluation and on transfer of technology, institution building projects to strengthen investment promotion agencies and policy bodies. Software packages were developed to support services in this field (PROPSPIN, COMFAR, DIPP), other methodological tools were made available in hard copies (Manual for the Preparation of Feasibility Studies, plant profiles published in several volumes on How to Start manufacturing Industries, Model Forms of Transfer of Technology Contracts, etc.) In order to distinguish the IPS offices from other investment promotion agencies and to avoid duplication with their services UNIDO aimed at going beyond sole matchmaking by providing advice and assistance to the negotiating partners, making use of professional competence of the organization and of the above software tools developed for this purpose. The other distinguishing feature was the “UNIDO quality stamp” approach applied to the promoted projects. The standard format for Industrial Investment Project Profile (IIPP) required very detailed information about the project allowing for preliminary financial evaluation. To produce such profiles (particularly for investment forums) very often external experts had to be used.

In practice only some IPS offices managed to provide downstream advisory services (primarily IPS Milano). IPS Tokyo never engaged in such services. Even when additional funds were provided by the Government of Japan for feasibility studies they were carried out under a separate project. Though IPS Tokyo and the Feasibility Study project shared the same office space there was hardly any cooperation between them. The IIPPs received from HQs were promoted by ITPO Tokyo, however, since the Japanese companies were not

interested in feasibility calculations prepared by experts they did not know, the use of IIPPs only as a base on which to decide on serious negotiations was limited.

The Business Plan (1997) reoriented UNIDO from support to individual enterprises to institutional capacity building and policy advice. Special emphasis was laid on support to the least developed countries (LDCs), particularly those in Africa. Preparation of project-specific feasibility studies was discontinued and from the software tools only COMFAR survived, more or less as an isolated witness of the once extensive programme. (Other tools were developed such as BEST, FIT and PHAROS, however, they are suitable primarily for economic analysis of on-going companies. Though in principle applicable in the case of project extension, in practical terms their use in investment promotion has been minimal, if any.) Integration of investment and technology promotion within UNIDO resulted in renaming IPS into ITPO.

The most recent policy document on ITPOs is represented by the Guidelines for the Functioning of the Investment and Technology Promotion Offices, approved by Decision 18 of the General Conference (2003). According to the Guidelines the objective of ITPOs is "...to contribute to the industrial development and economic growth of developing countries and countries with economies in transition..." The mandate of ITPOs in industrialized countries such as Japan is to "...devote themselves exclusively to promoting industrial investment from their host countries to developing countries and countries with economies in transition."

Two aspects of the Guidelines are worth noticing:

- i) they do not specify any geographical (Africa, LDCs) or developmental priorities (such as environment);
- ii) in enumeration of activities they list primarily information dissemination, matchmaking activities and capacity building activities. Downstream advisory services are confined to assisting "both parties in their negotiations and in completing pre-investment activities up to the stage at which the parties can conclude a written agreement to implement the project".¹

The Guidelines were followed up by elaboration of ITPO Network Strategy (April 2004). It consists of three pillars

- i) UNIDO-wide single searchable database (UNIDO Exchange), including investment, technology and other partnership opportunities, embracing ITPOs, SPXs, NCPCs, International Technology Centres and UNIDO field offices;

¹ The formulation "to conclude a written agreement" allows different interpretations; on the other hand the activity assumes a partnership as if it did not acknowledge the option of 100% foreign ownership, a modality preferred by Japanese investors.

- ii) Encouraging ITPOs to develop special targeted initiatives, attractive to industry in host countries; such targeted work would involve close cooperation with specific branches or programmes of UNIDO;
- iii) expansion of the Network, also by inclusion of independent organizations with similar objectives.

The Strategy has been implemented only partly. The Network was extended by ITPO Mexico and UK North-West Development Agency. ITPO Tokyo (and probably also some other ITPOs) undertook efforts to promote appropriate technologies originating in their home country. UNIDO Exchange, however, failed to become an operational and attractive single database of business opportunities. Currently it is dormant.

Neither the Guidelines nor the Network Strategy say anything about other than investment and technology promotion activities of ITPOs. Yet in practice ITPOs in industrialized countries are expected to play a role of representing UNIDO in the country. Together with strengthening linkages to other UNIDO networks, including UNIDO field offices, this was one of the reasons why – for a couple of years – the management of the ITPO Network was subsumed under the Programme Coordination and Field Operations Division. In 2006 it was transferred back to the Programme Development and Technical Cooperation Division and became again a part of the Investment and Technology Promotion Branch.

Management of the ITPO Network has been the responsibility of the ITPO Coordination Unit (ICU). This unit was staffed with one professional (the ITPO Coordinator) and two general service staff only. With such a limited staffing the Unit could administer the extensive operations including project planning and extensions but it could hardly become a driver in implementation of the network strategy.

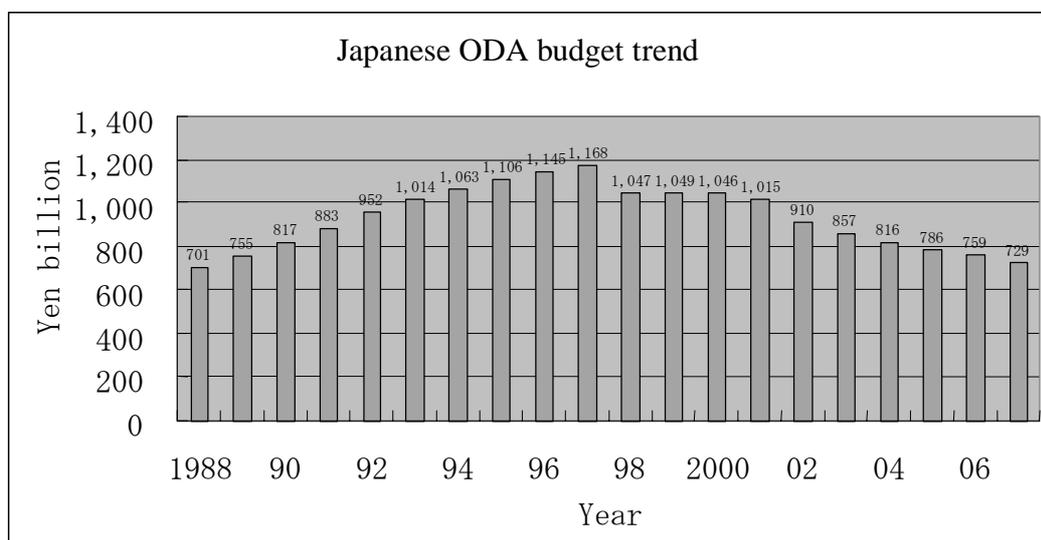
While the ITPO Network Strategy and organizational position of the ICU were subject of some changes, the operational tools and guidelines (such as the IPS Manual, issued in 1996) were subject to ad hoc and partial amendments only (for example, IIPP was replaced by a simpler CPP). Not only the operational tools require profound updating (including the need to reflect RBM in the monitoring and reporting system etc.) but also the concept of investment and particularly technology promotion and the related mandate and concept of ITPOs and of the ITPO Network require a review. A working group was already (May 2007) nominated for this purpose. The recently published “Africa Foreign Investor Survey 2005” (UNIDO, 2007) as well as evaluation reports can provide inputs for this process.

Japanese ODA policy context

The Japanese ODA, once ranked as the top donor, has been indicating declining trend in its budget allocation in the past 10 years. The ODA budget for 2007 is 729 billion Yen (\$6 billion), which is a reduction by 35% compared to 1.1 trillion Yen (\$9.7billion) of 1997. According to the White Paper on ODA 2006, the Japanese government intends to put more strategic focus on selected issues in allocating its ODA budget, namely for global issues such as environment protection, energy and resources, Asian regional integration, peace restoration, and development of Africa. In spite of general reduction of ODA, Japan

committed itself to double the ODA to Africa in three years. Among the government bodies, MOFA is indicating its strong interest in aid to Africa, by hosting Tokyo International Conference on African Development (TICAD). The fourth conference, TICAD-IV, is scheduled to be held in May 2008.

Trend of Japanese ODA budget (in billion Yen)



Source: Japanese MOFA website (www.mofa.go.jp)

METI is another ministry controlling a part of ODA which is related to industry, energy, trade and investment. METI has a regional focus on Asia in developing trade and investment environment, with expected impact for Japanese private sector involvement in industry development through trade and investment. The subject focus of METI is industry, mines and energy. In this context, Africa is an attractive region for its mineral and energy resources but not so much for manufacturing. As one method of developing rural economy through small scale production and trade METI – through technical cooperation of JETRO – initiated the “one village- one product” scheme in Africa.

METI has been supporting ITPO also because of its orientation to Africa. In the field of investment promotion the activities of other agencies or private industry and trade are focusing on Asia and hardly targeting Africa. METI has also strong mandate in pursuing environmental objectives in industry and is interested in promoting Japanese technology abroad.

Besides above-mentioned ODA related policy subjects, METI’s policy mandate covers the following subjects, which are closely related with industrial development:

- Regional industrial development
- External economic policy and trade management
- Industrial technology development
- Intellectual property and standardization
- Environment protection
- Manufacturing industry development
- Information technology development

- Service industry development
- Commerce and distribution
- Consumers protection
- Energy and resource development
- Nuclear energy and safety
- Industrial intellectual property protection
- Small and medium enterprise development

In order to implement these policy objectives, METI developed wide range of affiliated organizations with subsidiary mechanism, and some of the METI affiliated organizations carry out activities relevant for ITPO.

Institutional framework for investment and technology promotion in Japan

The organizations related with investment and technology promotion can be categorized as the following four types of organizations by their financial resources and legal status.

1. Independent administrative organizations: Organizations established by the government to implement policies of the government delegated to the respective ministries. Usually 100% government funded; JETRO, JICA and NEDO are in this category.
2. Non-profit subsidized organizations: Initiated by private sector as non-profit organizations with a part of activities subsidized by the supervising ministry to implement policies, financed by mixed sources, private (membership fee) and government (subsidy). JOI, AOTS, JODC and JCI are in this category. In many cases those organizations are managed by ex-government officials, maintaining close relations with their supervising ministries.
3. Private corporate funded organizations: Funded purely by private corporations to pursue their common interest. JCCI, Keidanren and associations fall into this category. Some of them engage in large scale activities with political influence, like Keidanren.
4. Non-profit registered organizations: Generally called as NGOs, created by individuals with common interest. Countrywide friendship associations are in this category, usually operating in small scale for very specific issues.

Some of those organizations have investment promotion and technology transfer activities similar to ITPO Tokyo, as can be seen from the table indicating activity coverage. However, while these organizations, including ITPO, share the common objectives, their mandated and interested items in activity are slightly different. What is the most distinguished activity of ITPO is the “delegate programme” which none of those organizations covers. In fact, JICA co-financing activity with ITPO is for receiving trainees from IPAs, with the purpose of investment promotion training. This is different in nature from JICA pursuing primarily technical assistance activities, which are not familiar with private sector business promotion activities.

Another distinction is the regional coverage. Although MOFA has announced assistance for African development, the popular destination for Japanese companies' investment is Asia with recently expanding trend to South Asia. Africa is popular among mining companies and humanitarian aid, but not for general investment promotion opportunities.

Overview of investment and technology promotion services in Japan

	JETRO	JICA	JOI	AOTS	JODC	JCI	NEDO	JCCI	ITPO
Investment promotion									
Research on FDI	X		X						
Publications/newsletters	X		X						X
<i>Seminars</i>	X		X					X	X
<i>Business missions</i>	X							X	X
Participation at fairs	X								X
Delegates, incl. business matching/negotiations									X
Facilitating contacts with authorities abroad	X								X
Pre-investment studies					X	X			
Advice on financing					X	X			
Legal advice									
Training courses		X							(X)
TC/capacity building projects abroad	X	X							(X)
Technology promotion									
Research on technology							X		
Publications/newsletters	X								
<i>Seminars, workshops in Japan</i>	X	X		X					X
Seminars, workshops abroad					X				X
Training courses		X		X					
Pilot plants in Japan							X		
Pilot plants abroad		X							
Legal advice on technology transfer									
Advice on financing									
Geographical focus	Global	Global	Global	Asia	Asia	Asia	Domestic	Asia	Africa, LDCs

Bold: Exclusive ITPO activity

Italics: areas of ITPO cooperation with other organizations

Independent Administrative Organizations

Japan External Trade Organization (JETRO)

JETRO is a METI affiliated independent administrative organization, originally created for promoting Japanese products export to overseas markets, however, its function has been shifted. JETRO is currently focusing on three main activities: i) Promotion of inward investment to Japan, ii) Assistance to Japanese SME in promoting export and overseas investment, and iii) Assistance for economic development of developing countries through trade and investment. JETRO's regional focus is Asia; manpower allocation for Africa is limited. This makes it meaningful to tie-up with UNIDO ITPO in organizing seminars for Africa. JETRO sent business mission to Nigeria in 2001, to Tunisia and Morocco in 2003, and to Egypt last year (together with JCCI and ITPO).

Regarding technology transfer, JETRO assists Japanese companies' technology promotion to Europe and supports local industrial development in ASEAN countries by sending short-term technical experts. JETRO organizes a number of exhibitions for trade promotion, e.g. "FOODEX" for food processing products. JETRO overseas offices coordinate the promotion program for trade exhibition; they contact the government for introduction of local enterprises for possible participation.

Currently the number of JETRO staff is about 1,200, including 250 research staff at the Institute for Development Economy. The total budget is about 38 billion Yen of which fund from METI accounts for 80%, while 20% is generated by their own revenue. About 60% of the budget is for the fixed cost for personnel and offices, while 40% is for the activities. As an independent administrative agency, JETRO is obliged to cut down its government budget allocation 8% in three years, consisting of 5% for personnel expenses and 3% for other costs.

JETRO currently has 72 overseas offices, among which only 5 offices are in Africa (Cairo, Nairobi, Lagos, Abidjan and Johannesburg).

Japan International Cooperation Agency (JICA):

JICA is a government-financed organization for technical cooperation covering training, experts and study teams for feasibility study and technology transfer. JICA is scheduled to merge with ODA loan portion of Japan Bank for International Cooperation (JBIC) in October 2008, and become a comprehensive aid organization to cover technical assistance, grant and loan.

Training activities of JICA are conducted at 18 regional centres of JICA. JICA Tokyo (Tokyo International Centre) is a training facility operating in Tokyo area. Training activities related to Clean Development Mechanism (CDM) are taken care of by JICA Nagoya Centre.

As for cooperation with ITPO, a seminar was conducted for "Seminar on Investment Promotion for the countries in South East Europe, a UNIDO/JICA Joint Programme". In

this programme, ITPO covered programme preparation and implementation and contacts to Japanese firms to be visited and/or invited for seminars. JICA took care of budget and accommodation at Tokyo International Centre. Currently, there are requests from Serbia and Ukraine for technical cooperation in investment promotion. JICA is considering to invite ITPO Tokyo to cooperate and organize a delegate program, to be started in September 2007.

JICA also has a regular training programme for capacity building for Investment Promotion Agencies (IPA) of developing countries, a group training course for 1.5 month. ITPO has not cooperated with this programme.

New Energy and Industrial Technology Development Organization (NEDO)

The New Energy and Industrial Technology Development Organization (NEDO) was established by the Japanese government in 1980 to develop new oil-alternative energy technologies. Eight years later, in 1988, NEDO's activities were expanded to include industrial technology research and development, and in 1990, environmental technology research and development. Activities to promote new energy and energy conservation technology were subsequently added in 1993.

NEDO currently employs 1,100 staff, and its activity largely consists of Industrial Technology and New Energy and Energy Conservation. As regards international cooperation their activities cover subjects in solar energy development, utilization of coal resource, energy saving technology and Kyoto Protocol related dissemination and exchange of information. NEDO has overseas offices in Washington DC, Paris, Beijing, Bangkok and Jakarta.

National Institute of Advanced Industrial Science and Technology (AIST)

AIST was originally established in 1976 as a research institution belonging to METI, and re-organized as independent organization in 2001. AIST has over 50 autonomous research units in various innovative research fields, and the units are located at 9 research bases and several sites (smaller than research bases) all over Japan. About 2500 research scientists (about 2000 with tenure) and well over 3000 visiting scientists, post doctoral fellows and students are working in AIST. AIST covers the following fields of research and development:

- Life science and technology
- Information technology and electronics
- Nanotechnology, material and manufacturing
- Environment and energy
- Geological surveys and applied geosciences
- Metrology and measurement technology

Japan Bank for International Cooperation (JBIC)

JBIC was created by merger of former Overseas Economic Cooperation Fund (OECF) and Japan Export and Import Bank, with dual function of ODA loan and EXIM loan financier. For Japanese private sector investment, EXIM loan has direct relevance, since it is mandated to assist Japanese enterprises' overseas investment and trade activities, while the borrowers of ODA loan are mostly governments of developing countries.

Non-profit subsidized Organizations

Association for Overseas Technical Scholarship (AOTS)

The Association for Overseas Technical Scholarship (AOTS) was established in 1959 with the support of METI as an organization specialized in accepting trainees working for Japanese companies in developing countries. AOTS program is financed with government subsidy from METI and contributions by the recipient companies. The function of AOTS is to support human resource development of private enterprises in developing countries relevant for Japanese direct investment. Its main purpose is to promote international economic cooperation and enhance mutual economic development and friendly relations between those countries and Japan. The focus is on Asia, reflecting geographical locations of Japanese investment, mostly in the manufacturing sector.

Japan Overseas Development Corporation (JODC)

JODC was established in 1970 for the purpose of sending Japanese experts to enterprises in developing countries in order to promote technology transfer to industry in the respective countries. The target local enterprises to be assisted are those that are relevant for Japan's SME direct investment and trade development. JODC has its overseas offices in Bangkok.

New Energy Foundation (NEF)

The New Energy Foundation (NEF) was established in September 1980 in order to ensure a stable supply of energy for Japan. The activities of NEF are conducted under the cooperation of energy suppliers, such as electric power suppliers and gas suppliers, and other enterprises concerned with new energy technologies in extensive areas.

NEF covers such activities as surveys, research, introduction, and spreading of new energy, indigenous energy, and other energy remaining unused. As for international cooperation, NEF has conducted an annual seminar on "New and Renewable Energy Development and Utilization for Global Environment Protection" for energy concerned people working at government offices, institutes, electric companies, and universities in Asian countries from 1998 to 2001.

Japan Institute for Overseas Investment (JOI)

Japan Institute for Overseas Investment (JOI) was established in 1991 by Japan Export Import Bank (now JBIC) and about 100 major Japanese enterprises interested in overseas investment. The main purpose is to collect and disseminate information regarding foreign direct investment. There was a background that since 1980s, Japanese private sector's overseas investment has become active, due to Yen currency appreciation and trade friction with USA. Currently, the membership has expanded to 200 firms consisting of 150 Japanese firms and 50 foreign embassies, consulting firms and financial institutions. The number of staff is about 25.

As for cooperation with ITPO Tokyo, there was a seminar for "Business with Africa" held in August 2006, with speakers from the host countries, law office and Japanese firms with experience in investing in the region. Since JOI is not linked to official development assistance (ODA), their interest in Africa is limited to North Africa (Egypt, Tunisia, Morocco, Algeria) and South Africa, and mineral resource projects. A seminar was organized for the mining sector in Africa.

Private corporate funded organizations

The Japan Chamber of Commerce and Industry (JCCI)

JCCI is a national federation of 523 regional chambers of commerce and industry that have altogether 1.4 million members all over Japan. Tokyo CCI is the largest regional chamber for Tokyo metropolitan area with 17,000 member firms. The organization of chambers is based on law, while the membership is voluntary. Since Japanese firms in commerce and industry consist for a large part of SMEs, the majority of members of JCCI are SMEs. In Japan, SMEs represent 99.7% of commerce and industrial establishments, 70% of employment and 60% of turnover.

One important function of JCCI is gathering information about overseas investment climate in various countries depending on member firms interest. This is one subject where JCCI cooperates with ITPO by holding seminars for JCCI members. In the past three years, about 12 seminars were held in cooperation with ITPO. For the JCCI, company database of ITPO is helpful, particularly in case of countries in Africa and other countries for which JCCI member firms usually do not show much interest.

As for regional interest by JCCI members, there is a shift from China to India and Malaysia. Regarding Africa region, the members' general image is still influenced by negative factors such as political unrest, HIV and remote location from Japan. The information regarding Africa is still very limited. Even in Asian countries, there are those small LDCs such as Laos, Cambodia, Nepal, PNG and Pacific island countries, which are considered to be difficult destinations for FDI. There are Japanese chamber organizations in Thailand, Malaysia and the Philippines, which might be in a more suitable position to enhance attention to these LDC countries. JCCI also sends its own staff to chamber organizations in China, Thailand, Indonesia, Malaysia, Korea, the Philippines and India (Consulate General in Mumbai).

Japan Keidanren (Japan Federation of Economic Organizations)

Japan Keidanren is an organization created by large companies including manufacturers, banks, trading firms and other utility and service companies. The chairmanship and management are governed by presidents of Toyota, Canon, Nippon Steel, and other world known enterprises. Japan Keidanren is the most politically influential organization with a large amount of funding activity as well.

Japan Keidanren has its economic cooperation bureau, also commenting on ODA funded activities. They also advocate Corporate Social Responsibility (CSR) through encouraging their member firms to contribute to objectives of the society, including international community.

Non-profit registered organizations (NGO)

There are two kinds of NGOs related with activities of ITPO. The first type is country-wide friendship associations, for example, Japan-Mozambique Friendship Association, Japan-Tanzania Friendship Association, Japan-Ethiopia Friendship Association, etc. These associations are linked with firms and individuals with past contacts, experience in economic, cultural and human relations. Those associations can be utilized for investment and technology transfer activities, since African nations are not well known in Japanese society.

Another type of NGO is based on mutual interest in technical issues, e.g. Japan Neem Association, with membership by scholars, traders, manufacturers and agriculture sector interested in the Neem plant for its future potential in usage and development.



Project planning and funding

Project planning

Planning of ITPO objectives, outputs, activities and inputs is influenced by the modality of funding. As the Government of Japan cannot make any financial pledge to UNIDO for more than one year, the project document US/CLO/04/119 valid for 3 years represents only a framework without quantitative indicators that are then spelled out in annual work plans. This arrangement resulting from implementation of one of the recommendations of a previous evaluation is practical and allows for desired flexibility in case that funding and inputs differ from what was expected at the beginning of the 3-years period.

Even as a framework, the current project document requires some improvements:

-The Development objective (“To support the industrialization efforts of developing countries and the establishment of private sector-led economy in countries with economies in transition”) needs to be aligned with the ITPO objective as defined in the Guidelines attached to the Decision 18 of the General Conference 2003 (“industrial development and economic growth”) and, more importantly, exemplified by typology of impact indicators (value of new investment, value of export earnings, number of jobs created, pollution reduced/eliminated, etc.)

-The Immediate Objective (“To facilitate mobilization of financial, technology, know-how, managerial etc. resources from Japan to developing countries and economies in transition”) needs to reflect the fact that three categories of outcome are expected:

- successful mobilization of resources from Japan for business deals in developing countries, exemplified by typology of indicators such as projects concluded (contract signed), under implementation or operational
- successful promotion of Japanese technology (technologies transferred)
- strengthening institutional or policy framework in developing countries, with indicators such as number of IPAs strengthened, policy or strategy advice adopted, etc.

The complete list of Outputs as defined in the current project document and description of their production is in Chapter IV. Based on the description of their production and analysis of means-end relations to the objectives the following adjustments are recommended:

- Outputs and activities that are not pursued should be pruned (Output 4 - promotion through UNIDO Exchange).

- Output 1 (database of companies) can be considered as part of the management system supporting primarily Output 2.
- Outputs and activities which are not in means-end relationship to the project purpose and rather serve the purpose of increasing visibility of UNIDO (Output 6 – COMFAR) or facilitating UNIDO HQs missions to Japan (one activity inconsistently subsumed under Output 7) need to be indicated as additional tasks outside of the core business of ITPO (and hence not part of the logframe).

On the other hand a new Output on promotion of technology may be needed, with number of demonstrated technologies as indicator at Output level and commercial replications of demonstrated technologies at Outcome (purpose) level.

Cooperation with and support to the other investment and technology promotion organizations in Japan (using ITPO database of companies to mobilize participants for seminars or business missions organized by others) is quite important and needs to be listed, probably as part of Output 2 or outside of the logframe.

While all the above indicators in the project document are spelled out in order to exemplify the type of expected results and their quantification is expected in annual work plans once the scope of funding is known, some key indicators such as the number of delegates could be quantified also in the project document, under the assumption of consolidated funding at current levels.

The project document should explicitly mention policy priorities common to UNIDO and the donor, such as focus on Africa and LDCs.

Project funding

History of funding and expenditures; selected items

	92/93	93/94	95/96	96/97	2002	2003	2004	2005	2006	2007
Contribution (mil Yen)	138,0	141,7	182,3	182,3		252,6	200	170	170	170	170
Rate of exchange ²	129	122	??	109		122	117	106	103	116	118
Total expenditures (000 USD)	1,063	1,238	1,580	1,281		1,898	1,868	1,739	1,617	1,341	
Personnel incl. travel (%)	67,9	62,6	64,6	70,1		64,8	68,0	74,5	76,8	78,1	
Delegates (%)	5,9	6,9	4,3	3,6		5,1	1,6	2,5	1,4	2,2	
Premises (%)	15,7	17,0		8,7	12,8	14,1	13,4	11,8	

² At the time when funds received

ITPO is funded on an annual basis almost fully by contributions of the Government of Japan. In addition to the above contributions the GOJ agreed to make use of the accrued interests on the IDF contributions for financing additional activities (for example 32 mil Yen during 2002-2004 for UNIDO/Mitsubishi Research Forum, World Water Forum, Seminar on Enhancing Technology Transfer for African Development and the TICAD III Exhibition). By participating in these projects ITPO could increase its financial resources.

ITPO Tokyo could avail itself also of some financial support for the delegate programme made available by other UNIDO projects (approx. 3 mil Yen) and AOTS (total funding of the delegate from the Philippines). In a very limited scope some staff travel could be funded by another UNIDO project or by a private company. These additional resources, though welcome, do not change the fact that ITPO depends on METI funds.

As most of the expenditures are incurred in Japan, the exchange rate fluctuations do not affect the ITPO funding situation significantly. Thus the key feature of the funding situation is the decrease of GOJ contributions as recorded since 2002. Even though since 2004 the funding was stabilized (at the level of 170 mil Yen), given the high share of fixed personnel costs in the structure of expenditures the regular mandatory increases of salaries alone aggravate the financial situation further. One staff had to be released at the end of 2006 and administrative support was arranged through subcontract with a service company. In view of continuing reduction of ODA it is not realistic to expect an increase of METI funding. To maintain current level of activities and staffing some extra-budgetary resources would have to be mobilized.

IV

Project implementation

Financial implementation

Allocations (2005-2007) and expenditures (May 2004-April 2007)

Budget line	Allocation for 2005 (Annex to prodoc) (a)		Total allocations 2005-2007 Rev H (b)		Expenditures Jan 05- April 07 (c)		Expenditures 05/ 04-12/04 (d)		Expenditures 05/04-04/07 (e) = (c) + (d)		
	USD	%	USD	%	USD	% ³	USD	%	USD	%	
11	Int. experts	526,900	37,8	1765,657	39,0	1307,029	74,0	360,428	31,6	1667,457	36,8
12	National prof officer	314,400	22,5	763,521	16,9	597,677	78,2	164,201	14,5	761,878	16,8
13	Administrative	80,081	5,7	443,645	9,8	364,234	82,2	211,814	18,6	576,048	12,7
15	Travel of staff	36,036	2,6	241,306	5,3	178,878	74,2	80,235	7,0	259,113	5,7
17	National experts	94,622	6,8	164,237	3,6	155,102	94,5	81,812	7,1	236,914	5,2
	Sub-total	1052,039	75,6	3378,366	74,6	2602,920	77,0	898,489	78,8	3501,409	77,2
31	Delegates	45,045	3,2	123,807	2,7	54,849	44,3	12,602	1,1	67,451	1,5
43	Premises	225,225	16,2	598,493	13,2	474,665	79,3	120,999	10,6	595,664	13,1
45	Equipment	45,045	3,2	220,672	5,5	183,060	83,0	17,262	1,5	200,322	4,4
51	Sundries	24,948	1,8	253,763	5,6	128,471	50,6	97,326	8,5	225,797	5,0
55	Hospitality			14,000	0,3	10,291	73,5	2,288	0,2	12,579	0,3
77	Exp recoveries			-59,450	-1,3	-61,533		-8,730	-0,7	-70,274	-1,6
	Total	1392,302	100	4529,652	100	3392,723	74,9	1140,238	100	4532,960	100

³ %= c/b x 100

The table shows the total amount of expenditures spent both under this project document (USD 3392,723) and during the 3 years period May 2004-April 2007 (USD 4532,960) for which results are compiled and evaluated (such as number of delegates, number of projects, etc.) The latter figure allows to relate results achieved to inputs/cost incurred in the same period.

The table also compares expenditures (without obligations) with allocations and shows the structure of expenditures in the 3 years period. As of 30 April 2007 ITPO spent⁴ 74,9 % of total allocations for the three years period 2005-2007.

Personnel costs have always represented a high share in total costs. After the budget reduction their share further increased (to 71,5 % when staff travel is excluded) while the share of other expenditures decreased, including the expenditures for delegates (1,5 %). This percentage, however, can be misleading: in real terms the share of the delegate programme on the total ITPO expenditures is much higher. According to the filled in questionnaire on work assignment three out of five ITPO staff (those in charge of the delegate programmes) allocate very large share of their working time to its preparation and implementation (25-45 %). Thus the delegate programme consumes approximately 20% of total expenditures.

Rent for the premises has been always relatively high but thanks to some reduction of the space ITPO so far managed to keep its share rather constant. This, however, may change as the owner signalled considerable increase in rent rate in the near future.

Personnel excluding staff travel plus premises stand for fixed costs; in the last three years (May 2004-April 2007) they amounted to 84,6 % of expenditures. This is a very high share and to some extent a constraint for programming ITPO activities but one should not be misled by this figure: most of the activities are carried out by ITPO staff themselves so that programming activities is primarily a matter of selecting priorities for the work of the staff.

Fully aware of the budgetary constraints ITPO undertook a number of cost-saving measures. Apart from reduction of staff (see below) and measures to reduce expenditures on energy and consumables most of the staff adopted some voluntary cost saving measures such as using economy class also when flying over 9 hours.

Management

UNIDO management of the ITPO

As explained in Chapter III, the ITPO Coordination Unit had one professional (the ITPO Coordinator) and two general service staff. In the particular case of ITPO Tokyo the execution of the UNIDO management function was influenced by close contact of the then Managing Director with ITPO Tokyo and the donor. While this arrangement had positive

⁴ Obligations not included

aspects it implied fewer personal contacts of the ITPO Coordinator with the donor. This proved to be a disadvantage for sustainability of the institutional memory once the Managing Director changed.

The situation became further aggravated when the ITPO Coordinator retired (April 2007) without anybody standing by to take over and carry on in spite of the fact that his retirement date was known months ahead. At the time of writing this text (early July) the post is still vacant so that evaluation itself had to be supported and provided with information primarily by the general service staff who had to fill the gap already for many weeks.

Operational management of ITPO by ICU is guided by the IPS Manual, issued in 1996 and since then revised in some parts. For planning and monitoring activities and results some standard formats are used (Annual work plans, Four-monthly reports, Back-to-office-mission-report, etc.) ITPO used to submit them in accordance with the rules but once submitted there was little feedback on them. Rules for contracting staff or procurement of equipment are also spelled out in the IPS Manual , sometimes calling for clarification by Headquarters (as was the case of maintenance service of the LAN system in 2006).

Certain level of delegation of authority to the ITPO Head is a part of the established management system. For example, ICU authorizes travel of the Head but authorization of travel of other ITPO staff was delegated to the Head. Thus ICU would learn only ex post about travel of ITPO staff or about a situation of the Head and a staff member travelling to the same destination at the same time (during the three years period this happened only twice, anyway).

To sum up, as experienced by ITPO, ICU - in spite of shortage of staff - managed to keep an overview of activities and problems of the ITPO, made efforts to encourage networking of ITPOs particularly with NCPCs but did not have the capacity to advice/comment on programmatic issues.

Staffing, internal organization and management

During the three-years period the ITPO employed three international experts, two national professional officers, two national experts and altogether nine contractual experts of various contract durations (from two days to five months). The two national experts were released during 2005 and 2006. At the time of evaluation (June 2007) ITPO had five professional staff, one short-term consultant to assist with bio-fuels activities and one short-term general service support for APPS. Besides, three general service staff carried out secretariat and accounting functions on the basis of a contract between ITPO and a service organization.

Professional staff of the ITPO:

Title and name	Post level	BL
Head	L6	11
Deputy Head	L4	11
Industrial Development Officer	L3	11
Industrial Development Officer	NO-D	12
Industrial Development Officer	NO-A	12

The Head, with METI career as background, international experience and extensive network within Government and private sector, has been in the position since 2004. The other staffs have been working for ITPO for long time (9-18 years) during which they accumulated a lot of experience in investment promotion activities. All of them have excellent English, two of them are qualified to lecture and advice on feasibility studies and COMFAR, one of them has experience of having worked for several years in UNIDO HQs. The evaluation team could witness client-friendly attitudes, swift responsiveness and dedication to work, manifested also in working overtime.

Work assignment of each staff was updated in February 2007 and is documented in an internal circular. The three industrial development officers are responsible primarily for investment and technology promotion programmes (including the delegate programmes), targeting different geographical regions. Besides, each one of them is responsible for some specific tasks (promotion of agro-related technologies, environment programme including CDM, publicity materials, coordination and quantitative evaluation of the delegate programme, etc.) When allocating working time to individual tasks all three of them singled out the delegate programme as the most time consuming one.

The Deputy Head is responsible for strategy of investment and technology promotion programmes which in practical terms means annual coordination of budget allocations to individual programmes. He is also in charge of office administration including the computer system, reporting to Headquarters and COMFAR promotion. Temporarily he was assigned also responsibility for the investment and technology promotion programme in Latin America and Europe.

The Head is responsible for representation of the office and overall office management including certification of expenditures, authorization of obligations, clearance of outgoing correspondence etc. However, he is in fact also involved in formulation of strategy of investment and technology promotion programmes, as evidenced by his priority role in elaborating the new programmatic theme of bio-fuels.

Regular weekly meetings of all staff are moderated by the Deputy Head, with agenda and supporting documents prepared in advance in cooperation with the reporting staff. At least once a month there is a “management meeting” with the participation of the Head and other professional staff. Annual Work plans, Annual reports, Four-monthly reports and other documents are prepared and submitted to UNIDO HQs as required. Filing is well organized and updated.

As mentioned above, some functions of operational management, monitoring and reporting are assigned to individual staff members (preparation of management meetings, central statistics on delegate performance and costs, preparation of reports, etc.) and these functions are carried out well, as could be observed from files and quick delivery of data or documents required by the evaluation mission. ITPO also applies techniques such as questionnaires to learn about satisfaction of clients with their activities; for example, self-evaluation of APPS 2007 was done well and provided stimulation for improvements.

What is missing is a project-oriented system of monitoring of the whole process of investment promotion till its conclusion and implementation (including follow up after the delegate leaves ITPO). The relation between the “active projects” recorded under the

delegate programme and the project “under promotion” or “under negotiation” recorded in the Four Monthly reports is also not apparent. The evaluation mission experienced difficulties in tracing results in terms of concluded projects and their (potential) impact. This is an important management task that applies primarily to the delegate projects but also to any activity during which project-related business contacts are established (such as APPS).

What is also missing are criteria for screening of projects. ITPO does screen projects before their promotion but the screening is not systematic. Under the tight budgetary conditions, it is becoming even more important to have explicitly formulated criteria for selection, continuation and termination of both investment promotion and technology transfer projects. Some of the technology projects have been promoted for more than three years without apparent success manifested in commercial replication. Setting priorities is needed to be introduced and shared by the Head and all professionals.

The evaluation mission conducted interviews of all staff, both professional and general service. The interviewed professionals have long experience in investment promotion, particularly in the matchmaking activities. They claim to be proud of the work they are doing, appreciate the teamwork and recognition by clients. Strong identification of the professional staff with the office is also confirmed by the voluntary cost-saving measures mentioned above. However, they feel that the office is understaffed to master all the tasks. While the Head – in the course of interview with the evaluation mission - articulated clearly the programmatic priorities (bio-fuels), geographic priorities (Africa) and strategy for extra-budgetary funding (in particular Japanese Descendants Programme, co-financing with multilateral funds such as Montreal Protocol and GEF), the staffs miss a longer-term vision. Apparently the uncertain budgetary situation induces increased sensitivity among the staff, which requires a more engaged communication between the Head and the staff and better use of management meetings for sharing views and creating common understanding.

Contacts with METI

The contact with METI is being regularly made by the Head and Deputy Head of ITPO with the Technical Cooperation Division, Trade and Economic Cooperation Bureau of METI.

During the introductory meeting with METI the METI representative expressed the wish for ITPO to have a mid-term plan as a road map with milestones. This can be done in the framework of the project document that is prepared for three years. However, certain level of funding would have to be assumed, as explained in Chapter IV.

Outputs as defined in the project document

Database of enterprises in Japan (Output 1)

The database has approximately 3200 entries out of which approximately 30% are manufacturing companies, 30% are non-manufacturing companies, 20% are public organizations and 20% individuals. The entries contain elementary classification and

contact details. The database is used for circulation of the newsletter and for sending out invitations for promotional events (seminars, round tables, etc.) It is also used when asked by other organizations for co-organizing or supporting their events.

The database is continuously updated by deleting those who can not be reached any longer and those who wish not to receive the newsletter. Currently the database is being gradually transferred from fax to email modality of communication (420 transferred so far).

Investment and technology projects promoted and/or under negotiation (Output 2)

Output 2 represents the core business of the ITPO as an outbound FDI-oriented organisation. During the three years period under evaluation 247 projects were selected for promotion. All of them were introduced by the delegates, no projects were received from the UNIDO HQ or other ITPOs or IPAs.⁵ In order to promote the projects and to disseminate information about the target countries ITPO organized and carried out extensive activities with and for the delegates (24 country seminars and roundtables, 637 individual meetings).

As a next stage on the way of project promotion ITPO monitors the number of 'active projects' (delegates' projects for which somebody in Japan indicated interest or projects which originated from meetings of delegates with companies). After return to the home organizations the delegates are supposed to follow up these projects. The numbers of 'active projects' are established at the end of each delegate's stay and then remain unchanged in the ITPO records. In total, there were 103 active projects recorded during the period under evaluation, which, however, does not imply that all of these projects are still actively pursued.

The numbers of projects under promotion or under negotiation at the end of each 4-month period captured by the Four-Monthly reports are presented in the table next page (Summary of four monthly reports). Most projects are investment projects.

⁵ The ITPO supported the AAIPTC with organizing a number of promotional events but the projects identified and promoted by the AAITPC were exclusively attributed to this centre.

Summary of Four-Monthly reports: Number of Projects, May 2004-April 2007

Month	05-08	09-12	01-04	05-08	09-12	01-04	05-08	09-12	01-04	Total
Year	04	04	05	05	05	06	06	06	07	
1. Received and selected for promotion										
From HQs	0	0	0	0	0	0	0	0	0	0
From delegates	20	16	12	3	33	20	99	0	44	247
2. Under promotion										
	38	36	22	21	24	20	17	14	15	...
3. Under negotiation										
	5	3	10	6	9	7	8	10	11	...

Monitoring by ITPO of the project follow up, however, is not systematic. This may be the reason why replies of 11 delegates participating in the survey report in total 39 projects under negotiation. This number probably includes projects reported in the last Four-Monthly report but does not include projects that may be under negotiation in countries whose delegates did not fill in the questionnaire.

In the post-evaluation period (after April 2007) new projects under negotiation are reported by the India-Orissa CDM project with anticipated investment over USD 100 mil.

In addition to promoting projects brought by the delegates ITPO carried out other investment promotion activities, such as promoting CDM for investment projects (training cum seminars with JICA) or cooperating with JETRO, JCCME, JOI and other organizations in joint implementation of seminars and roundtables for Japanese companies. Altogether ITPO organized, co-organized or supported 61 country seminars attended by approximately 5900 participants and 5 business missions of Japanese entrepreneurs. Most of the country seminars were targeted at Europe (19), Africa (18) and Asia (16). In the last year the activities oriented at Europe have faded out.

A special investment promotion activity is the *Automotive Parts Product Solution fair* (APPS). ITPO took part in it for the first time in 2006. The organizer of the fair provided ITPO with free space and conference facilities. ITPO invited representatives or promoters of auto parts producers from several countries to take part in the event, provided them with booths and organized a seminar at which the participating delegates could present their industry and the Government investment incentives to Japanese companies attending the seminar. In 2006 five countries participated at the event (Egypt, India, Mexico, Russia, Czech Republic) and the seminar for Egypt, India, Mexico and Russia attracted 120 participants. In 2007 India and Egypt joined the fair again, India with financial support of a HQs project, Egypt at their own cost, and three other countries were invited and participated with costs covered by ITPO either partly (South Africa, Turkey) or fully

(Vietnam). Upon request of Japanese companies or organizations almost 100 bilateral meetings were held, some of them organized in advance. Over 170 participants attended the seminar. The evaluation mission had the opportunity to visit the 2007 fair, to interview representatives of the five countries and to attend the seminar. All country representatives appreciated highly how their participation at the event was prepared and organized by ITPO. They were also satisfied with the newly established contacts some of which may have a follow up.

Technology promotion as part of Output 2

In addition to standard investment promotion ITPO supported dissemination and transfer of several Japanese technologies. It should be noted that there are various sources of industrial technologies in Japan with potential to be applied to conditions in developing countries. Those technologies, either patented or non-patented, are not yet commercially applied by large enterprises due to the following reasons: 1) the technology is not yet proven to be commercially applicable, 2) the scale and volume of applied production or processing is small and not commercially attractive, 3) the technology is still costly despite its benefit in utilization of existing resources and environment protection for developing countries.

The initiative to promote a technology usually originates on the supply side (inventor or Japanese company plus ITPO) and is not demand driven. It is up to ITPO to analyse potential demand and assess relevance and usefulness of a technology for developing countries. So far ITPO has focussed on environment-friendly technologies. ITPO has carried out awareness raising activities (workshops) and supported other organizations in negotiating and establishing pilot plants for demonstration purposes. Pilot plants are not funded by the ITPO but by the owner of the technology or another donor.

The following cases of technology promoted by ITPO are examples of efforts to bring technological ideas and know-how by ITPO Tokyo to potential users in developing countries.

Banana paper and banana fibres for textile industry

Professor Morishima (System design, Nagoya City University) adapted traditional technology to produce banana pulp and paper without chemicals and promotes it in banana growing countries with financial support of JICA, Japanese Grass Root Fund and other Japanese sponsors. The technology is not proprietary; it is suitable for small-scale production of paper and paper-based handicrafts so that it can contribute to some job creation in rural areas but it can hardly be used for large-scale industrial production. Pilot plant operations started in Jamaica and Uganda but little is known about the scope of pilot operations and no response to a questionnaire was received from the partners in those two countries. Though most of the equipment can be replicated and produced locally (except for the pulping machine), the pilot plant has not been replicated on commercial principles so far. Commercially more promising is the complementary use of the banana fibres for textile production as already practised by a Japanese textile company (with banana fibre from the Philippines, gummed in Taiwan). ITPO Tokyo promoted both technologies by missions of ITPO staff to a number of countries and through the delegate in Ecuador and Kenya. In the case of these two countries ITPO is still monitoring and supporting the steps

to test (in Japan) the quality of selected species of banana fibres that may end up in their exports to Japan. In the long term perspective there may be some potential for industrial investment (gumming of the fibres locally).

Ecology Diversity Synergy (EDS) - Wood material processing technology

EDS is developed and patented by Mr. Sachio Ishii, President of EDS Laboratory located in Gumma prefecture (central Japan). EDS is a process technology for drying wood material (timber, lumber or bamboo) that improves strength and other qualities of the wood allowing for better processing of the material. By applying EDS process, the trees that used be considered as non-usable for house construction and furniture can be converted into useful lumber. For example, coconut tree, palm oil tree and bamboo were already tested and proved to be suitable to become useful material. The EDS was applied to strengthening bamboo material for Japanese government pavilion for Aichi Exposition in 2005.

The demonstration of bamboo housing was conducted in Yogyakarta, Indonesia, after the earthquake hit the region, by constructing bamboo-made houses in one or two days. ITPO organized seminars to introduce EDS technology for Thailand and Vietnam in 2006.

EDS is considered to be a valuable technology for developing countries in making use of the wasted material for productive purposes and contributing to environment protection as well. Considering availability of this material (bamboo or coconut trees are abundant but not fully utilized in Asia and other regions), the application of this technology will be useful if proven to be commercially viable. This has not happened so far. In spite of numerous demonstrations the technology has not been replicated as business undertaking either in Japan (except for the company of the inventor) or abroad. In order for EDS to be practically applied in countries with available stock of the above mentioned trees, the technology needs to be more widely understood by research institutes with allocation of budget for promotion (e.g. AIST) or other government owned institutions engaged in experimental applications outside Japan.

Mini-hydro power

ITPO also assisted in promoting in Africa mini-hydro power technology developed in Japan. The company involved is Tanaka Hydraulic Machinery Works located in Tokyo. Tanaka Hydraulic is one of the three manufacturers producing mini turbines, and the smallest among the three. The technology is mature and its transfer is just a matter of proper design, purchase and installation. Overseas application of their turbines started under a Japanese ODA project.

ITPO assisted the company in contacting authorities and potential partners in Uganda and Rwanda. After their visit to Uganda and Rwanda, the Japanese ODA “Grass Root Fund” is likely to co-finance the installation in Uganda. It is expected that it will also serve demonstration purposes.

Biofuels

Recently biofuels have become an issue both in UNIDO Headquarters and in ITPO. ITPO has been exploring conditions and requirements for promoting production of biofuels particularly in Africa (in the context of TICAD 4 preparations). In general biofuel production requires a large scale processing to become feasible. The only exception is conversion of cooking oil into bio-diesel. Since cooking oil is already “oil”, the operation is economically feasible also in a small-scale plant, as proved by a Japanese manufacturer who produces such small scale bio-diesel plant using used cooking oil. The technology can be applied to any small town and community, without scale economy, if some used cooking oil or any vegetable oil is available.

ITPO Tokyo already disseminated some of the Japanese biofuel related technology information to Africa. An awareness-raising seminar was organized for African embassies and ideas of producing biofuels from palm oil have been studied.

Delegates (Output 3)

In the period under evaluation (May 2004-April 2007) altogether 22 delegate programmes were carried out. Two shuttle programmes were carried out for Ecuador (with the same delegate) and Sri Lanka (with different delegates) and one programme (India-Orissa) was carried out for three persons so that the total number of benefiting countries was 20 and total number of persons benefiting from delegate programmes was 23.

Annual programmes for 2005-2007 planned for 20 delegate programmes; with 22 delegate programmes during the evaluation period the actual implementation exceeded the planned objective.

When disregarding a special case of a delegate from the Philippines who was financed by an AOTS programme for 81 days and the delegate from Jordan who stayed just 4 days the ITPO delegates spent at ITPO 10-28 working days (on average 16 days). This is considerably shorter when compared to other ITPOs, in particular ITPO Paris, and even shorter when compared what it used to be in ITPO Tokyo 10 years ago (approx 3 months). The reason is reduction of budget under special conditions of ITPO Tokyo: the language barrier. While in ITPO Paris after some time a French speaking delegate may to some extent function as ITPO staff, in ITPO Tokyo the delegate requires full time attention by ITPO staff during the whole stay. Besides, in order to achieve effective promotion ITPO Tokyo targets delegates at managerial level, aged 35-40 or sometimes more; such delegates usually cannot stay away from their countries for more than 2-3 weeks. As revealed by the survey (Chapter VI), the delegates themselves do not expect a much longer duration. Those participating in the survey recommend that the duration be extended from 3,5 weeks to 4,2 weeks (numbers applicable to those participating in the survey). Substitution of DSA by provision of free accommodation and a stipend of 6000 Yen per day probably does not motivate the delegates to stay longer for other than working purposes either.

The capacity building impact is no doubt smaller compared to a long-term stay. No “training in tools, methodologies and techniques related to investment and technology promotion”, envisaged in the project document, can be carried out within the short

programme duration. However, the survey of delegates signals that on-the job training is not insignificant and that effectiveness of the delegate programme – both in terms of capacity building and project promotion – can be increased through repeated stays (at best of the same delegate) and follow up business missions of Japanese entrepreneurs within a certain timeframe (not later than one year after the delegate return).

Geographical distribution of countries benefiting from the delegate programmes and results of promotional efforts of the delegates (“active projects”)⁶ are in the table.

Geographical dimension of the delegate programme

Region	Delegate countries	Delegate programmes	Persons	Active projects
Africa	9	9	9	23
Asia	7	8	10	72
Europe (incl. Russia)	2	2	2	5
Middle East (Jordan)	1	1	1	2
LA (Ecuador)	1	2	1	1
Total	20	22	23	103

Focus on Africa makes the delegate programme relevant both for UNIDO and the Government of Japan. The more so that some delegates from Asia were selected either from an LDC (Laos) or from less developed regions (Sulawesi, Orissa).

The table also confirms that effectiveness of promotional activities for projects in Africa is considerably lower when compared to Asia.

Performance indicators of the delegate programme (numbers of meetings, roundtables, seminars, active projects etc.) are in Annex 4.

Results of the survey of delegates including their assessment of ITPO services and their recommendations for improvement of the programme are in Chapter VI.

⁶ At the end of every delegate programme ITPO Tokyo considers as “active project” such a project for which interest was shown by a Japanese company and follow up by the delegate is envisaged.

“Proposals formulated on specific manufacturing facilities that enterprises in Japan seek to establish” abroad (Output 4)

This output is similar to Output 2; it is supposed to take care of developing the supply side of investment promotion but, in this case, irrespective of the demand side. The critical assumption is that posting the proposal on UNIDO Exchange will generate demand. As UNIDO exchange is dormant, no activity was undertaken under this Output.

Technology offers disseminated through UNIDO Exchange (Output 5)

At the beginning of the evaluated period altogether 9 offers of Japanese technology were posted on UNIDO Exchange but in view of the situation mentioned above (UNIDO Exchange being dormant) the activity was discontinued. There is no evidence of any interest in the offered technology.

Promotion of COMFAR (Output 6)

ITPO has been promoting COMFAR in Japan for many years. Since 2000 altogether 65 sets (COMFAR software plus Manual for Preparation of Feasibility Studies) were sold to companies (30), universities (8), consulting companies (5) and other users (Government institutions, private persons). Since January 2005 altogether 14 sets were sold for total price of 21000 Euro out of which approximately 2100 Euro could be retained by ITPO as remuneration for promotion. In almost all cases the registered users of COMFAR do not belong to the companies using ITPO investment and technology promotion services.

From time to time ITPO organizes workshops updating the registered users on new versions and their features. On such occasions it was revealed that for various reasons most of the earlier users (about 85%) do not use the software any longer. One of the reasons is completion of an investment project; another reason is limited applicability of the software for non-manufacturing projects.

Facilitating UNIDO headquarters missions to Japan (part of Output 7)

Output 7 is an incongruous conglomerate of downstream advisory services (including advisory services on financing project implementation) and facilitation of UNIDO headquarters missions to Japan. Downstream advisory services have not been provided because there is hardly any demand for them. Big companies have their specialized personnel or can use private consulting companies. SMEs are not used to rely on external advisory services either.

Thus the only activities under this output are those related to HQs visits in Japan. During the evaluated period ITPO supported visit of the UNIDO Director General and meeting of the ITPO Heads in Japan. Given the vast experience of ITPO in logistical support,

organization of meetings and vast network of contacts in Japan it is not surprising that ITPO supporting activities met expectations of the visiting missions.

Other activities of ITPO

Special programmes for embassies in Japan

ITPO is organizing thematic gatherings (such as on CDM) and study tours for embassies in Japan, particularly the African ones, in order to assist their commercial staff in better understanding Japanese business and technology and to provide opportunity for exchange of information. The most recent event was a forum for bio-fuel held at JICA on June 1, 2007, with speakers from UNIDO, METI, MOFA, JICA and Japanese experts in bio-fuel. A study tour was organized to visit a waste recycling plant in Tokyo, and another tour to visit a manufacturer of bio-diesel from used cooking oil is under preparation. These activities, which do not require much ITPO staff time and external speakers in most cases do not claim any fee, are very well received and appreciated by embassies, as confirmed by interviews.

Public relations activities

There are two major public relation events at which ITPO participates, “UN-day” and “Global Festa”. UN-day is an annual event held on October 24, with gathering of all UN related organizations at the UN University in Tokyo. The programme contains symposium and booths for publicizing each organization’s activities. ITPO participates and opens its booth every year.

“Global Festa” is a two-day event organized by ODA related organizations in Japan. It is held at Hibiya Park, in central Tokyo, on weekend around October 6, which is the Japanese ODA day. The participants are Japanese technical assistance organizations such as JICA, JBIC, other government organizations, international organizations including most UN offices in Japan, non-profit organizations and NGOs. ITPO Tokyo participates by featuring a booth for UNIDO publications and thematic exhibitions.

In addition to these two major public relations events ITPO staff also three time a year deliver half-a-day lectures on COMFAR for people seeking employment in international business operations. Though this activity is paid for by the organizer, the Ability Garden, it is not linked to the ITPO core business and has a public relations dimension.

Publications

The ITPO maintains a website www.unido.or.jp with Japanese and English language versions. The English version is not always timely updated (keeping announcements about seminars or other events on the web after they had taken place). The number of visits is not monitored. ITPO publishes in Japanese a quarterly UNI-World with information about

ITPO, UNIDO and the UN and distributes 500 copies free of charge to chambers, some offices, cooperating organizations and some companies.

Before conducting a seminar or organizing other events of interest for the clients ITPO disseminates this information by a newsletter in Japanese)

UNIDO Friendship Association

UNIDO Friendship Association was started three years ago by initiative of the Head, for the purpose of establishing close link with Japanese companies and individuals who have close and frequent contacts with ITPO. It is like a membership association with membership fee collected annually. Currently there are 20 members (two corporate and 18 individual members). The annual membership fee is 100,000 Yen for corporate and 10,000 Yen for individual members. The fee is treated as additional revenue of ITPO. The members receive ITPO publications but in view of the small number of members no special activities for this group have been carried out so far.

Cooperation with ITPO and other UNIDO networks

The original concept of using the ITPO Network as a platform for meeting the demand and supply side of investment promotion (project profiles with UNIDO “quality stamp”⁷ generated by inward-oriented ITPOs, IPU and investment forums submitted to outward-oriented ITPOs for promotion in their countries) does not work any longer. In the case of ITPO Tokyo not a single project was received from the Network. Yet, there were cases of cooperation with some ITPOs (cooperation with UNIDO HQs programmes and projects is dealt with separately below). ITPO Tokyo cooperated with ITPO Bahrain in an environment project (Roof Soil). Because of the delegates, contacts were maintained with IPU in Jordan, Egypt and Morocco. Contacts were established also with ITPO Mexico but the flow of information was deficient. Contacts are kept with ITPO Seoul. It can be concluded that the frequency of contacts is rather low, on ad hoc basis, as the needs arise, and the needs are not systematic either.

ITPO Tokyo made efforts to implement the HQs strategy of cooperation with NCPC Network. Some NCPCs were invited to send delegates but the reaction faded out. Currently ITPO Tokyo is negotiating with NCPC Vietnam through the UNIDO office in Hanoi about a delegate for CDM projects.

No contacts have been established with the SPX network.

⁷ UNIDO investment project profiles were supposed to be distinguished from those of other agencies by high level of elaboration and feasibility calculations that required extensive use of external consultants for formulation of the projects.

Meetings of the Heads are perceived as a useful platform for sharing information and experience among the Network members and facilitation of management by HQs.

Cooperation with UNIDO HQs and its activities in the field

Cooperation between Delegates and UNIDO programmes or projects in the field

Out of 20 countries from which delegates were recruited, 17 countries hosted UNIDO programmes and most of these programmes included an investment and technology promotion component or project (with the exception of Rwanda). In the remaining three countries (Zimbabwe, Zambia, Botswana), there was no UNIDO programme at the time when the delegate programme was carried out. Thus very favourable framework conditions existed for cooperation between the UNIDO programmes/projects and the delegate programme.

At best these possibilities were made use of in the case of India-Orissa. UNIDO HQs, implementing a project supporting an Indian investment promotion organization, invited ITPO Tokyo to participate in strategic discussions on investment promotion and CDM. Thereafter two Indian delegates accompanied by a CDM consultant stayed at ITPO (at the cost of the UNIDO HQs project) and were supported by ITPO in contacting Japanese companies, holding business discussions, and organizing 1 major investment seminar in Tokyo and 1 roundtable meeting in Osaka. Subsequently some Japanese companies visited Orissa and good prospects exist for significant investment. More interactions between the project in Orissa and ITPO Tokyo are planned.

This level of synergy resulting from planning the whole process in a coordinated way from the very beginning (with pivotal role of the HQs project) was unique and did not occur in other countries. Apart from Orissa UNIDO HQs projects funded or co-funded delegates from other three countries (Ecuador, Jordan and Russia)⁸. This in itself is an indication of potential synergy at least in capacity building. The other opportunities provided by the co-existence of UNIDO projects and ITPO delegate programmes in the country remained untapped. This is also reflected in the survey of delegates: out of 11 delegates only 5 knew about a UNIDO project in their country (for more details see Chapter VI).

Asia-Africa Investment and Technology Promotion Centre (AAITPC)

AAITPC is a project funded by the Government of Japan providing a platform for awareness raising on investment climate and investment and technology opportunities, business missions and business-to-business meetings between several (six) countries in Asia (including Japan) and several (eight) countries in Africa with the ultimate purpose of

⁸ HQs projects funded also two Indian participants at the APPS fair

generating or increasing flow of investment and technology from Asia to Africa. The project started with the concept of South-South Cooperation and later has been expanded to include OECD countries like Korea and then Japan.

The project is managed by a UNIDO staff stationed in Vienna who liaises with its Partners who are ITPOs, IPAs, Chambers of Commerce and Industry and similar organizations in the countries involved. As a rule, IPAs first submit to the project the latest investment climate information as well as project profiles and sector information that they wish to promote and such information is uploaded on the AAITPC web site for dissemination through the network of the Partners. The officials from the African IPAs visit cooperating countries in Asia, at the expense of the project, to mobilize interest of the business community at the Seminars the project co-organizes with the Partners in Asia. A multinational mission of interested businessmen to the promoted countries follows up. Only if some “hot investment leads” evolve from the business missions does the project consider sending (paying) a delegate from the African country to the country of the potential investor to follow up. These activities are implemented in the project cycle of one year.

AAITPC started cooperating with ITPO Tokyo in 2005, at the time when the project focused on two African countries: Uganda and Mozambique. It is among the agreements between AAITPC project and ITPO Tokyo that the former is responsible for the out-of-pocket expenses to be incurred and the latter is responsible for in-kind contribution. ITPO Tokyo, as a Partner, proved to have excellent capacity to organize such seminars and to mobilize Japanese business to attend them while the costs of venue, coffee break and simultaneous translation were borne by the project. (Tokyo recorded the highest number of participants compared to seminars in other Asian countries.) Subsequently four Japanese businessmen participated in the (one week long) business mission to the two African countries (in total 32 businessmen from Asia participated in the mission). The project invites one staff of each Partner to participate in the mission as a secretariat of the national group and bears costs thereof. In the case of Japan the ITPO Head participated in the mission at the expense of the project. No “hot investment leads” (partnerships or business ideas) were identified or formulated at that stage but one of the participants in the mission visited Uganda again in 2006 on his own to continue a survey of local conditions with the assistance of IPA Uganda. A delegate from Mozambique arrived at ITPO Tokyo in June 2007.

Cooperation with UNIDO in technology promotion and training activities

Arsenic removal

The most intense cooperation with a substantive unit in the Headquarters was in the preparation of the UNIDO project to demonstrate technology removing arsenic from ground water in Bangladesh. The role played by ITPO in the formulation of the project and in liaising with the Japanese technology provider was highly appreciated by the UNIDO Headquarters. Once the project implementation started in 2004 the support of ITPO was no more required. However, ITPO may still play a role in supporting commercial transfer of the technology either through investment or a sale of the technology licence.

Banana paper and fibre, EDS

ITPO Tokyo facilitated direct contact of the substantive unit (AGRO) of UNIDO HQs with authors of both technologies so that the relevant substantive unit as well as some other managers are well informed about promotion of these technologies and their features. There seem to be expectations on the part of the technology owners that UNIDO should fund more pilot plants and (in the case of EDS) even build such plants as industrial operations.

Biofuels

At UNIDO HQs three branches are currently dealing with the topic and the UNIDO strategy on biofuels is still (July 2007) in the draft form. ITPO has been in close contact with PTC/ITP Branch on this issue, and in particular with Mr. Tsukiji, the Project Manager of the AAITPC project, who backstopped a biofuels conference in Malaysia, with special attention being paid to African countries. At present the linkage with UNIDO is adequate but closer contact with PTC/ECB Branch may be needed in the future.

CDM

ITPO was in contact with the relevant substantive unit for the purpose of coordinating UNIDO/JICA training of experts from South-Eastern Europe on CDM and for the purpose of following up a UNIDO technical cooperation project in Vietnam. The latter case was accompanied by a temporary misunderstanding due to complexity of flow of information among several stakeholders.

Montreal Protocol

ITPO is cooperating with the relevant substantive unit of UNIDO HQs with a target to mobilize complementary funding by JBIC (40-50 mil USD soft loan) for a large MP project in Egypt (replacement of 250 large cooling systems).

Hydro-power

Before ITPO mission to Central Africa (accompanying the Japanese design and production company) UNIDO provided ITPO with some information on their project in Rwanda. UNIDO staff was informed about ITPO activities in Uganda but as he was transferred to the field the current awareness of UNIDO about ITPO activities in Uganda is not known.

Conclusion

It can be concluded that in general ITPO has been in contact with the relevant substantive branches, with some of them quite intensely, and the occasional gaps in the flow of information can be easily rectified. Probably more difficult is to receive professional and action-oriented guidance from the HQs on some of the promoted technologies and to follow it up, as it was done in the case of the arsenic project. This, however, is probably the key advantage of ITPO being part of the UNIDO ITPO network with professional backing of the Headquarters.

Outcome and Impact

Outcomes

While production of Outputs (number of delegates, number of promoted projects, etc.) is under control of the project, outcomes and their impact depend on the use of outputs by target beneficiaries. ITPO activities and outputs can lead to outcomes in three areas:

- investment promotion
- technology promotion
- capacity building.

i) Investment promotion

Outcomes resulting from investment promotion are best manifested by actually implemented investment, that is by projects under implementation or operational projects. One can include in this category also concluded projects provided the agreement has a form of a binding contract and not just a “letter of intent”.

Due to the absence of a project-centred monitoring and follow up system ITPO has only sporadic information about conclusion or implementation of projects. Four-monthly reports submitted during the last 3 years report 4 concluded projects and one operational project. The operational project is banana paper pilot plant in Jamaica. Out of the 4 concluded projects one is also a banana paper pilot plant (in Uganda). The other projects deal with production of flexible pipes in Saudi Arabia, cartoon animation in India and production of auto parts in Turkey.

Feedback from two delegates (India-Kerala, Tunisia) who participated in the survey indicates additional 5 projects concluded, 4 projects under implementation and 3 projects operational. Excluding the 2 pilot plants the total figures amount to 8 concluded projects, 4 projects under implementation and 3 projects in operation.

The above numbers do not include projects that might have been concluded or implemented through activities of delegates not participating in the survey.

ii) Technology promotion

Outcomes resulting from technology promotion in industry could be best manifested by transfer of technology to a local entity, at best to a company who adopts and uses it for commercial purposes. The only success in this direction is two banana paper pilot plants (in Jamaica and Uganda) but the success is limited because no replication of the technology has been recorded. EDS houses built in Indonesia have not been replicated either so that the outcome is limited to the demonstrations financed by the inventor himself.

Promotion of the other technologies (mini hydro-power, neem) has not reached the demonstration stage yet.

iii) Capacity building

Though the length of the delegate programme did not allow for specialized training, the delegates participating in the survey claimed to have upgraded their skills particularly in presenting opportunities of investment to potential foreign partners, approaching and finding suitable project partners, preparing visits of investors to home countries, selecting projects worth to be promoted and preparing missions abroad for entrepreneurs from home countries. This skills upgrading represents contribution to capacity building of organizations from which they were recruited as delegates. Out of the 23 persons serving as delegates 19 are still working in organizations from which they were recruited and only one left his home country. This is a very favourable outcome of the programme.

Some missions of ITPO staff also contributed to capacity building of IPAs in the developing countries (for example, participation of ITPO staff in CDM discussion in the Orissa IPA project).

Awareness raising activities carried out for African embassies contribute to upgrading capacities of their staff to discharge their trade, investment and technology promotion functions. Besides, information collected at awareness-raising seminars is being conveyed to the capitals of home countries.

Impact

In terms of investment and number of new jobs generated the envisaged impact of concluded projects and the actual impact of implemented projects as reported by the delegates participating in the survey are as follows:

	Envisaged (concluded projects)	Actually generated (implemented)	Total
Investment (USD 000)	3.100	500	3.600
Number of new jobs	40	50	90

The above figures could not be verified. Clarification received from one of the delegates indicates that these figures are estimates because – due to commercial dimension of the deals – “complete details have not been provided by the beneficiary”. The type of business referred to is latex gloves, food processing and international container terminal. In view of the absence of more detailed and reliable information about the investment it is not possible to analyze the level of quality (structural desirability) of the investment for the country.

Request for clarifications on the type of projects promoted in Tunisia was not answered by the delegate.

The above table can not capture contributions of ITPO activities to impact generated primarily by other drivers or decision-making processes to which ITPO contributed either by speeding them up or initiating them by provision of information or advice without following up the case further.

Impact of 3 concluded projects reported in four-monthly reports is not known. Impact of the banana paper pilot plant in Jamaica is estimated at approximately 10 new jobs (the pilot plant itself was financed by Toyota, investment costs are not known), parameters of the pilot plant in Uganda are also not known but most probably they will not differ significantly from those in Jamaica. In the case of Uganda the pilot plant seems to be operating only from time to time for the purpose of new demonstrations so that developmental impact can be neglected.

Developmental impact of capacity building cannot be expressed in quantitative terms but particularly the African ambassadors appreciate highly both the delegate programme and the support to the commercial staff of their embassies.

V

Client feedback through surveys

Several categories of clients were contacted by e-mail and requested to fill in and send back a questionnaire. To allow for comparison the questionnaires for companies and delegates followed as much as possible those used for evaluation of ITPO Paris and Rome but in some parts they were simplified while in other parts the scope of questions was extended (applies in particular to the questionnaire for delegates).

Japanese companies

Questionnaires for Japanese clients were sent to 400 companies or organizations that had some contact with ITPO in the past three years. The responses were collected from 72 clients. In addition to this, 25 firms with experience in active projects were asked to fill in an extended questionnaire (with additional questions); seven companies responded. The detailed analysis results are in Annex 3. Summary of the findings and answers of 72 respondents can be compiled as follows:

- (1) The majority (80%) of respondents have their head offices in Tokyo metropolitan area. As for the size of companies, 37% of them employ more than 250 staff, while companies with less than 50 employees share 47%.
- (2) The business interests of the respondents are “entering into new market” (20%), “industrial investment” (12%), “promoting technology” (11%) and “non-industrial investment” (5%). This can be interpreted that there are variety of business purposes and “technology transfer” has almost the same share as “industrial investment”.
- (3) The target region is largely Asia (61%), followed by Africa (16%). The comparatively large share of Africa is compatible with focus by ITPO in their delegates, seminars and other promotion activities.
- (4) Seminars are most common occasion for the respondents to get to know about ITPO for the first time (29%). Other channels are through friends (20%) and public institutions (16%). 15% of the respondents were contacted by ITPO.
- (5) The expected benefits by the respondents are “information gathering” (73%), while other reasons include generating business ideas and projects overseas, technology transfer, international exchange and COMFAR. The high share of those interested primarily in information is compatible with the profile of ITPO services.

- (6) The most frequently used ITPO services are: seminars and country presentations (62%), newsletter (44%), ITPO website (30%), meeting with delegate (25%) and fairs and exhibitions in Japan (18%).
- (7) The quality of services by ITPO, on the 0 to 6 scale, was responded with the highest average score (4.65) for “qualification of ITPO staff” for which 24 respondents answered “6” (full score). The second highest score was for timeliness (4.55). Overall rating was 4.57. This can be interpreted as the quality of the services is being largely attributed to the staff quality.
- (8) Regarding usefulness of information, “investment, trade and technology transfer opportunity” is highest by 37% , followed by “country specific investment trade policies and regulations” by 31%.
- (9) Regarding contribution to achieving business objectives, 23% responded as “yes, to a great extent” while 55% responded as “to some extent”. In total, 86% responded as “yes” with different level, while there were 13% who responded as “not applicable” suggesting their interest did not match with ITPO services. This can be qualified as a high level of satisfaction with ITPO services.
- (10) Regarding desirable support by ITPO, “information provision” and “ coordination with government authorities and companies of developing countries” are indicated as important for the clients.
- (11) Regarding strength of ITPO, 51% highlighted “good reputation as a member of UN”, 47% selected “identification of business partners using world wide network” and 40% selected “honest broker”.
- (12) Regarding services by other agencies and organizations, the most frequently used is JETRO (16 responses out of 72), followed by JICA (4), ASEAN Centre, Embassies, JBIC, JCCME and OVTA (3 responses for each).
- (13) Additional 6 questions were answered by 7 clients who have had investment projects promoted by ITPO. Their responses to some of the additional questions can be summarized as follows:
- ITPO services assisted one company to achieve is business objectives fully and two companies “to a great extent”. One company responded that “Through ITPO, lots of information was obtained and investment simulation could be completed, which suggested things to be done for the next step”.
 - The targeted countries are: The Philippines, India (2 companies), Kenya, Uganda and Tanzania, with planned investment amount from US\$90, 000 to \$1million.
 - Three companies responded that their negotiations were still on-going, and one company plans to invite 3 experts from the target country as trainees for preparation of their investment project. One company

answered that they discontinued the project due to change in local conditions.

The last question in both questionnaires was for free comments. There were 18 comments collected, and the following ones are worth noting:

(From small companies)

ITPO should pay attention not only to high and new technologies, but also to traditional technologies.

SMEs do not have enough human resources for international business. Thus assistance by ITPO is of great help.

(From large companies)

COMFAR is useful software

We learned about ITPO services only through this questionnaire (service menu apparently was not known to the respondent)

We wish ITPO provided also information on other countries' investment activities in the target countries, since a Japanese company is not limited to partnerships with local firms but it can seek opportunities for partnering with other investing companies.

It can be concluded that 1) the companies are interested primarily in information and matchmaking which is compatible with the profile of ITPO services 2) satisfaction with ITPO services is relatively high and it seems to be attributed to the quality of staff 3) being linked to the UN is a significant factor of reputation of ITPO 4) the other agency most frequently used by ITPO clients is JETRO.

Delegates

Questionnaires with 30 questions were sent to 16 delegates whose addresses were available. In total replies from 11 delegates were received (Egypt, Jordan, Ecuador, Tunisia, Russia-Primorski, India-Kerala, India-Gujarat, India-Orissa, Kenya, Madagascar, Zimbabwe). In several cases a few questions were subsequently clarified through exchange of e-mails. Summary of the 11 replies to the questions (in some cases aggregated so that numbering of replies does not match numbering of questions in the questionnaire) is as follows:

- (1) None of the delegate's countries has its own investment promotion agency in Japan. Most of the delegates came from an investment or trade promotion agency (6) or a relevant body of Government (4), one from a Chamber of Commerce. The recruitment was initiated as frequently by the employer (5) as by ITPO (5).

- (2) Actual duration of stay varied from 2 to 5 weeks (on average 3,5 weeks). According to most delegates optimal duration should be a bit longer. Most frequently the delegates proposed 4 or 5 weeks (on average 4,2 weeks).
- (3) Before coming to ITPO Tokyo one delegate (from Jordan) was as a delegate at another ITPO and 3 delegates were at ITPO Tokyo for the second time. Only in one case somebody else from the same organization served as a delegate.
- (4) Delegates brought from their countries 10-25 projects for promotion (on average 14). Most of the projects brought from home countries were actually selected for promotion (on average 12,7). Additionally, only 11 projects were identified in Japan (by four delegates). All projects were investment projects.

(5) Status of follow up of projects as reported by 6 of the 11 delegates:

under negotiation	38
concluded	5
under implementation	4
operational	3

The remaining 5 delegates did not report any project follow up

(6) Investment and jobs

	envisaged (concluded projects)	actually generated
investment (1000 USD)	3100	500
jobs (approx)	40	50

Projects under negotiation in Orissa are expected to generate approx. USD 500 mil. of investment

(7) Satisfaction with ITPO support

The highest satisfaction marks were earmarked to the following ITPO services:

logistical support	11 delegates
making new business contacts in Japan	6
assistance in promoting investment in home country	6
organizing promotion events for home country	5

Exposition to environmentally friendly technology got the highest satisfaction marks from 2 delegates and on-the-job training from one. Other ITPO services such as networking with other ITPOs or UNIDO received only less than the highest marks. “UNIDO Exchange” was marked in most cases as “not applicable”.

(8) The delegates were given the task to select three most important immediate results of their stay with ITPO Tokyo. They selected the following ones:

newly established contacts with companies in Japan	10
better understanding of requirements of Japanese companies	7
better understanding by Japanese companies of investment conditions in home countries of the delegates	6
newly established contacts with the ITPO network	4

Only one delegate selected (among the three results) “progress achieved in formulation or negotiations of on-going or new projects”, nobody selected “acquaintance with UNIDO tools and methodologies, such as COMFAR”.

(9) Professional skills were improved particularly in the following fields:

presenting opportunities of investment to potential foreign partners	11
approaching and finding suitable project partners	8
preparing visits of investors to home countries of the delegates	7
selecting projects worth to be promoted	7
preparing missions abroad for entrepreneurs from home countries	6

Hardly any skills upgrading was reported in the downstream activities, such as linking with financing organizations or supporting partners after reaching an agreement.

(10) After return home: All delegates report they returned to their home organizations but in one case the delegate – after some time- was transferred to non-promotional job within the organization. In their home organizations they widened the scope of international contacts (10), maintained contacts with Japanese organizations and companies (8), passed on acquired knowledge (6) and proposed modification of internal organization (5). In most cases the actions or changes could be implemented without difficulty (6) but sometimes resistance to change was experienced. In one country a Japan Desk within the investment promotion agency was actually established as recommended by the delegate but the delegate was transferred.

- (11) ITPO as part of UNIDO: Most delegates (10) perceive UNIDO ITPO as having special features and competitive advantages, the most notable being identification of business partners using world-wide network (8), good reputation as a member of UN (7), mobilization of competencies from a world-wide pool of experts (6). 5 delegates highlighted acting as honest broker, offering services for free and targeting SMEs.
- (12) While most of the delegates (10) claim to be at least in sporadic contact with ITPO Tokyo (which is confirmed by ITPO staff only partly), their cooperation with other UNIDO projects in investment and technology promotion in their countries is rather limited. Out of 11 delegates only 5 knew about a UNIDO project in their country and 3 actually cooperated with such a project (Madagascar, India-Kerala, India-Orissa). In 2 cases the delegates knew about or were in contact with an IPU in their country (Egypt, Jordan). Some delegates gave a negative answer or did not answer this question even when they were co-financed by a UNIDO project (Ecuador, Russia). Apparently they were not aware of the arrangement.

Not all the individual answers in questionnaires can be taken at their face value. It seems that in a few cases the question was either not properly understood (UNIDO Exchange, assisting investors in preparing their business plans) or the answer may have been biased in favour of ITPO, as can be assumed. However, in spite of that one can conclude that

- the delegates participating in the survey were selected from relevant agencies or organizations and all of them returned and continue working in these organizations;
- satisfaction of delegates with ITPO services is high;
- most of the delegates accept and endorse the upstream orientation of their work at ITPO with focus on establishing contacts with Japanese companies and organizations and disseminating country information while project follow up after their return remains primarily their own responsibility; only exceptionally is a different orientation proposed (support to transfer of technology with involvement of venture capital);
- in parallel, the short duration of their stay at ITPO Tokyo is in principle accepted (only a small prolongation of the stay is requested); however, repetition of the programme for a country is considered as desirable.

It can be also concluded that neither UNIDO Exchange nor COMFAR are considered as important for the delegates.

In the free-text window some delegates elaborated more on some questions (lack of support in home organization, no interest of Japanese investors in projects published on the website) or suggested to ITPO some measures for improvement:

- When arranging contacts for the delegate focus on projects earmarked for promotion and arrange other contacts as second priority.

- A business mission of Japanese companies to the delegate's country should be planned within a certain (rather fixed, and within a year) time frame after his/her return (to maintain the momentum).
- An agreement between ITPO and the home organization should include a commitment of the home organization to support the delegate – after his/her return - in executing his/her promotional work and to consider seriously his/her proposals for improvements in the home organization.

The delegates do not receive standard DSA but are provided with accommodation and a daily stipend (6000 Yen); only one delegate recommended that the stipend be increased. However, several delegates raised the problem of access to funding for promoted projects as one of the constraints of project implementation. This applies particularly to projects requiring ODA subsidy (such as the banana fibres).

Foreign partners of technology promotion

ITPO provided addresses of their four partners (most of them from universities) in promotion of technology (mainly banana paper and banana fibres). Three of them did not answer at all, one of them responded to a reminder explaining that he had not received any questionnaire. A new questionnaire was sent to him again but he did not respond anyway. Either the questionnaire was perceived as too detailed for the level and stage of technology promotion in which the partners were involved or they did not feel much commitment towards ITPO Tokyo. Neither explanation is encouraging for ITPO technology promotion activities.

Participants at CDM/JI training

The programme was split between 2 days at UNIDO Vienna and two weeks at JICA/Tokyo, with considerable involvement of ITPO Tokyo. A simple questionnaire was sent to 7 participants of the UNIDO/JICA training cum investment promotion programme in CDM/JI. Three participants responded confirming that the programmes in Vienna and Tokyo did not overlap and expressing high satisfaction with the quality of the programme.

VI

Assessment

A. Relevance

Relevance for UNIDO

In principle, a project is considered relevant for UNIDO if its objectives and implementation are consistent with the needs of the end-users (developing countries and countries in transition) and with the policy of the Organization. In the case of this particular project, the stated development and immediate objectives comply with the ITPO mandate as stipulated in Decision 18 of the General Conference 2003. However, questions may be raised about the relevance of those activities that are not directly supporting the development objective: the public relations activities and promotion of COMFAR in Japan. They are relevant for UNIDO as such, for its visibility in the donor country. Indirectly they may also support the main objective of mobilizing resources from Japan for the benefit of industrial development in developing countries but this assumption is difficult to prove.

It is also relevant for UNIDO that the ITPO is the only investment and technology promotion entity in Japan that hosts delegates. The other activities (in particular country seminars, business missions) are carried out by several other organizations or agencies in Japan. However, most of the country seminars organized by ITPO are an integral part of the delegate programme. In general the relation between ITPO and other ITP-related organizations in Japan is that of coordination and cooperation, not of competition, duplication or overlapping.

The priority given to Africa, LDCs and lagging regions of non-LDC countries, as evidenced from the structure of delegates, is also fully in line with UNIDO policy.

The development dimension of investment is not derived from its volume alone but also from its contribution to improving the structure of the economy and to addressing social or environmental problems. There is not enough information to analyse the qualitative dimensions of the investment quantified in the chapter on impact but the CDM-related investment promotion in India-Orissa and the promotion of environment friendly and “appropriate” technologies meet these qualitative criteria and substantiate further relevance of these activities for UNIDO.

Relevance for the Government of Japan

The project is relevant for the Government of Japan mainly due to the following points:

Focus on Africa

Japan's ODA Charter of August 2003 defines four priorities: 1) Poverty reduction, 2) Sustainable growth, 3) Global issues and 4) Peace building. It should be noted that sustainable growth includes cooperation in trade and investment, and Africa is considered a priority because it "has a large number of least developed countries, and is affected by conflicts and serious development issues, amid which self-help efforts are being stepped up. Japan will provide assistance for these efforts". Japan's commitment to Africa is also reflected in hosting TICAD. While ODA to Africa has been focusing on humanitarian aid for basic human needs, there is a growing interest in applying development success in Asia to Africa in the field of industry, SME, trade and investment development.

Investment Promotion

The investment promotion activities are already taken care of by other organizations like JETRO, JOI, ASEAN Center, JCCME, JCCI and trading firms. However, the delegate programme offered by ITPO is an activity not covered by any of the other organizations mandated with investment promotion. Considering environment for foreigners to promote their business in Japan, the role of ITPO is not only providing office base for delegates but also providing staff assistance in guiding, interpreting and accompanying each visit, organizing country presentation seminar by identifying interested companies through contacts and information dissemination by ITPO to business community. Without the qualified staff services, the delegate programme cannot be conducted successfully. As can be learned from answers to the questionnaires, the quality of staff is highly evaluated and suitable to conduct such services.

Technology Transfer

Japanese private sector is interested in transferring technology abroad. Some technology can be applied to address environment problems of the developing countries. Japanese government encourages industrial technology research and development, e.g. through AIST, and promotion of Japanese technology to developing countries is in line with interest of the Government. In addition, UNIDO network and ITPO services for Africa and LDCs complement other Japanese government agencies dealing with technology transfer.

B. Efficiency

Efficiency is understood as a measure of how economically inputs (through activities) are converted into outputs. There may be different approaches to comparing inputs and outputs. For example, if calculating efficiency of the delegate programme on the basis of the Budget Line 31 alone, then the rate USD 2930/delegate would indicate very high efficiency. This rate, however, captures only some ITPO expenses for the delegates (accommodation, daily stipend, costs of organizing seminars, in some cases contribution to air ticket, etc.) but it does not cover use of the office space and particularly the most important ITPO input to the delegate programme: working time of the ITPO staff. As already mentioned elsewhere, 3 out of 5 professionals claim to spend 25-45% of their working time on the delegate programme, which would increase the rate at least 5 times.

As regards some other specific activities it seems that 3 m/m allocated to APPS are commensurate to the complexity of the event whereas 3 m/m allocated to promotion of COMFAR seem adequate only in situations when extensive COMFAR training is carried out, as was the case of a 3-weeks JICA training course in Cuba in 2007.

Technology promotion seems to occupy a relatively small share of ITPO working time (in principle only one professional having spent approximately 25% of his working time on technology promotion) but in view of long-lasting promotion of the same technologies, several promotional missions associated with it and little tangible outputs produced one can infer that efficiency of this activity has been rather low. The recent decision to promote biofuels for Africa and make it one of the themes for TICAD 4 is requiring increased inputs of staff time, including the Head and one additional senior consultant.

Awareness-raising activities for African embassies do not occupy much working time of the staff and the upgraded information and knowledge of the commercial personnel of the embassies seems to be achieved in efficient way.

Out of 247 projects selected for promotion approximately 15 of them reached the stage of conclusion or implementation (approximately 6%). The percentage is similar to the ITPO Paris (7,5%) but the numbers of projects are much smaller. Some arguments against comparing number of projects in ITPO Tokyo with other ITPOs, in particular with Paris, are spelled out in the section on Effectiveness (see below). Here, in the context of Efficiency, it should be reminded that conducting certain promotional activities in ITPO Tokyo is more costly due to the language barrier (explained in the case of delegates) and geographical distance from target regions and UNIDO headquarters.

C. Effectiveness

Effectiveness is understood as extent to which the development objectives of an intervention were or are expected to be achieved. The development objective is defined in the project document as “supporting industrialization efforts of developing countries...by identifying and mobilizing... resources required for the establishment of business partnerships”. As described in Outcomes and Impact (see Chapter VI), some resources

were mobilized but since no quantitative indicators are specified in the project document, the assessment is left at the discretion of the evaluation team.

The principle assessment is that the effectiveness of mobilization of financial and technology resources in Japan for investment in developing countries is rather low. In terms of number of concluded and operational projects the outcome is comparable to the period under the previous evaluation but it is lower compared to situation 9 years ago, and also lower when compared to other ITPOs such as ITPO Paris. In terms of impact measured by number of new jobs and volume of investment the difference is even larger. Outcomes and impact of technology promotion in terms of technologies transferred are not significant either.

This above assessment “in principle” requires some qualification. Outcomes and impact achieved 9 years ago can to a great extent be assigned to a few large projects promoted and followed up by a delegate from CZECHINVEST (which later even established its own office in Japan). With moving promotion away from Central Europe and having the largest number of delegates from Africa it is not surprising that investment promotion is less successful in terms of implemented projects and their impact. Comparison with ITPO Paris is also not fair since one has to consider closer traditional and political ties of France and its business circles with countries in Africa and Latin America, not to speak of the economic and psychological impact of much larger geographical distance of Japan from these regions.

The question arises: is the policy objective of focussing on Africa and LDCs compatible with success criteria defined in terms of implemented/operational projects and their impact? The answer is yes, it is, one should strive to achieve impact as understood above but one should be realistic in setting the targets and selecting countries, projects and technologies for promotion. And there is some scope for improvement in this direction, as will be reflected in recommendations.

Besides, there are other outcomes than mobilization of resources: capacity building of delegates organizations, upgrading the level of information and knowledge of Japanese companies about countries and regions beyond their traditional sphere of interest, and newly established contacts and networking. Highly affirmative appraisal of these intangible outcomes both by JCCI and the African embassies signal that they should be recognized as results in their own right.

D. Sustainability

Sustainability is defined as continuation of benefits from an intervention, after the development assistance has been completed. In the case of implemented and operational projects the benefits continue as benefits from on-going business operations. As regards the two pilot plants on banana paper, both of them allegedly continue demonstrating the technology and the plant in Jamaica is said to operate in semi-commercial modus but no reliable information was received from them to confirm it.

Sustainability of capacity building interventions depends on a number of factors often beyond direct control of the project. Sustainability of capacity building benefits of the

delegate programme is satisfactory (as explained earlier, 19 out of 23 delegates are still engaged in organizations from which they were recruited). In one case transfer of the delegate to another job with non-promotional duties prompted a proposal for UNIDO to request from the home organization of the delegate a firm commitment to continue employing him/her in an investment promotion job.

VII

Issues related to extension

In the forthcoming months the following issues will have to be addressed by ITPO:

- Clarifying strategy for technology promotion
- Closer integration with UNIDO programmes
- Making policy objectives and criteria of effectiveness and impact compatible
- Overcoming budgetary constraints.

The issues are to a great extent inter-related.

Strategy for technology promotion

While it is recognized that technology promotion is an element of the ITPO mandate the importance of which may increase, the modality of technology promotion by ITPO is not methodologically elaborated. ITPO rightly focused on promotion of environment-friendly technologies applicable to developing countries. ITPO has carried out awareness raising activities (workshops) and supported other organizations in negotiating and establishing pilot plants for demonstration purposes. In the case of mature technologies (mini hydro-power plants) ITPO has assisted the manufacturer in opening doors in the target country. Without having funds for pilot plants ITPO can hardly do more but there should be systematic approach to make this activity more effective. ITPO should have explicit criteria for selection of the technologies that should include, among others, its availability (in Japan), preliminary assessment of its financial viability and, hence, probability of replication on commercial basis. In order to mainstream the technology in the target country the strategy should also spell out principles for the selection of the local partner(s). The strategy should also include an “exit” strategy in case the promotion lasts too long.

It is not an easy task but efforts should be made to spell out such principles, at best in consultation with other experienced organizations affiliated with METI and with UNIDO HQs. Elaboration of a strategy for promotion of biofuels in Africa, which is in process anyway, would be a good starting point.

Closer integration with UNIDO programmes

Professional backing of UNIDO HQs and potential synergy with other UNIDO interventions in the field is unique feature and an advantage of ITPO Tokyo. Technology promotion and particularly the delegate programme can achieve higher effectiveness if programmed and implemented in coordination with UNIDO HQs and its programmes. Countries for the delegate programmes should be selected as far as possible with consideration of on-going or planned technical cooperation programmes of UNIDO, particularly those aiming at capacity building in the developing countries. Synergy effects of such coordinated interventions would increase effectiveness and impact (at least the capacity building impact); the system would also increase the possibility of funding a part of the delegate programme by UNIDO HQs project.

All the above effects have been demonstrated by the Orissa example. To make it a rule, the above principles would have to be materialized through introduction of a system stipulating responsibilities of both partners and nodal points for their implementation.

Making policy objectives and criteria of effectiveness and impact compatible

Indeed it is not easy to focus on Africa and LDCs and, at the same time, strive for large number and high value of concluded and implemented investment and technology projects. ITPO cannot fully disregard interests, geographical factors and historically developed inclinations of Japanese companies. In view of these factors ITPO, when targeting Africa, may focus primarily on technology transfer and specific investment promotion (such as CDM) and only secondarily on standard investment promotion. Standard investment promotion (addressing Japanese SMEs) may focus on LDCs and less developed regions in non-LDC countries in Asia that are geographically closer. If combined with coordination with UNIDO HQs projects and Japanese bilateral cooperation programmes the effectiveness may be further increased both in terms of concluded projects and capacity building.

ITPO may also inquire about the interest of large companies to liaise with UNIDO in preparing and implementing technical cooperation projects for upgrading supply chain companies in the target countries and/or in introducing CSR principles in their operations in the developing countries.

Overcoming budgetary constraints

As explained under Project funding, due to reduction of Japanese ODA, ITPO Tokyo is facing budgetary constraints. ITPO has already made efforts to reduce costs, including reduction of the number of professional staff, replacing administrative staff by contracting a service company, down grading the airfare class to economy and encouraging recycling papers and energy economy. ITPO also tried to increase opportunities for co-financing. Despite these efforts, the situation is still tensed and accompanied by annually repeated uncertainties about the outcome of the budgetary

process. Since Japanese government budget system is on annual basis, the allocation amount usually becomes clear at the end of year, in December, for the fiscal year starting April next year.

ITPO is aware that there are in principle two approaches to overcome the budgetary constraints:

- 1) to mobilize extra-budgetary resources
- 2) to further reduce the costs, in particular the fixed costs.

Mobilization of extra-budgetary resources is the preferable and more desirable strategy. ITPO had already outlined some avenues in this direction (initiating JBIC co-financing with Montreal Protocol Fund and GEF, accessing the Japanese Descendants Fund). Closer integration with UNIDO field projects will also increase funding for operational activities.

Strategy of reducing costs should be complementary only. It requires starting with the list of all possible options available, including, for example, the following options:

- 1) Office re-location/reduction of space of the current office

Current office is in a location very convenient also for the delegate meetings and having top-level building facilities. The payment for premises (primarily rent) represents approximately 13% of all expenditures. ITPO already considered relocation and inquired about some options but they had to be abandoned. The idea of relocation or space reduction may have to be reconsidered, even if the rent is not increased.

- 2) Reviewing the management structure and re-classification of posts

Although some management and administration functions are already distributed among staff, the decision-making system, administration system and daily operations can be reviewed for further rationalization. This can be accompanied by review of the post levels. A management review can advise ITPO on the optimal structure and management system commensurate with the reduced size of the office.

- 3) Staff reduction

This was already implemented in the past. Further reduction of professional staff will result in inevitable decline in its capacity to carry out the delegate programme which is the key activity of ITPO.

VIII

Recommendations

A. Recommendations to UNIDO and Government

1. Extend the project by another 3 years.
2. The new project document should specify the strategic priorities for the forthcoming period as follows (in part already applied by the ITPO):
 - i. Programmatic priority on the delegates programme;
 - ii. Geographical priorities on Africa, LDCs and less developed regions of non-LDC countries in Asia;
 - iii. Thematic priorities on energy (incl. biofuels), environment (incl. CDM), agro-technologies.
3. The new project document project should specify objectives by type of outcome and impact, introduce key indicators, streamline the project logframe and exclude outputs and activities that are not in a means-end relationship with the project purpose and development objective (see chapter III).

B. Recommendations to the Government

1. Recognise the delegate programme as the main activity of ITPO, which deserves continuous Government support that should not be reduced. Maintain at least the current level of annual contributions to the project.
2. Support the efforts of the ITPO to mobilize extra-budgetary resources.
3. Allow the use of accrued interests on IDF contributions to UNIDO for funding of ITPO activities.
4. Support the cooperation of the ITPO with Japanese bilateral cooperation programmes.

C. Recommendations to UNIDO

1. Review and reformulate the objectives and mandate of the ITPOs and the ITPO network bearing in mind that
 - i. The original concept of using the ITPO Network as a platform for meeting the demand and supply side of investment promotion does not work any longer;
 - ii. There is a difference between investment promotion, which is usually demand-driven and supply-driven technology promotion.
2. Review, reactivate and strengthen the ITPO coordination unit at UNIDO HQ as a pre-condition for improved networking and mainstreaming ITPO activities into UNIDO programmes. The coordination unit should in particular
 - i. Design and introduce a system of selection of countries for the delegate programme with consideration of on-going or planned UNIDO technical cooperation programmes in investment and technology promotion, in particular those aiming at strengthening IPAs.
 - ii. Organize the exchange of experience among ITPOs on best practices for technology promotion and transfer of technology;
 - iii. Develop and implement an outcome-oriented project monitoring system to be used by all ITPOs.
3. For programmes involving UNIDO HQs and ITPO Tokyo, implement co-financing of activities from the TC programmes budgets.
4. Should additional cost saving become necessary, consider conducting a management review of ITPO with the possibility of post reclassification.
5. Meetings of the ITPO Heads should preferably be held in Vienna in order to allow for intensified contacts between ITPO staff and UNIDO HQs staff.
6. Evaluate the relevance and effectiveness of UNIDO Exchange.
7. Evaluate the effectiveness of the COMFAR programme.
8. When comparing performance and results of ITPO Tokyo with other ITPOs, pay due consideration to the specific features of ITPO Tokyo (language barrier for the delegates; geographical distance to Africa and HQs; little interest of Japanese investors in downstream advisory services; etc.)

D. Recommendations to the ITPO

1. Proceed from activity-based to outcome and impact-based management. Introduce project-centred monitoring of project promotion and follow up which would, among others:
 - i. Contain basic information about the project and reference to files storing the data (project profiles)
 - ii. Specify and standardize the stages of the process and thus eliminate the currently unclear differences between the “active projects” and “projects under negotiation”
2. For Africa, the ITPO should consider focusing on promotion of Japanese technology and specific investment promotion (such as CDM). Standard investment promotion should focus primarily on Asia and in particular on LDCs and less developed regions in non-LDC countries (see analysis in chapter VII).
3. Intensify and do not reduce the delegate programme. This programme is the key competitive advantage of the ITPO and should be given top priority. Follow-up projects initiated by the delegates. Review and decide on implementation of the proposals made by delegates in the survey: extending the duration of delegate stays at the ITPO to 4-5 weeks on average; pursuing repeated stays at the ITPO by the same delegate; and making sure that the delegates’ home organizations support them with project promotion after return (see delegates proposals in Chapter V).
4. Elaborate (in consultation with UNIDO HQs and METI) a strategy and methodology for technology promotion as suggested in Chapter VII, including criteria for selection of technology to be promoted, criteria for selection of the local partner, activities of ITPO to be carried out, etc.
5. Intensify collaboration with UNIDO HQs and increase synergy with other UNIDO interventions in the field. Technology promotion should proceed in coordination with the related technical branches. Countries for the delegate programmes should be selected considering on-going or planned technical cooperation programmes of UNIDO, particularly those aiming at capacity building. Negotiate co-funding of the delegate programme by UNIDO HQs projects.
6. Network with SPXs as envisaged in the ITPO Network Strategy 2004. This type of cooperation should be experimented for example by hosting a delegate from one of the geographically closer SPXs.
7. Develop and implement a strategy with milestones for the mobilization of extra-budgetary resources in order to overcome the budgetary constraints of the Office.

8. Conduct management meetings on a regular basis and make them a platform for discussing conceptual and substantive issues, including feedback from missions abroad, and for sharing and exchanging views among the Head, the Deputy Head and professional staff.
9. Ensure that the ITPO website is constantly updated and monitor the utilisation of the website.

IX

Lessons learned

1. The evaluators, who already participated in two previous evaluations of the ITPO Tokyo, observed that the particular profile of an ITPO and the category of services it provides hardly change over time. The ITPO Tokyo is a case in point. This Office has always focused on the upfront services up to matchmaking and hardly engaged in project formulation. This service profile did not change over the years, despite the fact that two staff members are qualified lecturers in the area of project formulation. External conditions (low demand by clients, competition of other agencies and consulting services) seem to be the decisive factors for profiling the services of an ITPO.
2. Some of the recommendations from this evaluation are not new. This applies in particular to the repeated recommendation for closer cooperation between the ITPO and the UNIDO Headquarters. It seems that a more profound and systemic change would be required, particularly in the way activities, such as the delegate programme, are being planned and programmed, and that such systemic changes would have to be introduced by Headquarters.

Annex 1

TERMS OF REFERENCE

Independent evaluation of the UNIDO Service in Japan for the Promotion Of Industrial Investment in Developing Countries (Investment and Technology Promotion Office)

US/GLO/04/119

I. BACKGROUND

In order to support the developing countries and countries with economies in transition in their industrialization efforts through promotion of foreign investment and transfer of related technology, the Government of Japan has made available to UNIDO a special-purpose contribution for the project “UNIDO Service in Japan for the Promotion of Industrial Investment in Developing Countries” – UNIDO Investment and Technology Promotion Office (ITPO).

The main objective of the project is to assist developing countries and countries with economies in transition to attract investment and technology from Japan. It is also intended to assist Japanese investors in making decisions on the establishment of an industrial partnership by providing support to the development of partnership opportunities into business proposals as well as in negotiations of these proposals.

The ITPO Tokyo was founded in 1981 based on an Agreement signed between UNIDO and the Government of Japan. Since then the Agreement was repeatedly renewed for periods of two or three years. The extension of the Agreement was usually based on an evaluation of the ITPO. The most recent evaluation took place in 2004 and consequently UNIDO and the Government agreed to extend the Agreement for another term until 31 December 2007.

II. PURPOSE, SCOPE AND METHODS OF THE EVALUATION

Purpose

The overall purpose of the evaluation is to enable the Government of Japan and UNIDO to take informed decisions on the extension and possible re-orientation of the project, to identify possible bottlenecks and problem areas and to propose practical solutions.

Scope

The evaluation will assess the relevance of the ITPO in the broader context of the investment promotion landscape in Japan and the general ITPO mandate adopted by the UNIDO General Conference. It will assess achievements of the project against its objectives, expected outcomes and outputs as set out in the project document and in

the general ITPO mandate. The evaluation will, in particular, assess the effectiveness of the project in terms of achieving developmental results in developing countries and to what degree expected outcomes have been achieved. The evaluation will also identify and assess the internal and external factors that have facilitated the achievements of project' objectives, as well as those factors that have impeded the fulfilment of objectives. The evaluation will also review to what degree the recommendations of the previous evaluations were followed up.

The evaluation will, in particular, address the following issues.

- (a) Relevance of the project for Japanese industry vis-à-vis other investment/technology-promotion agencies as viewed by Japanese private sector organisations;
- (b) Relevance of the project for Japanese development cooperation vis-à-vis other development promotion agencies; geographical orientation of the activities;
- (c) Compliance of the project objectives (project strategy) with those of the Government of Japan and UNIDO;
- (d) Effectiveness of the project in promoting the industrial development of the targeted developing countries (investment volume; jobs created; but also wider benefits related to competitiveness of companies; technology and know-how transfer; etc)
- (e) Contribution of the project to capacity building of investment-related agencies and industry associations in the targeted countries, in particular through effective management of the delegate programme;
- (f) Integration of the project into UNIDO's ITPO Network and the mainstream of UNIDO technical cooperation activities;
- (g) Quality of direction and guidance provided by UNIDO headquarters; usefulness and use of UNIDO methodological tools; quality of reporting and monitoring;
- (h) Effectiveness and impact of project output and activities such as promotion of business partnerships through delegates, participation at investment meetings, advice in negotiations, preparation of pre-investment analyses, etc.;
- (i) Project and Office management; efficient use of financial and human resources.

Method

The evaluation will be carried out in full compliance with the UNIDO Evaluation Policy and under the methodological guidance of the UNIDO Evaluation Group. The steps of the evaluation will be as follows:

1. Desk studies (analysis of project documents, annual reports and other project files both at the UNIDO headquarters and at the ITPO office in Tokyo). On this basis the evaluators will elaborate on the above list of evaluation issues and produce a more detailed list of evaluation questions that will be addressed by the evaluation.
2. Interviews with UNIDO staff at UNIDO HQ.
3. Elaborating questionnaires for client companies and delegates and carrying out e-mail surveys of client satisfaction (in Japan and abroad).
4. Field mission to Japan. The evaluation mission will receive briefings from the Ministry of Foreign Affairs (MOFA) and the Ministry of Economy, Trade and Industry (METI) and carry out interviews with management and all staff of the ITPO office; review databases and other data at the ITPO office; interview governmental bodies, private sector representatives; investment promotion agencies and development cooperation agencies. The evaluation mission will also visit a representative sample of client companies in Japan.
5. Presentations and discussions of preliminary results with the ITPO management and the METI.
6. Presentation and discussion of preliminary results at UNIDO HQ to representatives of the Permanent Mission of Japan and UNIDO staff.
7. Preparation of the first draft of the evaluation report; submission to and discussion with the UNIDO Evaluation Group.
8. Preparation and submission of the second draft of the evaluation report to the project stakeholders for factual verification.
9. Preparation of the final report.

III. COMPOSITION OF THE EVALUATION MISSION

The evaluation mission will be composed of

- One national evaluation expert representing the Government of Japan
- One international evaluation expert representing UNIDO

The evaluation will be carried out jointly by both evaluators in line with the Terms of Reference and the attached draft job descriptions for the international and the national evaluator.

The team members must not have been involved in the design, appraisal or implementation of the project. They are not authorized to make any commitment neither on behalf of the Government of Japan nor UNIDO.

The Government of Japan will nominate one or several possible candidates for the national evaluation experts and submit their CVs. In case the profile of the candidate(s) would not be in compliance with the job description and the UNIDO evaluation policy, UNIDO would have the right to ask for another nomination.

IV. TIME TABLE, REPORT AND BUDGET

The evaluation mission is scheduled as follows:

- May 2007: steps 1 to 3 (desk studies, interviews with UNIDO staff; client surveys)
- June 2007: steps 4 to 7 (mission to Japan; debriefing sessions at METI and MOFA; writing of draft report; submission of draft report to stakeholders for factual verification)
- July 2007: steps 8 and 9

Upon finalization the report will be submitted simultaneously to the Government of Japan and UNIDO. The final report is expected to become available in July 2007.

The costs associated to the evaluation will be charged to the project US/GLO/04/119.

Annex 2

List of Persons Met

UNIDO Vienna

Mr. Peter Loewe, Evaluation Group

Mr. Yoshiteru Uramoto, Managing Director, PCF

Ms Dan Liang, Director, Investment and Technology Promotion Branch

Mr. Mithat Kulur, Investment Promotion Unit

Mr. Robert Novak, Investment Promotion Unit

Mr. Andreas Scherney, Investment Promotion Unit

Ms Maria Lukumbuzya, ITPO Coordination Unit

Mr. Masato Tsukiji, Technology Promotion Unit

Mr. Kai Bethke, Cluster and Business Linkages Unit

Mr. Juergen Hierold, Agro-Industry Support Unit

Mr. Pablo Huidobro, Water Management Unit

Ms Marina Ploutakhina, Energy Efficiency and Climate Change Unit

Mr. Pradeep Monga, Renewable and Rural Energy Unit

Ms Claudia Linke-Heep, Renewable and Rural Energy Unit

Mr. Ryuichi Oshima, Montreal Protocol

Mr. Adrie de Groot, Strategic Partnerships and Resource Mobilization Group

Mr. Bert van Burik, Secretariat of the Quality Advisory Group and Programme Approval Committee

Permanent Mission of Japan to the International Organizations in Vienna

Ms Satoko Maeda, Second Secretary

ITPO Tokyo

Mr. Seiji Oshima, Head

Mr. Jun Nishida, Deputy Head

Mr. Ferda Gelegen, Industrial Development Officer

Mr. Koichi Hagiwara, Industrial Development Officer

Ms Ikue Toshinaga, Industrial Development Officer

Mr. Koretaka Suzuki, Consultant

Ms Taeko Takahashi, Secretary

Ms Naomi Ochiai, Accountant

Ms Mieko Kusakari, Assistant

Ministry of Foreign Affairs (MOFA)

Mr. Masahiro Nakata, Deputy Director, Global Issues Cooperation Division,
International Cooperation Bureau

Ministry of Economy, Trade and Industry (METI)

Mr. Hidehiko Yamachika, Director, Technical Cooperation Division

Mr. Hiroshi Sawano, Deputy Director, Technical Cooperation Division

Ms. Yoko Kosaka, Special Researcher for Technical Cooperation Planning, Technical
Cooperation Division

Organizations

Japan External Trade Organization (JETRO)

Mr. Yasuyuki Murahashi, Senior Coordinator (Middle East and Africa), Planning
Department

Japan International Cooperation Agency (JICA)

Ms. Hiroe Ono, Senior Country Officer, Middle East II/ Europe Team, Regional Department V (Middle East and Europe)

Mr. Kenichi Tago, Senior Country Officer, Middle East II/ Europe Team, Regional Department V (Middle East and Europe)

Mr. Yoshitaka Enomoto, Program Officer, Economic Development Team, JICA Tokyo

Ms. Eriko Katashiro, Program Coordinator, Economic Development Team, JICA Tokyo

Ms. Akiko Okabe, Training Officer, Tokyo Training Division, International Training Department, Japan International Cooperation Center

Japan Institute for Overseas Investment (JOI)

Mr. Yasuo Hirota, Director General, Business Development Department

Mr. Nirihiko Takahashi, Deputy Director General, Business Development Department

Japan Chamber of Commerce and Industry (JCCI)

Mr. Kiyoshi Yamada, General manager, International Division

Mr. Hideyuki Fujisawa, Manager in Chief, International Division

Ms. Shinobu Natori, Assistance to Manager, International Division

Companies

Sohwa Corporation

Mr. Masaru Odake, Assistant General Manager

EDS Laboratory

Mr. Sachio Ishii, President

Corochan Co., Ltd.

Mr. J. D. Elumba, Member of the Board

Kanmonkai Co., Ltd.

Mr. Tsuyoshi Uniya, Frontier Project

University

Nagoya City University

Mr. Hiroshi Morishima, Dean, Professor, Graduate School of Design and Architecture

African Embassies

Embassy of Egypt

Mr. Hisham Badr, Ambassador

Mr. Alaa Kenawy, Minister Plenipotentiary Commercial

Ms. Nabawia Ali El-Gendi, Commercial Counsellor

Mr. Amr El Rachidi, Third Secretary and Consul

Embassy of The Kingdom of Morocco

Mr. Abdelkader Lecheheb, Ambassador

Embassy of Botswana

Mr. Pscar Motswagae, Ambassador

Embassy of the Republic of Rwanda

Mr. Emile Rwamasirabo, Ambassador

Embassy of the Republic of Kenya

Mr. Dennis N. O. Awori, Ambassador

Ms. Khadija Issa, Counsellor

Delegates to APPS

Egypt

Ms Sonia Elkattan, Industrial Modernization Centre, Cairo

Vietnam

Mr. Nguyen Xuan Chuan, President, Vietnamese Society of Automotive Engineers, Hanoi

Turkey

Ms Ozlem Gulsen, Secretary General, Association of Automotive Parts and Components Manufacturers, Gebze

India

Mr. Murugesan Elumalai, Chairman, Technology Centre, Ambattur Industrial Estate Manufacturers' Association, Chennai

South Africa

Mr. Gustav Meyer, Manager, Coega Development Corporation, Port Elisabeth

ANNEX 3

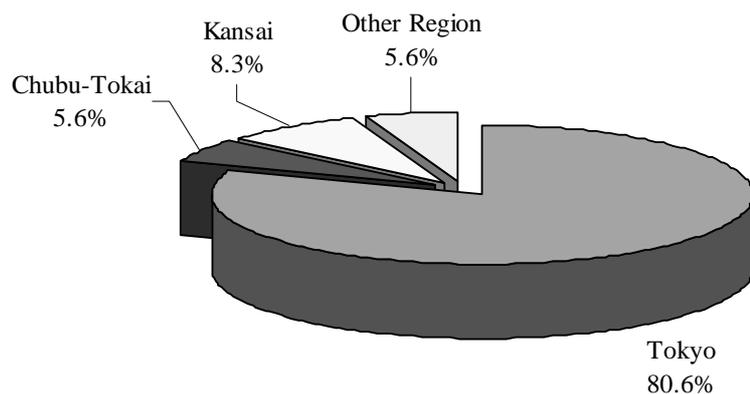
Clients' feedback through survey

Analysis of answers from 72 Japanese companies

1. Respondent attributes
2. Purposes of the primary contact to UNIDO-ITPO
3. Target region/ country
4. How did you learn about ITPO for the first time
5. Expectations in contacting ITPO Tokyo
6. ITPO services used (multiple choices)
7. Quality of and satisfaction with ITPO services (0-6 scales)
8. Category of the information recognized as particularly useful by the respondents
9. Contribution to the respondents achieving their business objectives
10. Desirable support activities to be provided by ITPO Tokyo
11. Particular strength of ITPO compared with similar agencies
12. Services of other agencies used by the respondents
13. Any other comments and suggestions

1. Respondent Attributes (Q1 & Q2)

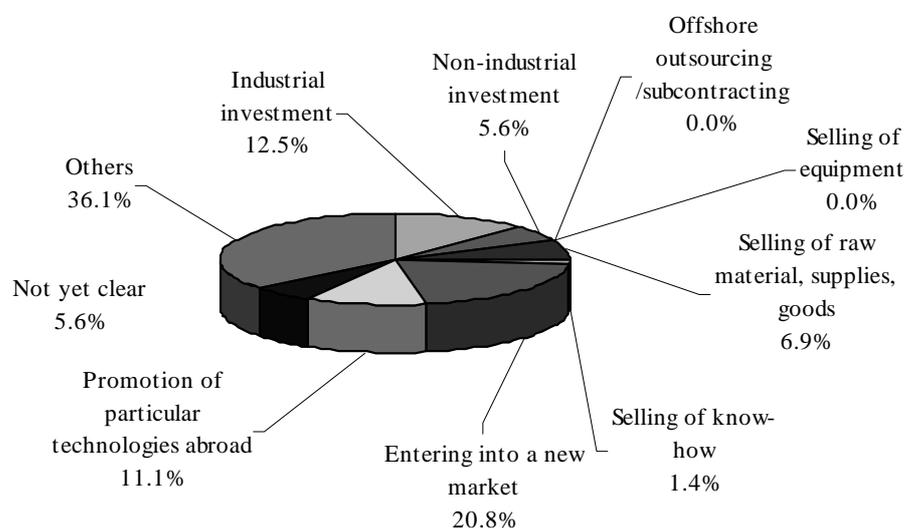
- About 80.0% of the respondents locate their headquarters in Tokyo. 37.5% of them employ more than 250 staff, while the small businesses whose number of staff is 0-5, 6-15 or 16-50) account for 46.6%.



	0-5	6-15	16-50	51-100	101-250	251-	N/A	Total
Tokyo	11 (15.3%)	8 (11.1%)	10 (13.9%)	3 (4.2%)	4 (5.6%)	20 (27.8%)	2 (2.8%)	58 (80.6%)
Chubu-Tokai	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	3 (4.2%)	0 (0.0%)	4 (5.6%)
Kansai	1 (1.4%)	1 (1.4%)	1 (1.4%)	0 (0.0%)	1 (1.4%)	2 (2.8%)	0 (0.0%)	6 (8.3%)
Other Region	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	2 (2.8%)	1 (1.4%)	4 (5.6%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.2%)	5 (6.9%)	27 (37.5%)	3 (4.2%)	72 (100.0%)

2. Purposes of the primary contact to UNIDO-ITPO (Q3)

- Respondents vary as to the background of the first-time contact with UNIDO-ITPO.



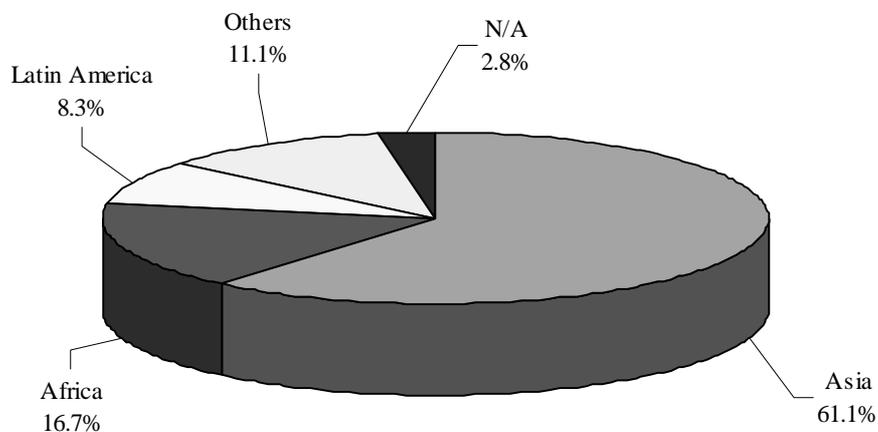
	0-5	6-15	16-50	51-100	101-250	251-	N/A	Total
Industrial investment	0 (0.0%)	3 (4.2%)	0 (0.0%)	1 (1.4%)	2 (2.8%)	3 (4.2%)	0 (0.0%)	9 (12.5%)
Non-industrial investment	0 (0.0%)	2 (2.8%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	1 (1.4%)	4 (5.6%)
Offshore outsourcing/subcontracting	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Selling of equipment	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Selling of raw material, supplies, goods	1 (1.4%)	1 (1.4%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	2 (2.8%)	0 (0.0%)	5 (6.9%)
Selling of know-how	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)
Entering into a new market	3 (4.2%)	2 (2.8%)	2 (2.8%)	0 (0.0%)	1 (1.4%)	7 (9.7%)	0 (0.0%)	15 (20.8%)
Promotion of particular technologies abroad	2 (2.8%)	1 (1.4%)	4 (5.6%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	8 (11.1%)
Not yet clear	1 (1.4%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	2 (2.8%)	0 (0.0%)	4 (5.6%)
Others	5 (6.9%)	1 (1.4%)	4 (5.6%)	1 (1.4%)	2 (2.8%)	11 (15.3%)	2 (2.8%)	26 (36.1%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.2%)	5 (6.9%)	27 (37.5%)	3 (4.2%)	72 (100.0%)

- “Others,” which records the largest share, includes the comments below:

Number of Staff	Total
0-5	<ul style="list-style-type: none"> ● Data / information collection regarding international cooperation, international business opportunities, UN organizations etc. ● Consultation on investment, trading, know-how transfer etc.
6-15	<ul style="list-style-type: none"> ● Dispatching experienced staff as consultants to Asian and African countries for investment promotion program / Technical assistance for the person in charge of investment (in developing countries)
16-50	<ul style="list-style-type: none"> ● Data / information collection regarding foreign investment environment etc. ● Attendance to UNIDO seminar ● Consultation with UNIDO on assistance to the former JICA trainees ● Opinion exchange (This respondent is engaged in the business similar to UNIDO's.)
51-100	<ul style="list-style-type: none"> ● Inquiry on UNIDO's specialist invitation scheme; Presentation by UNIDO's specialist of mining industries in Ecuador; Consultation on technology transfer
101-250	<ul style="list-style-type: none"> ● Technical assistance under ODA schemes ● Information collection for organizing industrial tours
251-	<ul style="list-style-type: none"> ● Data / information collection regarding foreign economy; Collaboration in research activities; ● Attendance to UNIDO seminar ● Support for international business; utilization of COMFAR ● Technical assistance under ODA schemes ● Reception of UNIDO's trainees
N/A	<ul style="list-style-type: none"> ● Technical assistance under ODA schemes ● Events related to Africa

3. Target region / country (Q4)

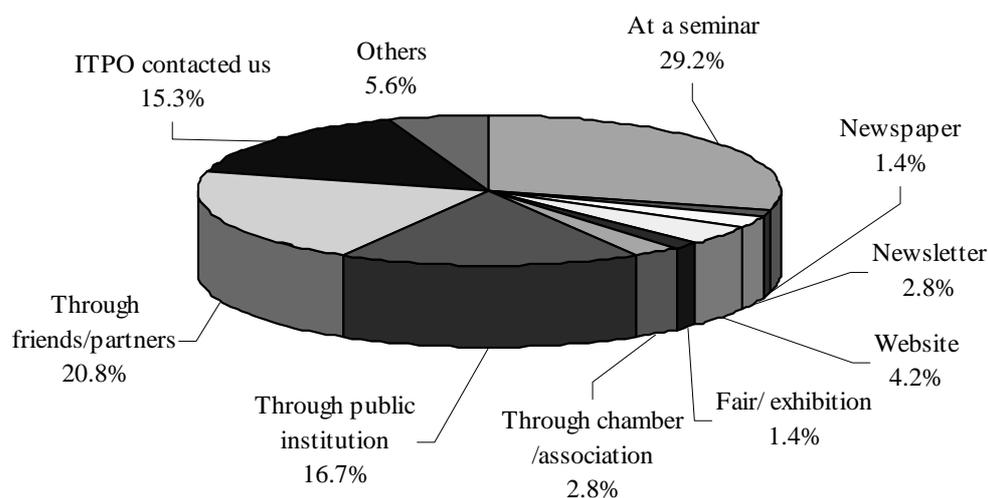
- Over 60% of the respondents target the Asia as a main market. “Others” includes: Middle East, Maghrebian countries, CIS, Eastern and South-Eastern Europe.



	0-5	6-15	16-50	51-100	101-250	251-	N/A	Total
Asia	7 (9.7%)	7 (9.7%)	6 (8.3%)	2 (2.8%)	3 (4.2%)	18 (25.0%)	1 (1.4%)	44 (61.1%)
Africa	2 (2.8%)	1 (1.4%)	3 (4.2%)	0 (0.0%)	0 (0.0%)	5 (6.9%)	1 (1.4%)	12 (16.7%)
Latin America	1 (1.4%)	2 (2.8%)	1 (1.4%)	1 (1.4%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	6 (8.3%)
Others	1 (1.4%)	0 (0.0%)	2 (2.8%)	0 (0.0%)	1 (1.4%)	3 (4.2%)	1 (1.4%)	8 (11.1%)
N/A	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	2 (2.8%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.2%)	5 (6.9%)	27 (37.5%)	3 (4.2%)	72 (100.0%)

4. How did you learn about ITPO Tokyo for the first time (Q5)

- “At a seminar,” “Through friends / partners,” “Through chamber / association,” and “ITPO contacted us”- The total share of these four choices amounts to over 80%.
- “Public institution” covers: MOFA, JICA, Embassy of Botswana, JETRO, SMRJ
- “Others” includes: JETRO business mission.



	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251-	N/A	
At a seminar	3 (4.2%)	1 (1.4%)	3 (4.2%)	0 (0.0%)	2 (2.8%)	11 (15.3%)	1 (1.4%)	21 (29.2%)
Newspaper	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)
Newsletter	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	1 (1.4%)	0 (0.0%)	2 (2.8%)
Website	1 (1.4%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	3 (4.2%)
Fair/ exhibition	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	1 (1.4%)
Through chamber/ association	1 (1.4%)	0 (0.0%)	0 (0.0%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	2 (2.8%)
Through public institution	2 (2.8%)	3 (4.2%)	3 (4.2%)	0 (0.0%)	0 (0.0%)	4 (5.6%)	0 (0.0%)	12 (16.7%)
Through friends/ partners	2 (2.8%)	3 (4.2%)	3 (4.2%)	1 (1.4%)	2 (2.8%)	4 (5.6%)	0 (0.0%)	15 (20.8%)
ITPO contacted us	1 (1.4%)	1 (1.4%)	2 (2.8%)	0 (0.0%)	0 (0.0%)	5 (6.9%)	2 (2.8%)	11 (15.3%)
Others	2 (2.8%)	0 (0.0%)	1 (1.4%)	1 (1.4%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	4 (5.6%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.2%)	5 (6.9%)	27 (37.5%)	3 (4.2%)	72 (100.0%)

5. Expectations in contacting ITPO Tokyo (Q6: multiple choices)

- Over 70% of the respondents expect ITPO Tokyo will help their “Information gathering.”
- “Others” includes: technology transfer, international exchange, COMFAR, investment cooperation in developing countries (esp. Africa), experts dispatch etc.

	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251-	N/A	
Information gathering	9	4	9	2	4	22	3	53 (73.6%)
Generating business ideas/projects in foreign countries	7	4	4	1	0	3	0	19 (26.4%)
Support in promotion or implementation of your own projects abroad	4	3	4	2	1	4	0	18 (25.0%)
Others	2	2	3	0	0	7	1	15 (20.8%)
Number of Respondents	12	10	12	3	5	27	3	72

*Total number of choices selected by the respondents was 105.

6. ITPO services used (Q7: multiple choices)

- 60% of the respondents use “Seminars, country presentations,” which is followed by “Information in Newsletter (44.4%),” “Meeting with ITPO staff (41.7%).”

	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251 -	N/A	
Information in Newsletter	6	3	8	1	3	11	0	32 (44.4%)
Information on ITPO website	4	4	3	1	2	8	0	22 (30.6%)
Seminars, country presentations	7	6	5	1	3	20	3	45 (62.5%)
Information - meetings with a delegate	1	3	4	1	1	6	2	18 (25.0%)
Information - meetings with ITPO staff	6	3	8	1	2	8	2	30 (41.7%)
Fairs/exhibitions in Japan	2	2	2	2	0	5	0	13 (18.1%)
Fairs/exhibitions, missions abroad	0	0	0	0	0	1	0	1 (1.4%)
Identification of a potential partner by ITPO	1	2	0	1	1	3	0	8 (11.1%)
Assistance in negotiations with a partner	0	3	1	1	0	2	0	7 (9.7%)
COMFAR services	1	1	1	0	0	2	0	5 (6.9%)
Assistance of the Delegate in dealing with authorities in his/her country	0	2	0	0	1	5	0	8 (11.1%)
Others	2	1	1	0	1	3	0	8 (11.1%)
Number of Respondents	12	10	12	3	5	27	3	72

*Total number of choices selected by the respondents was 197.

7. Quality of and satisfaction with ITPO services (Q8: 0-6 Scales)

- For the questions 1), 2) and 7) to 9), the respondents in general recognize each service provided as “useful.”
- Especially, “Qualifications of the ITPO staff” is highly regarded, with 24 respondents offering Grade 6 (“fully useful”).
- For the questions 3) to 6), the average scores remain relatively low. Some respondents assess them as higher with Grade 5 and Grade 6, while others answered negatively with Grade 2 and Grade 3.

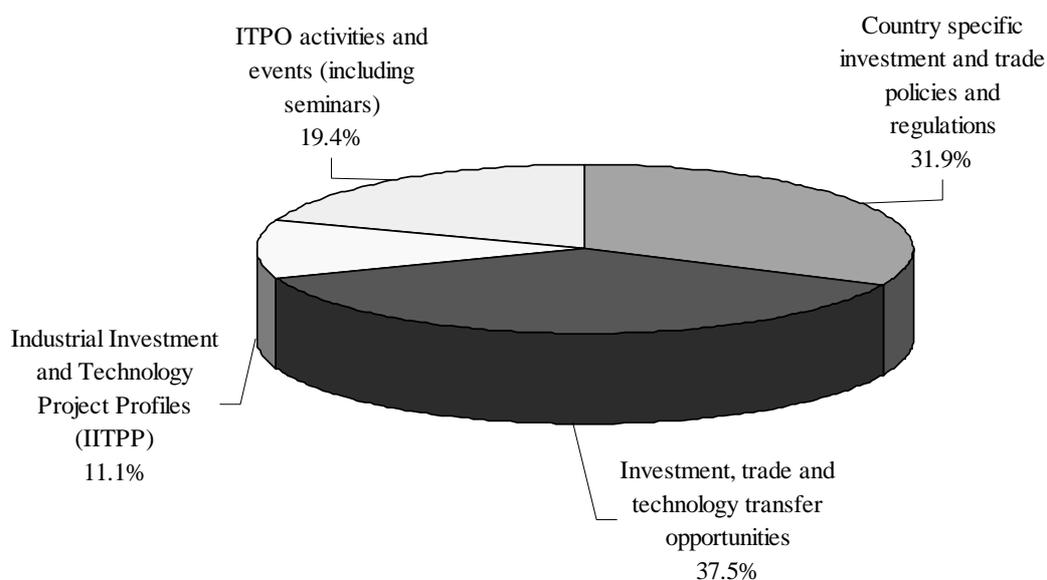
	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251 -	N/A	
1) Was the information useful?	4.42	5.10	4.75	4.00	4.60	4.41	5.00	4.58
2) Were the seminars/exhibitions useful?	4.18	4.50	4.25	3.33	3.60	4.26	4.00	4.18
3) Was support in bilateral meeting arrangements and negotiations useful?	3.91	4.30	3.92	3.67	3.00	3.67	4.00	3.80
4) Was it useful to support in meeting arrangements and negotiations with foreign authorities / companies in the countries?	3.82	4.40	3.67	3.33	4.00	3.74	3.67	3.83
5) Was assistance in handling foreign authorities useful?	3.73	4.60	3.83	3.33	4.00	3.56	3.67	3.80
6) Qualifications of the delegate	3.55	4.00	4.08	3.00	3.80	3.93	3.67	3.85
7) Qualifications of the ITPO staff	4.82	5.00	4.75	4.33	5.00	4.33	5.00	4.65
8) Did ITPO address your needs in a timely manner?	4.55	5.00	4.67	4.00	4.80	4.30	5.00	4.55
9) Overall, to what degree have your expectations (point 6) been satisfied?	4.58	4.90	4.67	4.33	5.00	4.26	5.33	4.57

	1) Was the information useful?	2) Were the seminars/exhibitions useful?	3) Was support in bilateral meeting arrangements and negotiations useful?	4) Was it useful to support in meeting arrangements and negotiations with foreign authorities / companies in the countries?	5) Was assistance in handling foreign authorities useful?
AVG	4.58	4.18	3.80	3.83	3.80
Grade 6	15	6	7	10	11
Grade 5	23	24	16	13	10
Grade 4	26	27	24	23	23
Grade 3	6	7	8	9	13
Grade 2	1	5	12	12	9
Grade 1	1	2	4	4	5

	6) Qualifications of the delegate	7) Qualifications of the ITPO staff	8) Did ITPO address your needs in a timely manner?	9) Overall, to what degree have your expectations (point 6) been satisfied?	Total
AVG	3.85	4.65	4.55	4.57	4.20
Grade 6	9	24	20	15	117
Grade 5	13	16	17	23	155
Grade 4	24	19	23	25	214
Grade 3	11	8	6	7	75
Grade 2	11	2	3	1	56
Grade 1	3	2	2	1	24

8. Category of the information recognized as particularly useful by the respondents (Q9)

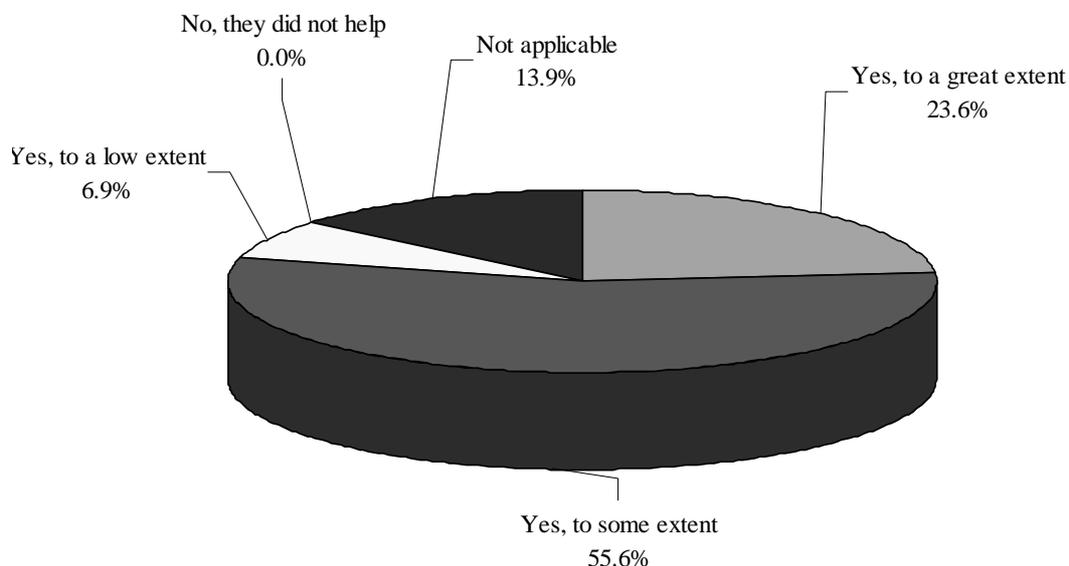
- Most respondents recognize as particularly useful the information concerning “Investment, trade and technology transfer opportunities” and “Country specific investment and trade policies and regulations.” The shares of the respondents who choose each choice are 37.5% and 31.9% respectively.



	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251-	N/A	
Country specific investment and trade policies and regulations	3 (4.1%)	2 (2.7%)	5 (6.9%)	0 (0.0%)	2 (2.7%)	11 (15.2%)	0 (0.0%)	23 (31.9%)
Investment, trade and technology transfer opportunities	4 (5.5%)	6 (8.3%)	5 (6.9%)	1 (1.3%)	0 (0.0%)	9 (12.5%)	2 (2.7%)	27 (37.5%)
Industrial Investment and Technology Project Profiles (IITPP)	2 (2.7%)	1 (1.3%)	0 (0.0%)	1 (1.3%)	1 (1.3%)	3 (4.1%)	0 (0.0%)	8 (11.1%)
ITPO activities and events (including seminars)	3 (4.1%)	1 (1.3%)	2 (2.7%)	1 (1.3%)	2 (2.7%)	4 (5.5%)	1 (1.3%)	14 (19.4%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.1%)	5 (6.9%)	27 (37.5%)	3 (4.1%)	72 (100.0%)

9. Contribution to achieving business objectives of the respondents (Q10)

- 86.1% of the respondents answer “Yes,,” while no one chooses “No.”
- 55.6% of all the respondents (64.5% of those who choose “Yes”) assess ITPO services as helpful “to some extent.”



	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251-	N/A	
Yes, to a great extent	2 (2.7%)	3 (4.1%)	3 (4.1%)	0 (0.0%)	1 (2.8%)	7 (9.7%)	1 (1.3%)	17 (23.6%)
Yes, to some extent	7 (9.7%)	7 (9.7%)	7 (9.7%)	2 (2.7%)	4 (5.5%)	11 (15.2%)	2 (2.7%)	40 (55.5%)
Yes, to a low extent	2 (2.7%)	0 (0.0%)	1 (1.3%)	0 (0.0%)	0 (0.0%)	2 (2.7%)	0 (0.0%)	5 (6.9%)
No, they did not help	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)	0 (0.0%)
Not applicable	1 (1.3%)	0 (0.0%)	1 (1.3%)	1 (1.3%)	0 (0.0%)	7 (9.7%)	0 (0.0%)	10 (13.8%)
Total	12 (16.7%)	10 (13.9%)	12 (16.7%)	3 (4.1%)	5 (6.9%)	27 (37.5%)	3 (4.1%)	72 (100.0%)

10. Desirable support activities to be provided by ITPO (Q11)

- “Information provision” is the most desirable support activity
- The answers show that the respondents also desire “coordination with the governmental authorities and the companies, especially those in developing countries.”

Number of Staff	Desirable support activities
0-5	<ul style="list-style-type: none"> ● Information on investment in Africa. ● Information on local conditions (epidemics etc) ● Coordination with JETRO, Embassies etc. ● Introduction of the companies interested in technology transfer and management consultation (to promote cooperation among private sector). ● Introduction and coordination among governments, companies and experts (interpreter / translators, lawyers, etc.) to support the investment promotion and the expansion of overseas business by the private sectors.
6-15	<ul style="list-style-type: none"> ● Uploading on the website of data, handouts, brochures etc. presented at the ITPO seminars. ● Promotion and follow-up of investment to developing countries; Finding and formation of prospective investment project; Strengthening the public-private partnership; Human resource development in developing countries.
16-50	<ul style="list-style-type: none"> ● Information on business / investment environment (ex. South East Europe region) ● Building-up the channel to contact with the engineers and managements in developing countries in cooperation with embassies in Tokyo. ● Consultation and advise for JICA trainees in charge of investment promotion
101-250	<ul style="list-style-type: none"> ● Coordination and mediation between governmental authorities and companies, esp. SMEs which want to transfer their own technology into developing countries. ● Business information for SMEs.
251-	<ul style="list-style-type: none"> ● Translation of the guides or manuals for FS. ● Information about products which could be merchandized in “One Village One Product Campaign” ● Coordination with other EU institutions ● Information on specific sectors by country; qualitative data preferable. ● Events for business matching between Japanese and foreign companies. ● Clarification of the ITPO business objectives by theme, by sector etc.

11. Particular strengths of ITPO compared with similar agencies (Q12: multiple choices)

- Half of the respondents recognize in particular “A good reputation as a member of the UN” as strength of ITPO. Also, 40.2% of them answer that ITPO “Has a good reputation as honest broker.”
- “Identification of business partners using its world-wide network” and “Offering its services for free” record relatively higher scores (47.2% and 31.9% of the respondents).
- No one considers “UNIDO Exchange” as the strength; few do so for “Access to other services / competencies of UNIDO, such as COMFAR.”

	Number of Staff							Total
	0-5	6-15	16-50	51-100	101-250	251-	N/A	
Mobilizes competencies from a world-wide pool of experts	2	5	3	0	1	5	0	16 (22.2%)
Identifies business partners using its world-wide network	6	3	6	0	2	16	1	34 (47.2%)
Coordinates meetings with Embassies located in Tokyo	1	2	5	0	1	6	0	15 (20.8%)
Coordinates meetings with IPAs, the private sector and high level government officials overseas	6	3	1	1	1	5	0	17 (23.6%)
Operates UNIDO Exchange	0	0	0	0	0	0	0	0 (0.0%)
Offers services that are specifically tailored for SMEs	4	2	3	0	1	3	1	14 (19.4%)
Offers its services for free	3	3	4	2	3	7	1	23 (31.9%)
Access to other services / competencies of UNIDO, such as COMFAR	0	1	0	0	0	3	1	5 (6.9%)
Has a good reputation as a member of the UN	5	8	6	2	3	11	2	37 (51.3%)
Has a good reputation as a 'honest broker'	4	6	4	0	2	12	1	29 (40.2%)
Does not have any added value in relation to similar agencies	0	0	0	0	0	0	0	0 (0.0%)
I do not have an opinion on that	2	0	1	0	1	4	0	8 (11.1%)
Number of Respondents	12	10	12	3	5	27	3	72

12. Services of other agencies used by the respondents (Q11)

- The services of other agencies that the respondents use most frequently are “Seminars” and “Information collection.”
- 16 respondents answer that they used JETRO, whose services vary from seminars, newsletters to business matching.

Name of Organization	Number of Respondents	Services used
JETRO	16	<ul style="list-style-type: none"> ● Newsletters ● Seminars ● Information collection on business environment in developing countries ● Information collection about economic regulations, business environment, economic indicators etc. ● Consultation on how to enter into South Eastern Asia region ● Directories of the authorities of developing countries ● Business matching
JICA	4	<ul style="list-style-type: none"> ● ODA projects
ASEAN Center	3	<ul style="list-style-type: none"> ● Information collection ● Seminars ● Consultation
Embassies	3	
JBIC	3	<ul style="list-style-type: none"> ● Seminars ● Dispatch of Lecturers
JCCME	3	<ul style="list-style-type: none"> ● Information about regulations in Middle Eastern countries
OVTA	3	<ul style="list-style-type: none"> ● Seminars ● Consultation ● Introduction of consultants ● Dispatch of Lecturers
JCIPO	2	<ul style="list-style-type: none"> ● Consultation ● Seminars
JST	1	<ul style="list-style-type: none"> ● Utilizing the technology developed by universities
UNDP	1	<ul style="list-style-type: none"> ● Technology transfer to India
KOTRA	1	<ul style="list-style-type: none"> ● Technology transfer to South Korea
IADB	1	
JOGMEC	1	<ul style="list-style-type: none"> ● Transfer of mining technology
Mediator like trading companies	1	
SMRJ	1	
WRPC	1	
Japan office of foreign investment agencies	1	<ul style="list-style-type: none"> ● Information collection; Consultation
AOTS	1	

Number of Staff	Agencies used
0-5	<ul style="list-style-type: none"> ● JICA (3: ODA projects) ● JETRO (3: Newsletters) ● ASEAN Center (1) ● Embassies (1) ● JBIC (1) ● JST (1: Utilizing the technology developed by universities) ● UNDP (1: Technology transfer to India)
6-15	<ul style="list-style-type: none"> ● JETRO (3: Seminars; Consultation on how to enter into South Eastern Asia region; Directories of the authorities of developing countries; Business environment in developing countries) ● IADB (1) ● JBIC (1: Seminars) ● OVTA (1: Seminars) ● KOTRA (1: Technology transfer to South Korea)
16-50	<ul style="list-style-type: none"> ● JETRO (6: Seminars; Business matching; Newsletter; Information collection about economic regulations, business environment, economic indicators etc.) ● Embassies ● JCCME (1)
51-100	<ul style="list-style-type: none"> ● JCIPO (1) ● JETRO (1) ● JICA (1) ● JOGMEC (Transfer of mining technology)
101-250	<ul style="list-style-type: none"> ● ASEAN Center (1: Information collection; Seminars) ● JCIPO (1: Consultation; Seminars) ● Other international organizations (1) ● OVTA (1: Consultation; Introduction of consultants)
251-	<ul style="list-style-type: none"> ● JETRO (3: Seminars) ● JCCME (2: Information collection about the regulations in Middle Eastern countries) ● AOTS ● ASEAN Center (Consultation) ● Embassies ● Japan office of foreign investment agencies (Information collection; Consultation) ● JBIC (Dispatch of Lecturers) ● Mediator like trading companies ● OVTA (Seminars; Dispatch of Lecturers) ● SMRJ ● WRPC

(Note) AOTS: Association for Overseas Technical Scholarship; JCCME: Japan Cooperation Center for the Middle East; JCIPO: Japan-China Investment Promotion Organization; JOGMEC: Japan Oil, Gas and Metals National Corporation; JST: Japan Science and Technology Agency; KOTRA: Korean Trade-Investment Promotion Agency; OVTA: Overseas Vocational Training Association; SMRJ: Small & Medium Enterprises and Regional Innovation, JAPAN; WRPC: Water Re-use Promotion Center

13. Any other comments and suggestions (Q12)

- Some respondents propose a review and improvement of the information provided (contents, information delivery system); others point out the necessities of the PR of UNIDO services.
- Two respondents comment on the system error of this questionnaire program itself.

Number of Staff	Comments and proposals
0-5	<ul style="list-style-type: none"> ● It is unclear in what activities ITPO engage. Such information should be disclosed on the website (for example what is presented at UNIDO seminars, what UNIDO DG's mission to Japan discusses, etc.) ● Assistance for small businesses should be more emphasized. ● ITPO should pay attention not only to high and new technologies but also to pre-existing traditional technologies / techniques and their combination. ● We consider your business as really significant. We wish you develop your business further.
6-15	<ul style="list-style-type: none"> ● Information about seminars should be disseminated with an e-mail magazine. ● ITPO staff is really helpful. We wish to keep good relationship with you. ● We think that UNIDO-ITPO, a neutral and independent organization, will play more important roles in Japan, in view of natural resources and energy security as well as expanding overseas investment by Japanese companies.
16-50	<ul style="list-style-type: none"> ● We appreciate your quick and high-graded services. ● It would be much appreciated if UNIDO-ITPO regularly provides the information regarding investment environment of various countries by magazine or e-mail.
51-100	<ul style="list-style-type: none"> ● Your support to our seminars on resources development investment as well as invitation of experts would be appreciated.
101-250	<ul style="list-style-type: none"> ● We learned about your services only through answering this questionnaire. ● SMEs including us do not have enough human resources for international business. Thus, the assistance provided by UNIDO-ITPO seems greatly helpful. Practically, we enjoyed your support for us when entering into the Philippine market.
251-	<ul style="list-style-type: none"> ● This questionnaire has a systemic problem. Because the answers cannot be sent, unless respondents must answer for all the questions including those which are not applicable to us. Choices should include "N / A." ● COMFAR is really useful software. ● The information related to infrastructure in foreign countries should be improved. ● It seems that Japanese companies do not generally recognize that ITPO offers various and comprehensive support for foreign investment. If you let us know what you can do in detail, we can inform our clients of your services. ● It should be considered that the speediness and quickness in service provision is of great importance. ● We wish that ITPO covers and releases (on the website etc.) the information provided to foreign companies by UNIDO offices in other countries, in addition to information for Japanese investors. It would be helpful to know other countries' investment and interest, since our potential partners are not only local partners but also other foreign companies interested to the target countries.

ANNEX 4

Delegate programme

Performance indicators

Delegate programme / Performance Indicators (May - December 2004)

Country	Sri Lanka	Morocco	Albania	Gujarat India	Primorsky Russia	Zambia	Zimbabwe
Period	May - Jun 2004	May - Jun 2004	May 2004	May - Jun 2004	Sept - Oct 2004	Sept - Oct 2004	Sept - Oct 2004
1 Working days	24	28	10	25	25	10	10
2 Total cost	744,654	1,212,049	* 226,904	* 862,460	* 1,155,944	446,707	567,035
3 Contribution by the recipient	50% Airfare	50% Airfare	NIL	NIL	NIL	50% Airfare	50% Airfare
4 Number of meetings	42	38	10	47	44	14	14
5 Number of meetings with private sectors	27	23	10	34	26	11	11
6 Number of meetings with public sectors	15	15	7	13	18	3	3
7 Number of active projects	12	6	0	5	5	0	0
Individual promotion							
8 Number of meetings per day	1.75	1.36	1.00	1.88	1.76	1.40	1.40
9 Total cost per meeting	17,730	31,896	22,690	18,350	26,271	31,907	40,502
10 Total cost per active project	62,055	202,008	N/A	172,492	231,188	n.a.	n.a.
Public promotion							
11 Number of seminars & roundtables	0	2	**1	1	4	0	0
12 Number of actual participants	n.a.	200	97	94	88	n.a.	n.a.
13 Number of inquires during/after the meeting	n.a.	2	1	2	3	n.a.	n.a.
## Total cost for seminars/roundtables	n.a.	213,725	n.a.	168,065	87,250	n.a.	n.a.
15	* Airfare financed by OECD, the rest by SEE Programme, total cost excl. R/T airfare		* Y674,098 financed by UNIDO HQ, the rest (Y188,362) financed by ITPO Tokyo		* Total cost financed by UNIDO HQ		Joint programme with Zambia
Remarks	* Airfare financed by OECD, the rest by SEE Programme, total cost excl. R/T airfare		* Y674,098 financed by UNIDO HQ, the rest (Y188,362) financed by ITPO Tokyo		* Total cost financed by UNIDO HQ		Joint programme with Zambia

Delegate programme / Performance Indicators (2005)

Country	Madagascar	Sri Lanka	Egypt	Philippines	Ecuador	Kerala, India
Period	Feb - Apr 2005	March 2005	May - Jun 2005	July - Nov 2005	Sept - Oct 2005	Nov 2005
1 Working days	24	11	15	81	12	15
2 Total cost shared by ITPO Tokyo	1,001,074	350,054	403,940	***18,605	190,000	600,279
3 Contribution by the recipient	50% Airfare	100% Airfare	100% Airfare	NIL	50% of total cost	50% Airfare
4 Number of meetings	23	26	42	76	20	23
5 Number of meetings with private sectors	18	18	27	51	14	16
6 Number of meetings with public sectors	15	8	15	25	6	7
7 Number of active projects	2	11	7	15	0	5
Individual promotion						
8 Number of meetings per day	0.96	2.36	2.80	0.94	1.67	1.53
9 Total cost per meeting	43,525	13,463	9,617	n.a	9,500	26,100
10 Total cost per active project	500,537	31,823	57,705	n.a	n.a	120,056
Public promotion						
11 Number of seminars & roundtables	2	1	0	3	0	3
12 Number of actual participants	79	35	n.a.	55	n.a.	140
13 Number of inquires during/after the meeting	2	5	n.a.	2	n.a.	5
14 Total cost for seminars/roundtables	210,672	3,094	n.a.	0	n.a.	50,000
15	Remarks	* Shuttle programme	* Shuttle programme	*Total cost borne by AOTS **BSO's travel and short-term consultant's fee for July-Oct also paid by AOTS ***Expenses not covered by AOTS account	*CORPEI to share 50% of total costs for 3 programmes	*ITPO Tokyo' share would amount to 1717379 when Kerala/BGD seminar deal is included

Delegate programme / Performance Indicators (2006)

Country	Tunisia	Rwanda	Ecuador	Kenya	Jordan	Sulawesi, Indonesia	Lao PDR
Period	Jan-Feb 2006	Jan-Feb 2006	Mar-06	May-June 2006	May-06	June-July 2006	Nov. 2006
1 Working days	10	15	12	15	4	18	17
2 Total cost shared by ITP0 Tokyo	291,050	348,882	*	547,490	0	472,510	372,086
3 Contribution by the recipient	100% airfare	100% airfare	*	100% airfare	NIL*	100% airfare	NIL*
4 Number of meetings	27	30	10	21	10	39	37
5 Number of meetings with private sectors	20	23	9	16	6	25	22
6 Number of meetings with public sectors	7	7	1	5	4	14	15
7 Number of active projects	2	2	1	3	2	5	9
Individual promotion							
8 Number of meetings per day	2.70	2.00	0.83	1.40	2.50	2.16	2.17
9 Total cost per meeting	10,779	11,629	n.a.	26,070	n.a.	12,115	10,056
10 Total cost per active project	145,525	174,441	n.a.	182,496	n.a.	94502	33,565
Public promotion							
11 Number of seminars & roundtables	1 roundtable	0	0	1 seminar	0	1 seminar, 1 roundtable	0
12 Number of actual participants	25	n.a.	n.a.	85	n.a.	55(S), 10(RT)	n.a
13 Number of inquires during/after the meeting	6	n.a.	n.a.	6	n.a.	5	n.a
14 Total cost for seminars/roundtables	0*	n.a.	n.a.	182,604	n.a.	30,000*	n.a
15	Remarks	*Roundtable taken place at the Embassy	*CORPEI to share 50% of the total costs for 3 programmes		*Total cost borne by UNIDO HQs	*Cost of seminar shared by Embassy/ASEAN Centre and ITPO Tokyo	*100% airfare borne by JODC BKK

Delegate programme / Performance Indicators (January - May 2007)

Country		Botswana	Orissa, India
Period		Feb – March 2007	Feb – March 2007
1	Working days	15	10
2	Total cost	315,100	503,145*
3	Contribution by the recipient	100% Airfare	Nil**
4	Number of meetings	20	24
5	Number of meetings with private sectors	12	17
6	Number of meetings with public sectors	8	7
7	Number of active projects	1	10
Individual promotion			
8	Number of meetings per day	1.30	2.40
9	Total cost per meeting	15,755	20,964
10	Total cost per active project	315,100	50,314
Public promotion			
11	Number of seminars & roundtables	0	1(S), 2(RT)
12	Number of actual participants	n.a.	140
13	Number of inquires during/after the meeting	n.a.	6
##	Total cost for seminars/roundtables	n.a.	294,000
15	Remarks		*cost of accommodation & stipend excluded **100% of the cost borne by UNIDO HQs

Delegate programme / Performance Indicators (May 2004 - May 2007)

Country		May 2004- May 2007 Total
Period		
1	Working days	
2	Total cost	
3	Contribution by the recipient	
4	Number of meetings	637
5	Number of meetings with private sectors	436
6	Number of meetings with public sectors	218
7	Number of active projects	103
Individual promotion		
8	Number of meetings per day	
9	Total cost per meeting	
10	Total cost per active project	
Public promotion		
11	Number of seminars & roundtables	24
12	Number of actual participants	1,103
13	Number of inquires during/after the meeting	45
##	Total cost for seminars/roundtables	
15	Remarks	

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