

1. PROJECT TITLE

PD-AAM-971

2. PROJECT NUMBER
693-0220

3. MISSION/AID/W OFFICE
OAR/LOME

Development of Togo Credit Union
Movement

4. EVALUATION NUMBER: Enter the number maintained by the reporting unit e.g., Country or AID/W Administrative Code, Fiscal Year, Serial No. beginning with No. 1 each FY.
113-093-1

ICN 30173

REGULAR EVALUATION SPECIAL EVALUATION

5. KEY PROJECT IMPLEMENTATION DATES

A. Final PRO-AG or Equipment FY 80
 B. Final Obligation Expenditure FY 82
 C. Final Input Delivery FY 83

6. ESTIMATED PROJECT FUNDING
 A. Total \$ 376
 B. U.S. \$ 376

7. PERIOD COVERED BY EVALUATION
 From (month/yr.) July 1980
 To (month/yr.) March 1982
 Date of Evaluation Review April 1982

8. ACTION DECISIONS APPROVED BY MISSION OR AID/W OFFICE DIRECTOR

A. List decisions and/or unresolved issues; cite those items needing further study. (NOTE: Mission decisions which anticipate AID/W or regional office action should specify type of document, e.g., program, SPAR, PIC, which will present detailed request.)

B. NAME OF OFFICER RESPONSIBLE FOR ACTION

C. DATE ACTION TO BE COMPLETED

1. The Project Agreement should be amended to:
 - A. Extend the PACD from December 31, 1982 to September 30, 1983
 - B. Provide for a modified repartition of funds between line-items to permit specialized technical assistance towards end of project life.
2. Translate the evaluation into French and reproduce with project funds in sufficient quantities to make adequate distribution within Togo.
3. Field a Project Design team to draft a proposal for follow-on funding on a second-phase activity.

Wes Hawley
Grant Officer
(SER/CM)

December 1982

Richard Crayne,
WOCCU

July 1982

Dean Mahon,
WOCCU

September 1982

9. INVENTORY OF DOCUMENTS TO BE PROVIDED PER ISSUED DECISIONS

- | | | |
|---|---|--|
| <input type="checkbox"/> Project Paper | <input type="checkbox"/> Implementation Map & SPI Version | <input type="checkbox"/> Other (Specify) _____ |
| <input type="checkbox"/> Financial Plan | <input type="checkbox"/> PRO/T | _____ |
| <input type="checkbox"/> Logical Framework | <input type="checkbox"/> PRO/C | <input type="checkbox"/> Other (Specify) _____ |
| <input checked="" type="checkbox"/> Project Agreement | <input type="checkbox"/> PRO/P | _____ |

10. ALTERNATIVE DECISIONS ON FUTURE OF PROJECT

- A. Continue Project w/ No Change
- B. Change Project Design and/or
- C. Change Implementation Plan
- D. Discontinue Project

11. PROJECT OFFICER AND HOST COUNTRY OR OTHER BANKING PARTICIPANTS AS APPROPRIATE (Name and Title)

Sidney Bliss, Project Officer - OAR/Lomé
 Hadley Smith, Chief Project Analysis and Development Support, REDSO/WA.
 Dean Mahon, Projects Officer, WOCCU/CUNA Washington, D.C.

12. MISSION/AID/W OFFICE Director Approval

Signature: *[Signature]*
 Name: John A. Lundgren
 Date: October 8, 1982

FILE COPY

XID-AAM-971-A

ISN 30175-

EVALUATION OF
PROJECT NO. 693-0220
DEVELOPMENT OF TOGO CREDIT UNION MOVEMENT

By

Hadley E. Smith, REDSO/WA, Abidjan

and

Dean Mahon, WOCCU/CUNA, Washington, D.C.

Office of AID Representative

Lome, Togo

April 1982

PREFACE

This evaluation was conducted in Lome, March 28 through April 12 by Dr. Hadley E. Smith, team leader, Assistant Director for Program Analysis and Development, REDSO/WA, Abidjan, and Mr. Dean Mahon, World Council of Credit Unions/CUNA, Washington, D.C., with the assistance of Mr. Richard Crayne, Project Technician, CUNA/GPO. Mr. Smaragde Mbyirukira, Regional Manager, West Africa Regional Office, Africa Cooperative Savings and Credit Association (ACOSCA), Lome, and Mr. Heldom Sossa, Assistant Regional Manager provided technical and logistical support. Mr. Sid Bliss, OAR/Togo, General Development Officer, assisted the team in innumerable ways.

CONTENTS

	<u>Page</u>
I. SUMMARY OF PERFORMANCE EVALUATION	1
II. EXECUTIVE SUMMARY	3
Constraints	3
Proposed Technology	3
Existing Technology	4
Prospect to Adoption	4
Characteristics of Beneficiaries	4
Adoption Rate	5
Self-Sustaining Stimuli	5
Incentives to Private Sector	5
Delivery System	6
Training Techniques	6
Outputs Achieved	7
III. FINDINGS, CONCLUSIONS, AND NEEDS	8
IV. BACKGROUND	11
Economic and Social	11
History of Credit Union Movement	12
Current Status of CONAUDEC	15
Role of ACOSCA	18
Background	18
Role and Objectives of the Regional Office for West Africa	19
Services provided to national affiliates by ACOSCA	20

14

	<u>Page</u>
Services provided to CONAUDEC	21
Agricultural production credit	21
V. GOAL, PURPOSES, INPUTS AND PLANNED OUTPUT	24
Goal	24
Purposes and Objectives	24
Project Inputs	25
Planned Outputs	28
Training of promotion agents	28
Promotion and growth strategy	28
Developing planning capability	29
Strengthening Budgeting and Accounting Systems	29
VI. ACTUAL OUTPUTS	31
Comparison of Planned and Actual Output	31
Overview of Training	35
Training of Promotion Agents	36
Inspection training	39
Institutional analysis training	39
Office management training	40
Accounting training	41
Training of trainers	43
Specialized training	44
Developing Planning Capability	44
Development of Accounting and Budgeting Systems	50
CONAUDEC accounting	50
Primary society accounting	54
CONAUDEC budgeting	55



TABLES

	<u>Page</u>
1. PERFORMANCE RATING	i1
2. GROWTH OF CREDIT UNIONS	16
3. CREDIT UNION DATA BY REGION, 1979-1981	17
4. SOURCES AND AMOUNTS OF PROJECT INPUTS, JUNE 29, 1980-MARCH 31, 1982	26
5. PLANNED AND ACTUAL OUTPUT	32
6. TRAINING SUMMARY	35
7. TRAINING FOR PROMOTION AGENTS	37
8. TRAINING FOR NATIONAL COMMITTEE MEMBERS AND PRIMARY SOCIETY MEMBERS	58
9. PROJECT EXPENSES.....	64

ANNEXES

	<u>Page</u>
A. CONAUDEC BOARD OF DIRECTORS	80
B. CONAUDEC FIELD AGENTS	81
C. CREDIT UNIONS, MEMBERS, SAVINGS, AND LOANS, 1981	82
D. FINANCIAL STATEMENTS:	
BALANCE SHEET, 1978-1980 (DECEMBER 31)	85
PROFIT AND LOSS STATEMENTS, 1979 AND 1980	86
EXPENDITURES, 1979, 1980	87
E. DONOR SUPPORT, SEPTEMBER 30, 1972-MARCH 31, 1982	88
F. PROGRAM OF THE REGIONAL SEMINAR AT KPALIME, SEPTEMBER 11-13, 1980	89
G. PLANNED IMPLEMENTATION SCHEDULE OF PROJECT TECHNICIAN	90
H. ACTIVITIES OF CUNA TECHNICIAN BY QUARTER	93
I. SURVEY QUESTIONNAIRE OF CREDIT UNIONS 1976-81	96
J. FINANCIAL AND TECHNICAL ASSISTANCE AGREEMENT WITH GOVERNMENT	107
K. PERSONS INTERVIEWED	109

1. SUMMARY OF PERFORMANCE EVALUATION

The following measures indicate the effectiveness with which responsibilities specified in the project agreement and the grantee statement of work (PIO/T) were implemented. Overall performance of the project was very good.

1. PERFORMANCE RATING

<u>Performance Indicators</u>	<u>Rating</u>			
	<u>Poor</u>	<u>Good</u>	<u>Very Good</u>	<u>Excellent</u>
Timeliness of inputs				X
CUNA/GPO backstopping				X
Quality of technical assistance			X	
Quality of training activities				X
Quantity of training activities				X
Quality of planning activities			X	
Quantity of planning strategy activities			X	
Quality of growth strategy				X
Quantity of growth strategy activities				X
Quality of budgeting and accounting activities				X
Quantity of budgeting and accounting activities				X
Project reporting		X		
Expansion of credit union membership				X
Growth of savings				X
Growth of loans				X

<u>Performance Indicators</u>	<u>Rating</u>			
	<u>Poor</u>	<u>Good</u>	<u>Very Good</u>	<u>Excellent</u>
Participation of women			X	
Institutional development			X	
Other donor support				X
Response of primary societies to technical assistance provided				X
Support by ACOGSA			X	
Support by Government of Togo			X	
Cooperation of CONAUDEC				X
Overall performance of project			X	

II. EXECUTIVE SUMMARY!

Constraints

The goal of the Togo Credit Union Development Project is to make savings, credit, and related services available to more Togolese families through development of a strong credit union movement. Chief constraints are that credit union societies and the national association, while in fact existing, are not yet legally recognized as cooperatives and, therefore, cannot legally perform all the normal functions of local societies and a national association. As a result, the national association does not have revenues from internal sources for conducting organisation, training, and technical services for local societies, and similarly cannot employ a managing director to supervise the organization and operation of the national association, functions which are urgently needed for rapid growth of membership and establishing new societies. Currently, the activities of the national association are financed largely by external donors, about 40% by this project which primarily provides a full-time, credit union technician.

Proposed Technology

The project aims to provide technical skills by training the staff of the national association, field agents, and members of primary societies, chiefly in accounting skills, mainly by training field agents as trainers. This technology has been used successfully in many developing countries with technical assistance from CUNA/GPO. The credit union institution is a relatively new technology in Togo which is being strengthened and expanded through this project.

Existing Technology

Existing technology is limited by the constraints mentioned above and the absence of a national plan for development of the credit union movement which is to be prepared during the final months of this project. Existing technology at the beginning of the project was particularly weak in budgeting and accounting skills. Prior to commencement of the project, the movement was stagnant, if not retrogressing, because of its inability to overcome these obstacles on a national scale.

Prospect for Adoption

The prospect for adoption of the proposed technology is very promising. Even without major outside assistance, a few successful credit unions have been organized, mainly by strong leaders in urban areas among employees of a single, large employers, such as the port authority. The main vehicle for overcoming constraints is significant, temporary, outside technical and financial support during an interim period of eight to ten years while the movement is becoming organized and reaches financial and technical self sufficiency.

Characteristics of Beneficiaries

Most of the primary societies are in rural areas where average GDP was only \$180 in 1980. The direct beneficiaries are within the poor majority as defined by AID. Although data on household income of credit union members is not available, the average income in most societies is certainly modest. Beneficiaries of credit are the members of primary societies, their families, and associated industries whose incomes and employment increase as a result of investment of credit union loan funds in productive activities. This modest volume

of credit can have a significant impact on economic progress of member households and local communities.

Adoption Rate

The active interest of Togolese in adopting the credit union approach is evident from growth of the movement during 1981. Membership of societies rose 30%, savings increased 47%, and loans rose by 56%. The stimulus for this growth was largely from AID-financed activities. The evaluation team had a two-hour meeting with the new board of directors, several of whom regularly travel from the northern part of the country to attend monthly meetings, during which the board's support for the project and their desire to strengthen the credit union movement were clearly expressed by all members.

Self-Sustaining Stimuli

The credit union movement is not financially self-supporting at present and financial independence can not be reasonably expected for at least five years. However, the board has clearly identified financial and technical self-sufficiency as a major goal of the credit union movement and plans to initiate payment of dues by primary societies as soon as is appropriate following official registration of both primary societies and the national association as cooperatives. The board consists of senior, mature, civic minded citizens who are well aware of the advantages of financial and technical autonomy.

Incentives to Private Sector

The credit union movement is private, consisting of primary societies of private individuals, and a national association

consisting of representatives of private primary societies. While cooperatives are officially registered as legal entities and are exempt from taxes, they are not directed by government. Board members are elected by representatives of primary societies. Therefore, the savings of members are secured and managed as a private, nongovernment institution, and loans are made to private individuals who are members of primary societies. Growth of the credit union movement stimulates mobilization of private savings, investment, and production.

Delivery System

The delivery system is conceptually sound but, for the movement as a whole, is not fully staffed. The approach is to assign a nucleus staff at the central office of the national association to provide technical assistance and training. Training by the AID-financed technician is primarily focused on training ten field agents assigned to posts throughout the country. During the project period, the number of field agents was doubled from five to ten. This system is working well but needs to be directed by a full-time, Togolese manager of the national association office and program.

Training Techniques

Training techniques are well adapted to the needs of the credit union movement. Training has been short term, mostly one or two-week workshops, with a high degree of personal observation and direction by the instructor. Subject matter focused on practical skills: mostly bookkeeping and accounting. On-the-job training has been effective, particularly for the CCNAUDEC accountant.

Outputs Achieved

While the full impact of project activities through March 31, 1982 can not be observed within such a short period, several of the EOP training and other targets were exceeded, nine months before the end of the project, December 31, 1982. Training of field agents, CONAUDEC board members, and society treasurers already is as much as 50% above the target output for the end of the project. CONAUDEC expects that the target of 20 new societies will be achieved by the end of the year. By the eighteenth month of the project, planned savings and loans equalled or exceeded the EOP target.

III. FINDINGS, CONCLUSIONS, AND NEEDS

The following paragraphs summarize the evaluation team's major findings, conclusions, and assessment of needs.

The credit union movement in Togo is at an early stage of development, but local interest in credit unions is high. Ten CONAUDEC promotion agents are in the field and have been highly effective in organizing new societies and expanding membership, savings, and loans (Annex B). However, neither the primary societies nor CONAUDEC is legally recognized as credit cooperatives by GOT. A new seven-member board of directors was elected in October 1981 (Annex A). Embryonic as the movement may be, it is the most advanced in francophone West Africa and promises to be a model for other francophone countries (Annex C).

Primary constraints are: (1) need for revision of the by-laws of primary societies and the national association to become legally recognized as credit cooperatives under Togolese cooperative law; (2) lack of a full-time Togolese managing director to supervise day-to-day operation of the national promotion association; (3) inadequate revenues from internal sources to finance promotion activities until a sufficiently large amount of savings has been accumulated and primary society members are legally permitted to pay dues to the national association and vote to do so.

This AID-financed portion of the project has stimulated enthusiasm and expectation in a credit union movement that was largely dormant. Although the credit union movement has made notable progress during the life of the project thus far, continued external support is needed, probably for five or more years, while structural changes which have been initiated are completed and the national

8

association begins to earn revenues from internal sources. Progress toward financial self-sufficiency could be enhanced by technical assistance, specializing in organization development and management of the national association and primary societies. This would allow another technician to devote full-time to assisting and monitoring financial and other technical operations. Additional technical assistance, however, should be contingent on agreement by the CONAUDEC board of directors to appoint a full-time, salaried, Togolese managing director, from the private sector. The salary of the managing director must be paid temporarily by an external donor until revenues of the national association are adequate to pay this and other minimum operating costs. With appointment of a full-time managing director, additional technical assistance in organization and management can help finalize registration of the national association and assist in organizing and writing personnel, training, financial, and membership procedures.

Progress of the project and the credit union movement has been highly gratifying, attributable in large part to the dedication, enthusiasm, and skill of the CUNA/GPO technician and support from the Washington office. He worked, more or less independently, on many diverse needs of the credit union movement, the most immediate and pressing of which was the need to prepare accounts acceptable to other donors to permit release of frozen donor funds. The technician has maintained close working relations with OAR. Periodic financial and narrative reports were made to CUNA/GPO in Washington by telex, telephone, and letter, and detailed information was provided for this evaluation, although bimonthly reports specified in the grant agreement were not made regularly. To date, CUNA/GPO

support staff have provided 51 person days of backstopping services. Procedural changes arising from the recent election of a new president of the board of directors appear to be normal adjustments to new direction of the board. The project has been implemented well and already has made a major contribution to progress of the credit union movement.

The AID grant specifies that the project technician will be at post 30 months. Because project technician activities, ~~therefore~~, will continue beyond December 31, 1982, the project activities completion date (PACD), charges will be incurred after that date. Therefore, the grant agreement should be amended and the PACD extended by an appropriate period. ?

Given the critical nature of organizational and legal issues involved in acquiring official recognition by GOT for both primary societies and the national association, a legal consultant from CUNA/GPO should review the applicable statutes with GOT officials in collaboration of ACOSCA and other appropriate sources.

The evaluation team considers this evaluation report a useful document for CONAUDEC, GOT, and other donors and suggests it be translated into French and reproduced in appropriate quantities with project funds.

IV. BACKGROUND

Economic and Social

Togo's population is about 2.6 million, of which 2.1 million are rural and 0.5 million urban. The distribution of the population is uneven with two-thirds concentrated in the south, where densities are as high as 100 people per km². There are many ethnic groups with different languages, religions and social patterns, but the Ewe (44%) in the south and the Kabye (23%) in the north are the two largest groups. Population growth is about 2.5% annually, 2.1% in rural areas and 5% in urban areas. A high birth rate, combined with a high mortality rate, results in a young population, 50% of which is below the age of 15 years.

Basic skill levels of the population are not very high. Adult literacy is below 20%. Nevertheless, primary education has developed rapidly in recent years, and enrollment (71%) is one of the highest in Africa. The quality of education is not very satisfactory and, in spite of recent measures, remains ill-adapted to the needs of the country. Access to basic health services is limited outside Lome, and malaria, diarrhea, skin diseases, and pulmonary infections are common. Daily per capita calorie supply is about 2,300, compared with FAO standards of 2,470 calories. The quality of the diet is poor, with cereals and tubers providing 82% of calories and 75% of protein.

The political situation has been stable since 1967, when the military assumed leadership. With the exception of the President, General Eyadema, the Government is now totally civilian. Togo is a one-party state, the party being the Rassemblement du Peuple Togolais (RPT). The party, government and administration have balanced regional representation. The government encourages international cooperation.

GDP per capita was US\$380 in 1980, but in the rural areas, where 80% of the population lives, annual per capita GDP is only US\$180. Agriculture accounts of 80% of employment and 30% of GDP. The sector is mostly traditional and low-yielding, with small-holder foodcrops accounting for 70% of production. However, cash crops (cocoa, coffee, palm kernels and, more recently, cotton) are of increasing importance and generate 30% of foreign exchange earnings. The modern phosphate mine employs 1,600 persons and accounts for 6% of GDP, but provides 40% of export earnings and 30% of Government revenues. The tertiary sector consists mostly of commerce, a result of Togo's open door trading policy, transport, and public administration. The sector provides 50% of GDP and employs 15% of the labor force.

The mid-1970s were marked by a boom in phosphate prices, which skyrocketed from US\$15 to US\$63 per ton between 1973 and 1975, and the nationalization of the phosphate mine in February 1974, which increased the receipts of the government from phosphates from practically zero in 1973 to CFAF 12 billion in 1975. Financial stability suffered from two developments: (1) a steep decline in phosphate prices to US\$35 per ton by the end of 1975, a level at which they stagnated through 1979; and, (2) more investment by GOT than estimated in this plan. Public investment during 1976-80 was CFAF 181 billion, raising the average investment/GDP ratio to a record 34%. Since, in addition, most of these projects were ill-defined and financed on expensive terms, the debt service burden rose sharply in 1979.

History of Credit Union Movement

The credit union movement in Togo began in 1967, with organization of the first credit union, (Cooperative d'Epargne et de Credit, known by the acronym, COOPEC) at Kougnohou near Badou, in the Wawa prefecture.

The founder of this, as well as many of the other early credit unions, was an American missionary who served the movement actively through September 1980.

In 1970, following an ACOSCA meeting in Accra, a group of volunteers interested in the credit union movement formed a promotion committee (Comite National pour le Developpement des Unions Cooperatives d'Epargne et de Credit, CONAUDEC). The primary promotor behind the movement was Apeli Amedegnato, a Togolese who is the current Acting Executive Secretary of ACOSCA. Through the effort of this small and dedicated group of volunteers, the Minister of the Interior recognized the existence of CONAUDEC by Decree No. 1011 of August 11, 1970. The committee was staffed and operated by volunteers, not members of credit unions themselves, until 1978 when the first representatives of credit unions served on the national promotion committee. In July 1980, two primary society members were elected as officers for the first time.

Expansion of member participation accelerated in July and August 1981 with 14 new members being added to CONAUDEC. The final step in the evolutionary process was completed with the creation of the three national organs of the movement: the board of directors (7 members); the credit committee (3 members); and the supervisory committee (3 members) in October 1981 at the end of an ACOSCA Institutional analysis training session. The board now is composed entirely of primary society members.

Catholic Relief Services (CRS) funded CONAUDEC's first field agent from 1970 to 1972. In 1972, a German protestant church organization (Bread for the World) made it's first 3-year contribution which allowed CONAUDEC to expand its field staff by two additional agents.

The movement experienced some growth during this initial period but assistance from 1976-1978 by a Swiss catholic church organization (Bread for my Brother) resulted in the first country-wide expansion of the movement, through assignment of four more field agents. As a result, agents were in Lome, Kpalime, Atakpame, Badou, Sokode, Lama Kara and Dapaong, and CONAUDEC had the functional capacity to begin a national promotion campaign.

In 1978, in anticipation of the movement's next stage of development, ACOSCA's vice president, acting in the name of CONAUDEC, presented the board with a request for technical assistance which resulted in two feasibility studies. The first was from CUNA/GPO which resulted in an AID-financed OPG while the other, Centre International de Credit Mutuel, provided short and long term training in Togo and France, as well as commodities. Simultaneously, CONAUDEC renewed donor assistance agreements for recurrent costs with the Swiss and German organizations noted above and negotiated a new contract with the World Council of Churches. This financial assistance permitted the movement to increase the number of field staff and to recruit a secretary for the Lome headquarters. As a result, Keve, Tabligbo and Bassar were added to the regions served.

The Togolese Government also has played a supportive role. In 1977 and 1978, an agent was assigned to CONAUDEC and since 1981, the government has provided an agent for Lama Kara and part-time agent in Lome, both from the Division of Cooperation, Mutuality and Credit of the Ministry of Rural Development. CONAUDEC's organizational growth, resulting in a present field staff of 10 and support staff of 4, has been a primary vehicle in the promotion and growth of the credit union movement.

Current Status of CONAUDEC

At the beginning of 1982, 97 Togolese credit unions were promoted and serviced by CONAUDEC. These primary societies, in turn, directly served approximately 5,000 persons within every administrative region of the country. The average credit union had 51 members. At the end of 1981, accumulated savings by members on deposit at these societies totalled CFAF 105 million (US \$ 488,372), of which CFAF 65 million was loaned to members (Table 2).

Although Table 2 shows the evolution of the Togolese credit union movement over a nine year period, the most recent trends best demonstrate the direct impact of project inputs. Since financial years begin in January, specific note may be taken of the 1981 fiscal year (months 7-18 of the project). During this period, membership of societies increased 30%, savings 47%, and loans 56%. Growth was more dramatic in the primarily rural regions (i.e., other than the Maritime). In rural areas membership was 36% higher than the previous year, savings increased 62%, and the value of new loans was more than 2 1/2 times the amount of new loans in 1980 (Table 3).

Since CONAUDEC's ultimate purpose is the creation of a national association of credit unions, a cooperative of cooperatives, it is significant that during the project period CONAUDEC's board of directors for the first time was comprised entirely of primary society members. This composition will help ensure that that the national association to be founded is conceived according to needs of members.

2. GROWTH OF CREDIT UNIONS

<u>Year</u>	<u>Number of Credit Unions</u>	<u>Members</u>	<u>Savings (CFAF)</u>	<u>New Loans (CFAF)</u>
1973	17	491	1,106,318	159,750
1974	23	859	2,397,753	538,690
1975	34	1,868	11,883,047	5,334,173
1976	77	2,823	24,978,087	13,513,145
1977	85	2,895	29,797,150	18,839,942
1978	92	3,685	33,839,718	18,726,265
1979	89	3,739	43,964,337	18,213,202
1980	82	3,822	71,431,475	41,597,985
1981	97	4,974	104,666,130	64,719,332

Source: CONAUDEC

3. CREDIT UNION DATA BY REGION, 1979-81

<u>Item</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Number of Credit Unions			
Maritime	24	31	37
Plateaux	48	37	39
Central ^{2/}	4	3	2
Kara ^{3/4/}	6	4	8
Savanes	<u>7</u>	<u>7</u>	<u>11</u>
Total	89	82	97
Members			
Maritime	1,784	2,145	2,678 ^{1/}
Plateaux	1,585	1,323 ^{1/}	1,459
Central ^{2/}	97	74	76
Kara ^{3/4/}	117	90	450
Savanes	<u>156</u>	<u>190</u>	<u>311</u>
Total	3,739	3,822	4,974
Savings (CFAF million)			
Maritime	36.1	63.5	91.7
Plateaux	5.3	5.5	7.8
Central ^{2/}	2.1	1.9	1.9
Kara ^{3/4/}	.3	.2	2.4
Savanes	<u>.2</u>	<u>.4</u>	<u>.9</u>
Total	44.0	71.4	104.7
Loans (CFAF million)			
Maritime	16.2	38.8	57.2
Plateaux	1.3	2.6	4.2
Central ^{2/}	.7	--	2.8
Kara ^{3/4/}	--	-- ^{5/}	.2
Savanes	<u>--</u>	<u>.2</u>	<u>.3</u>
Total	18.2	41.6	64.7

Source: CONAUDEC

- ^{1/} Interpolations
^{2/} Agent relieved of duties 8/81
^{3/} Region lacking one agent 1979-80
^{4/} Two agents in region as of 1/81
^{5/} Less than 0.1 million

Role of ACOSCA

Background. The African Cooperative Savings and Credit Association (ACOSCA) is the panafrikan confederation of credit unions. Created in 1968, ACOSCA is headquartered in Nairobi, Kenya, where it was registered under the Friendly Societies Act. As of 1981, ACOSCA had affiliates in 23 independent African countries. According to its by-laws, ACOSCA has the following objectives:

1. to encourage the creation and expansion of credit unions throughout Africa and the neighboring islands;
2. to provide services with the aim of helping the credit unions to solve their technical and administrative problems, so as to ensure the soundness of those societies;
3. to help obtain legal recognition for credit unions associations and to help them to draw up and carry out programs that will enable them to reach technical and financial self-sufficiency as soon as possible;
4. to coordinate credit union activities throughout Africa and the neighboring islands;
5. to promote cooperation between credit unions and other organisms of the cooperative movement in each country.

In order to achieve its objectives, ACOSCA set up a number of regional offices and training centers. Within that framework the biennial meeting held in Kabwe, Zambia in 1974 passed the resolution to set up the Regional Bilingual Office for West Africa, to accelerate the promotion of the credit union movement in this part of Africa, particularly in the French speaking countries. Three years later in 1977, the ACOSCA Regional Bilingual Office for West Africa was inaugurated in Lome, Togo.

Role and Objectives of the Regional Office for West Africa. The ACOSCA West Africa Regional Office was created to provide promotion, consolidation, and representation services to Western and Central African Countries including: Angola, Benin, Burundi, Cameroon, Cape Vert, Central African Republic, Congo, Ghana, Gambia; Guinea Bissau, Guinea, Equatorial Guinea, Gabon, Ivory Coast, Liberia, Mali, Mauritania, Niger, Nigeria, Rwanda, Sierra Leone, Senegal, Tchad, Togo, Upper Volta, Zaire. Among these, 12 countries have national credit union associations or promotion committees: Benin, Cameroon, Ghana, Ivory Coast, Liberia, Nigeria, Rwanda, Senegal, Sierra Leone, Togo, Upper Volta, Zaire.

Promotion objectives are to: (1) stimulate the creation of national credit union committees through contacts with interested government and non-government organization officials in those countries which are not familiar with credit union philosophy and practice, and to provide guidelines for the organization of such structures; and (2) provide adequate training to initial credit union leaders.

Consolidation objectives are to: (1) identify technical and training needs of credit union national associations or promotion committees through institutional analysis of those organizations; (2) participate, together with the ACOSCA head office, in training the credit union officials and employees through national and regional seminars, workshops, and courses; (3) collect, analyze and disseminate relevant information and data; (4) organize, monitor and evaluate exchange programs between credit union associations; and (5) participate in the preparation, designing, monitoring and evaluation of nation projects and seminars.

Representation objectives are to: (1) promote good relationships between credit union national associations or promotion committees and their national governments; (2) promote good relationships

between national credit union movements and other cooperatives organizations; (3) promote good relationships and collaboration between the credit union movement and other organizations operating in the field of economic and social development; (4) promote good relationships between national credit union movements and donor governments and agencies; (5) strengthen good relationships and collaboration between ACOSCA and its affiliates; (6) help credit unions and national organizations obtain legal recognition and appropriate legal framework in their respective countries for their operations.

Services provided to national affiliates by ACOSCA. In addition to promotional activities, ACOSCA provides risk management, central finance and training services to its affiliates. ACOSCA staff also provide technical assistance, when requested, in all aspects of credit union management.

Under the risk management (credit union insurance) program, ACOSCA provides affiliates with loan-protection and life-savings insurance. a fidelity-bonding scheme will also be provided in due course. Through the central finance program, ACOSCA helps national affiliates to set up central fund schemes for the mobilization of excess liquidities within the credit union movement for interlending purposes.

Training in all credit union operations, including risk management and central finance operations, accounting, auditing, project planning, designing and management, is provided to affiliates. In addition, such publications as accounting and auditing manuals have been produced by ACOSCA and distributed to affiliates and regulatory agencies.

Services provided to CONAUDEC. CONAUDEC has regularly benefited from services provided by ACOSCA. Recent services were:

1. In February 1981, CONAUDEC staff took part in the two week ACOSCA sponsored training of trainers workshop in Lome, Togo;
2. In March 1981, CONAUDEC delegates took part in the ACOSCA sponsored regional bilingual seminar for West African women held in Dakar, Senegal;
3. In September 1981, ACOSCA staff conducted a workshop on institutional analysis for CONAUDEC board of directors and staff at Bethania Farm, Avetonou, Togo;
4. two CONAUDEC staff were sponsored by ACOSCA to attend training courses in risk management and central finance in Nairobi, in February 1982;
5. In February 1982, ACOSCA sponsored an Africa-wide workshop for presidents of boards and managing directors of affiliates in Kpalime, Togo;
6. as part of the ACOSCA exchange program, a CONAUDEC staff member was sponsored to go to Cameroon for an on-the-spot practical orientation in central finance operations.

The ACOSCA Regional Bilingual Office has provided technical advice to CONAUDEC upon request. The capacity to provide such services increased at the end of 1981 with the posting of a new regional director and his deputy, positions which had been vacant for most of the year.

Agricultural production credit. Credit unionists have long maintained that credit unions can play a more effective role in improving the economic well-being of members and in stimulating the growth of

societies, if the credit provided by these institutions were re-directed towards production-oriented member loans, supplemented with an appropriate amount of technical support.

Emphasis on lending for production purposes, rather than for consumption, rests on the belief that production-oriented member investments would have more impact on the member's income-earning potential, thus improving his economic position, increasing his ability and willingness to save, and stimulating his demand for more production loans to further improve his economic well-being. Under these circumstances, the credit union also benefits from the scheme through increased growth of savings and loan demand and increased member support.

As with other credit union programs, ACOSCA's Small Farmer Production Credit (SFPC) program is owned and managed by members, in accordance with the democratic nature of credit unions. While the program has been successfully operating in Latin America since 1965, where it first started in Ecuador, it was introduced into the African credit union movement more recently. An ACOSCA-sponsored SFPC program has been operating in Cameroon and Lesotho since 1975. Feasibility studies for launching the scheme have been carried out in Malawi. The rate of savings growth has doubled in participating credit unions in Cameroon and Lesotho. Average member savings also has increased. Interested credit union leagues also have begun to provide agricultural inputs such as fertilizer.

A more integrated approach to production credit is needed, in which technical assistance and input supply should be considered along with credit, as much as possible in kind. All credit unions should participate in the planning and development of the system to assure it is consistent with the capabilities of local managers.

Training must be an important component of SFPC programs until a cadre of model farmers develops in each participating credit union. In order to avoid liquidity problems, a more effective capitalization system is needed. Capitalization can be facilitated by a central, interlending fund into which excess credit union national savings is deposited.

V. GOAL, PURPOSES, INPUTS AND PLANNED OUTPUT

Goal

The goal of the project is to make savings, credit, and related services available to an increasing number of Togolese families through development of a strong credit union movement.

The project attempts, through technical and financial support, to develop the basic systems of the credit union movement into a new phase of sustained growth, and to set the stage for conversion of CONAUDEC into a full-service, national association of credit unions. To accomplish these tasks, a thirty-month technical assistance program focuses on: (1) training field promotion agents and other leaders to carry out tasks necessary to the existence of viable credit unions; and (2) assisting the promotion committee's leaders to develop planning skills to help plan long-range institutional development programs and a strategy for financial self-sufficiency. To provide this technical assistance, a technician with credit union management and training experience was assigned to Lome in July 1980.

Purposes and Objectives

The project has two primary purposes:

1. achievement of a technically self-sufficient national promotion committee that is able to provide necessary services to affiliated credit unions; and
2. establishment of an expanding network of credit unions which have, with the support of the national promotion committee, the financial and technical capabilities to provide required savings, credit, and related services to an increasing membership.

To facilitate achievement of the project's goals and purposes, four specific objectives were adopted:

1. upgrading skills of field promotion agents to train credit union leaders and officers in sound credit union management principles, practices and techniques; be able to inspect and audit credit unions, identifying management and financial problems; and be able to design and implement a sustained program to improve the performance and expand the services of credit unions;
2. preparation of a CONAUDEC Five-Year Development Plan based on an analysis of credit union movement status, affiliate and member needs;
3. preparation of a growth and promotion strategy that will produce at least a doubling of movement membership and savings during the project period; and
4. documentation and implementation of an accounting and budgeting system for the national committee and credit unions that meets basic legal and informational requirements and is consistent with the skills of those responsible.

Project Inputs

Financial inputs over the first 21 months of the project have been greater than originally estimated in the grant proposal, both in number of donors and value of assistance. These inputs are detailed in Table 4 and Annex E.

The AID contribution, through CUNA/GPO, was 37% of the total cost of the project through March 31, 1982, rather than 57% originally anticipated. Approximately 75% of project inputs were contributed by non-Togolese agencies, of which \$100,000 was for operating costs.

Total contributions were \$461,047, or approximately \$690,000, pro-rated over the 30-month life of the project.

4. SOURCES AND AMOUNTS OF PROJECT INPUTS
JUNE 29, 1980 - MARCH 31, 1982.

<u>Source</u>	<u>Amount (\$)</u>	<u>% of Total</u>
1. <u>AID</u>		
Budget Support of CONAUDEC Administrative and Operating Costs	38,829	8.1
Support of Resident Advisor/CONAUDEC training	137,598	28.6
Commodities and Revolving Fund	<u>2,354</u>	<u>0.5</u>
Total	178,781	37.2
2. <u>World Council of Churches</u>		
Budget support of CONAUDEC Administrative and Operating Costs	24,900	5.2
3. <u>Bread for the World</u>		
Budget support of CONAUDEC Administrative and Operating Costs	39,657	8.2
Capital Grants Central Lending (23,256) Risk Management (13,953)	<u>37,209</u>	<u>7.7</u>
Total	76,866	16.0
4. <u>Bread for my Brother</u>		
Budget support of CONAUDEC Salaries and training	17,216	3.6
Capital Grant: Central Lending	<u>21,633</u>	<u>4.5</u>
Total	38,849	7.1

5. The International Center of Credit Mutual

Training		
Short term: Togo	(14,761)	
Long term: France	(8,372)	23,133
		4.8
Commodities (vehicle)	<u>8,140</u>	<u>1.7</u>
Total	31,273	6.5

6. Government of Togo

Salaries (2)	13,953	2.9
In-Kind		
Hotel Discounts: 25%	(1,111)	
Training Facilities	(1,430)	<u>2,541</u>
		<u>0.5</u>
Total	16,494	3.4

7. ACOSCO

Training	14,215	3.0
----------	--------	-----

8. Togo Credit Union Movement

Credit Union Expenses net from interest revenues	3,237	0.7
Estimated value of volunteer time	<u>96,432</u>	<u>20.0</u>
Total	99,669	20.7
Total Inputs	481,047	100.0

Note: Value of volunteer time estimated as follows:

1980	7 society members x 82 societies x 14 days/yr. x \$5.30/day x 6/12 months	\$ 21,295
1981	7 society members x 97 societies x 14 days/yr. x \$6.10/day	57,987
1982	7 society members x 100 societies x 14 days/yr. x \$7.00/day x 3/12 months	<u>17,150</u>
Total		\$ 96,432

Source: COMAUBER

Planned Outputs

Training of promotion agents. Credit unions must be able to implement basic operational processes, such as bookkeeping and preparation of financial statements, budgeting, credit management, and savings and membership promotion, to gain and retain the confidence of members and potential members. The most effective method of addressing this need is through training field promotion agents to perform credit union functions. The first objective of the project is to increase the skills of field promotion agents to:

1. routinely perform professional-quality inspections and audits of credit unions;
2. recognize major financial and management problems found in credit union operations and provide practical solution to those problems;
3. determine promotion and growth targets based on socio-economic data and prepare appropriate development strategy for urban and rural credit unions; and
4. identify training needs of credit union members, officials, and staff, as well as plan and implement training to meet those needs.

Promotion and growth strategy. The second objective of the project is to develop a promotion and growth strategy. The first phase of a strategy is to establish a national network of credit unions to strengthen the movement and encourage expansion. At the outset of the project, a national network did not exist and few of the 85 credit unions were viable. CONAUDEC has not adopted minimum criteria for eligibility of a particular group as a credit union. Once a group is organized and trained, no preconditions are set for the number of members or level of

savings to be attained before the group is endorsed for registration by CONAUDEC. The lack of promotion guidelines and absence of minimum membership and savings levels as a condition of registration have contributed to existence of many small, uneconomic credit union members. CONAUDEC's leaders recognize the desirability of concentrating resources on credit unions with the greatest potential for development. A project objective is to assist CONAUDEC to develop and implement a promotion and growth strategy to increase total membership by at least 3,000 new members and savings by 58 million CFAF (\$270,000). CONAUDEC leaders and staff expect to plan a strategy, monitor progress, and make required adjustments.

Developing planning capability. Although CONAUDEC had a long-term development strategy for establishing a national association of credit unions, the development plan was not derived from an assessment of credit union's priority needs. Such planning is essential to effectively manage CONAUDEC resources to meet goals. Therefore, the third objective of the project is to prepare a long-term institutional development plan for a national association of credit unions. The plan is to be developed after assessing the needs of the credit unions and analyzing growth trends at the end of the second year of the project. The plan will include a projected schedule for formation of a national association; personnel projections, derived from a current institutional analysis; budget projections; and a self-sufficiency strategy. The appropriate leaders and staff should be capable of planning an institutional development program, its periodic assessment, and modifications.

Strengthening Budgeting and Accounting Systems. The fourth major objective of the project is to strengthen the budgeting and accounting systems. Because the credit union movement is at an early stage of

development, particularly at the beginning of the project, CONAUDEC needs to substantially improve its accounting and budgeting capabilities for several reasons: (1) as the movement expands, regular financial reports are needed for informed policy and management decisions; (2) accurate income and cost records are necessary for development of a self sufficiency strategy; (3) collaborating organizations will expect accurate and timely accounting of the use of funds; and (4) future proposals to donors for financial assistance require detailed budget justification.

In addition, the standard accounting system used by credit unions needs improvement. Although a Canadian consultant drafted improved accounting procedures, implementation is a long-term venture requiring periodic modifications. Therefore, the project provides assistance to perform an additional design, and to initiate use of accounting and budgeting systems for CONAUDEC and its affiliated credit unions, including descriptions of documents, journals, accounts, equipment, and financial records required, and detailed instructions on the use of each.

VI. ACTUAL OUTPUTS

Comparison of Planned and Actual Output

At the end of the 21st month, March 1982, progress toward planned project outputs generally exceeded targets for the 24th month (Table 5). For example, 563 more person days of training were given by the end of March than planned for the end of June, three months later. Exceeding the training target was most evident for training of primary society treasurers/managers (+242%), promotion agents (+96%), and board members (+96%). In two categories, promotion agents and society treasurers/managers, the number of person days of training reached the end of project (EOP) target nine months early.

The promotion and growth of the credit union movement can best be indicated by the number of societies, society membership, loans, and savings. Reports have not been made on cumulative loans and, because of legal prerequisites, primary societies are not yet officially associated with CONAUDEC. The comparative totals for output indicators are for the period through the project's 18th month. The number of societies at that time was 97, 3 short of the estimate for the 24th month. Society membership was only 17% short of the planned level at EOP, after only 60% of the project period, while savings and loans had reached or exceeded EOP goals.

Other indicators were below target levels because of structural factors. Financial and statistical reports by societies were not finalized because systems are not yet fully in operation. Standard policies and procedures awaited election of the new board, composed exclusively of

5. PLANNED AND ACTUAL OUTPUT

<u>Output Indicator</u>	<u>Planned Output at month</u>			<u>Actual Output at month</u>					<u>Planned at EOP</u>
	<u>12</u>	<u>24</u>	<u>Total</u>	<u>6</u>	<u>12</u>	<u>18</u>	<u>21</u>	<u>Total</u>	
Person-days of CONAUDEC board training in policy responsibilities and planning	60	66	126	-	106	-	141	247	198
Person-days of CONAUDEC promotion agent training	240	240	480	-	585	-	358	943	600
Person-days of society committee training in management, planning, promotion, credit management, etc.	825	825	1,650	-	888	-	15	903	2,010
Person-days of society treasurer/manager training in bookkeeping and financial statement preparation.	150	150	300	-	54	-	972	1,026	480
few credit unions organized.	5	10	15	-	-	15	-	15	20

Output Indicator	Planned output at month			Actual output at month					Planned at EOP
	12	24	Total	6	12	18	21	Total	
6. Number of credit unions affiliated to CONAUDEC	90	100	100	82	-	97	-	97	105
7. Total savings (\$000)	230	300	300	332	-	487	-	487	400
8. Total loans outstanding (\$000)	170	240	240	193	-	301	-	301	300
9. Cumulative loans (\$000)	170	362	362	193	-	301	-	301	757
10. Total credit union membership	4,000	5,000	5,000	3,822	-	4,974	-	4,974	6,000
11. Institutional development plan completed	-	1	1	-	-	-	-	-	1
12. Financial/statistical reports on societies prepared quarterly	3	4	7	-	-	-	-	-	9
13. Standard policies and procedures guides prepared and distributed	2	4	6	-	-	-	-	-	7

Output Indicator	Planned output at month			Actual output at month					Planned at EOP
	12	24	Total	6	12	18	21	Total	
. Societies receiving supplies from CONAUDEC	25	75	75	60	-	97	-	97	100
. Supplies sales volume (\$)	400	1,000	1,000	466	-	-	-	466	1,900
. Credit unions participating in risk management program	-	10	10	-	-	-	-	-	20
. Savings insured	-	5%	5%	-	-	-	-	-	10%
. Loans insured	-	5%	5%	-	-	-	-	-	5%

te: US\$ = CFAF 215. Rate used in the project paper.

urce: CURA/GPC

society members, which was selected in October 1981. Sales of supplies declined while a new bookkeeping system was taught and the new documentation printed. Finally, the risk management program has been delayed while waiting for agreement between ACOSCA and the CUNA Mutual Insurance society, but funds were recently received for external donor guarantees. Given conditions in the Togo credit union movement, project achievements have been good, although achievement of some of the institutional objectives has been delayed.

Overview of Training

A major training program has been implemented during the project, summarized in Table 6.

6. TRAINING SUMMARY

<u>Group</u>	<u>Number of trainees</u>	<u>Total person days</u>
Members of primary societies	507	1,929
Promotion agents	162	943
National committee members	<u>65</u>	<u>247</u>
Total	734	3,119

Note: Some trainees attended more than one course.

Source: CONAUDEC

Training was conducted at all levels of the credit union movement. A total of 57 courses were held for 734 trainees, providing 3,119 person days of training, nearly 12 years of training time. This training has been a major factor in the growth of credit unions during the project period.

Training of Promotion Agents

The training subjects taught during the 21 months of the project, arranged in chronological order, are:

1. inspection
2. Cooperative organization and development
3. Institutional analysis
4. Office management
5. Modification of by-laws and registration procedures
6. Accounting
7. Training trainers
8. Risk management

This training is summarized in Table 7.

The training needs of individual agents were identified by personal interviews during the first weeks of the project, on-site observations of agents in their work setting, discussions with national committee members, and evaluations of subordinate agents by senior agents. The first opportunity to use these profiles of training needs was in selecting field agents for an 11-week training course (September-December 1980) at the West Africa Center for Economics and Sociology (CESAO) at Bobo-Dioulasso, Upper-Volta.

7. TRAINING FOR PROMOTION AGENTS

<u>Date:</u>	<u>Location</u>	<u>No. of Trainees</u>	<u>Duration</u>	<u>Total person days</u>
<u>Institutional Analysis</u>				
Nov. 13-16, 1980	Bethania	2	4	8
Sept. 27-Oct. 2, 1981	"	15	5	75
Feb. 8-12, 1982	Kpalime	<u>4</u>	5	<u>20</u>
Total (3 courses)		21		103
<u>Modification of National Association/Primary Society by-laws</u>				
Jan. 5-11, 1981	Bethania	16	5	80
Mar. 17-18, 1981	Lome	6	3	18
May 6-8, 1981	"	6	2	12
Oct. 19-23, 1981	"	<u>5</u>	5	<u>25</u>
Total (5 courses)		33		135
<u>Training of Trainers</u>				
Feb. 22-27, 1981	Lome	<u>5</u>	10	<u>50</u>
Mar. 2-6, 1981				
Total (1 course)		5		50
<u>Cooperative Organization and Development</u>				
Sept. 22-Dec. 6, 1981	Bobo-Dioulasso Upper-Volta (CESAO)	3	55	165
Jun. 22-24, 1981	Lome	16	3	48
Mar. 15-Jun. 15, 1981	Badou, Kpalime	1	60	60
Jul. 1-31, 1981	Lome, Badou, Kpalime	2	10	40
Mar. 1-20, 1982	Lome	<u>14</u>	2	<u>28</u>
Total (5 courses)		69		341
<u>Accounting</u>				
Feb. 3-6, 9-13, 1981	Lome	16	9	144
Sept. 7-11, 14-18, 1981	Kpalime	<u>15</u>	10	<u>150</u>
Total (2 courses)		31		294

<u>Dates</u>	<u>Location</u>	<u>No. of Trainees</u>	<u>Duration</u>	<u>Total person days</u>
<u>Central Finance</u>				
Feb. 22-26, 1982	Nairobi, Kenya	1	5	5
Mar. 1-5, 8-12, 1982	Bamenda, Cameroon	<u>1</u>	10	<u>10</u>
Total (2 courses)		2		15
<u>Risk Management</u>				
Feb. 22-26, 1982	Nairobi, Kenya	<u>1</u>	5	<u>5</u>
Total (1 course)		1		5
Grant total (19 courses)		<u>162</u>		<u>943</u>

Source: CONAUDEC.

The training subject was cooperative organization and development and consisted of formal classroom instruction, along with field-work in organizing a credit union, or working with an existing credit union.

The training was directed toward agents working in the rural sector. Knowing that most senior agents had been trained already in this subject at CESA0, the choice of agents centered on four possible candidates for three training positions. Of the three candidates selected, the two working primarily in the rural sector subsequently achieved a 100% increase in membership; a 2% increase in credit unions served; a 60% increase in savings; and a 10-fold increase in loans outstanding.

Inspection training. Inspection training was given on-the-job during a one-week field visit to the Savanes region in August 1980. The technician worked directly with the inspector and promotion agent for the entire week, when skill deficiencies were observed during the first inspections. At the end of each work-day, deficiencies were discussed with both agents. The task was to reconcile the cash position with the individual ledger cards of the society members. After discussions of how to address the problem, the solution was demonstrated by the technician with the inspector the following day. The field agent understood his role and the technician withdrew after the on-the-job demonstration. The agent demonstrated his newly learned skills during the remainder of the week with little correction. The agent was sent in October 1981 for six months of training in France to become an inspector.

Institutional analysis training. Institutional analysis was introduced to the two most experienced agents in November 1980. During the reorientation meeting of these agents, national committee members, and the technician, the idea was presented by ACOSCA and CUNA/GPO staff.

The most important need identified by the agents was creation of by-laws for the national association which led to a national seminar to prepare a first draft of the by-laws.

In January 1981, following the workshop in November 1980, a national reorientation seminar was held on institutional analysis. The purpose of the seminar was to create by-laws for a national association. A questionnaire was used to focus group discussion. The work done by each was presented to the entire group. Agents learned the structure of by-laws, how to modify them, and what parts are most controversial. This knowledge permits agents to detect structural flaws or missing parts in local by-laws and to respond to questions about the by-laws.

Modification of member society by-laws was studied during a one-week workshop in October 1981 by the four most experienced agents of CONAUDEC and the cooperative agent assigned to CONAUDEC. As part of registration procedure, the by-laws of member societies must be modified to conform to Togolese cooperative law. The major problem was the absence of share capital in the model by-laws. All five participants attended the training in January 1981. As a result, they subsequently rewrote the society by-laws using skills gained during earlier training.

The second seminar on institutional analysis was in September 1981. The ACOSCA chief of education and training, supported by the regional training director, taught a one-week seminar for CONAUDEC agents and members of the national committee.

Office management training. Office management has been a continuing challenge. Training has been on-the-job. In working with CONAUDEC's secretaries, problems of maintenance and control of correspondence have been identified. Filing of documents, coordination of work flow

and production among the secretaries, and management of the work load have been addressed. However, structural problems prevent practicing the skills learned. Filing cabinets are needed for document storage. Documents need to be created and maintained to control correspondence. A one or two-day workshop probably would improve office skills.

Accounting training. Accounting training has been a major focus of this project. Two types of training were provided. The first was training an accountant to maintain the CONAUDEC accounting system. The second was to assure that field agents have the skills to do the accounting for the member societies.

On-the-job training of the CONAUDEC accountant started October 13, 1980, and has continued to the present. The first skill learned was how to class vouchers, in chronological order, by day within the month of the expenditure. As a result, the accountant was able to file the vouchers for 1980 by month, before grouping expenses by account.

During the preparation of the 1978-1979 accounting documents, the accountant worked with the technician. This training was put to good use when the accountant prepared accounting documents for 1980. From what he had learned, with periodic control and verification by the technician, the 1980 cash flow statement was produced in two weeks. Training was accelerated with the arrival of CUNA/GPO project officer in March 1981 to introduce the accrual accounting system. Transactions for first two months of 1979 were posted in Journal by the project officer with the accountant observing. The roles then were reversed and the Togolese began posting the

the transactions. Each time he had a question or made a mistake the problem was discussed to reinforce learning.

At the end of the training, the first financial statements under a recognized accounting system were produced. These statements, with explanatory notes, were mailed to donors and other interested parties in June 1981.

On-the-job training of this CONAUDEC employee continued. He performed the bookkeeping for 1981 with the technician regularly verifying his work. The result of this training is that CONAUDEC, for the first time, has the skills necessary to maintain its own accounts.

Verification and control of the 1981 accounts were completed in one week. The 1981 financial statements were ready in early March and presented to the board of directors. By the decision of the board, the statements are being verified by an outside auditor.

The second type of accounting training was to provide field agents with skills to maintain the accounting system of the societies and to train society bookkeepers. A new system was designed using color codes. The next step was to design a training program for the agents as the first step of implementing the system. The training program was in three stages: (1) formalized transfer of knowledge and skills; (2) appropriate on site practice; and (3) evaluation of performance. This two-week training session was in February 1981.

Post training analysis showed that 75% of the agents had learned the minimum necessary to transfer skills and monitor the system. Even with this high success rate for an introductory session,

repetition is needed. The seminar was repeated in September 1981 modified slightly to train agents to be trainers. Agents need to be able to instruct society members how to maintain minimum society accounts. For example, the society members are not instructed initially how to calculate interest on loans. The agent does this and prepares financial statements at the end of the fiscal year.

The skill attained permits each agent to become a trainer which has two advantages. First, the trainers for future society accounting seminars would be the field agents themselves. Second, and more important, they can continuously up-grade the accounting skills of the societies they service.

The effectiveness of this approach has been completely verified. In 10 accounting seminars held from November 1981 to March 1982, the trainers were Togolese with participation of the technician as a senior trainer and, initially, as the coordinator. This role was turned over to the Togolese in the seminars in Dapaong and Lama Kara in February 1982 and March 1982. The field agent in Keve holds two one-day accounting classes a week following the model used during his training and using the same training materials. Following the first accounting seminar in Dapaong in January 1981 for society treasurers, participant skills were lower than in other seminars. As a result, the 3-day training seminar was repeated.

Training of trainers. A two-week, West African, train-the-trainer workshop was held in Lome in February/March under the auspices of the AID-financed ACOSCA Training and Education grant. Two participants were invited, one from CONAUDEC and the other a Government cooperative officer. CONAUDEC benefitted from the location of the workshop in Lome by sending three additional agents.

These agents are the nucleus of CONAUDEC's training program.

Specialized training. The primary purpose of a national association is to provide services but normally training does not contribute directly to revenues of societies. Central finance and risk management programs, on the other hand, are potential sources of revenues. However, training for these programs requires special skills. Because CONAUDEC is a member of ACOSCA, it has access to ACOSCA's specialized skills. ACOSCA trains the staff of national affiliates in central finance and risk management. During February 1982, two CONAUDEC agents had one week of training ~~of~~ ACOSCA headquarters in Nairobi. From this initial training, CONAUDEC eventually can provide member societies with two new, revenue-generating services.

CONAUDEC's designated head of central finance participated in ACOSCA's newly instituted exchange program. He spent two weeks in Cameroon, observing and working with the most advanced central finance operation in Africa. At the appropriate time, CONAUDEC will be able to start a central lending fund with a qualified person trained and ready to assume such management responsibilities. The impact of this training on CONAUDEC's self-sufficiency, however, will be in the future.

Developing Planning Capability

Toward the end of the project period, following assessment of needs, the project technician will assist in preparing a five-year development plan for the credit union movement. Such a plan is critical to the growth and viability of the movement, since the addition of personnel and the mobilization of donor agency or

eventual credit union resources alone do not fully address organizational development needs. The plan will strengthen CONAUDEC's, or its successor national association's, ability to develop credit union systems, to deliver these systems to primary societies through education and training, and to improve its own program of financial planning, management, and evaluation. Since it was projected that such a plan would be developed by the end of the second year of the project, essential steps have been taken through the 21st month toward this exercise.

Credit union development must be oriented toward the needs of primary society membership. The first steps in this direction were taken in July of 1980 when four representatives of credit unions became, for the first time, a part of the eight-person national promotion committee (CONAUDEC). With this representation in mind, a series of institutional analysis workshops began four months later. In the interim, in anticipation of forthcoming planning needs, training sessions were held in accounting to help quantify CONAUDEC and credit union resources and needs for planning purposes. Regional promotion seminars were held to encourage formation and expansion of primary societies.

The institutional analysis workshops were sponsored by ACOSCA to familiarize society committee members and CONAUDEC staff with the institutional development approach designed by the CUNA/GPO staff and adapted, with assistance by ACOSCA, to the unique needs of African credit unions. This approach is fairly simple, involving analysis of credit union functions and processes, the preparation of minimally acceptable outcome statements to measure progress

performance, assessment of current performance, and identification of causal factors of deficient performance. This is a point of departure for ongoing monitoring of the eventual development plan by CONAUDEC leadership and staff.

Initial sessions identified the following preliminary activities to precede an institutional analysis phase:

1. draft national association by-laws so that goals and objectives could be conceived with inputs by potential members, which in turn would facilitate identification of processes necessary for achievement of goals and objectives. In addition, the relevant government services were to be consulted in a timely manner to insure compliance with applicable laws;

2. make inspection tours of all potential affiliates which would determine the status of each of these societies (minimally) in membership, savings and loans;

3. design and develop the accounting system to be continued by CONAUDEC and transferred to the societies, to quantify the status of credit union;

4. identify possible financing for the plan so that potential resource allocations could be linked with organizational objectives;

5. expand the national committee (CONAUDEC) from 8 to 20, composed primarily of credit union members. Further, to elect a board of directors, consisting exclusively of society members;

Accomplishment of the activities was the focus of the 1981 program. by the project's 20th month, CONAUDEC was prepared to begin the institutional analysis phase of development planning.

In March of 1982, two significant steps were taken. The first was a comprehensive, country-wide, base-line survey of existing credit unions by CONAUDEC's field agents, in coordination with the Lome staff. This survey, to be completed in April, will plot the growth of the movement over the last five years and identify potential affiliate status and needs. The second step was the identification of functions and processes of CONAUDEC, and, by inference, of the subsequent national association.

The CONAUDEC board, assisted by CUNA/GPO and the regional ACOSCA staff, has identified five organizational functions: (1) organizational goal and policy; (2) institutional development; (3) program planning; (4) administrative functions; and (5) service functions. A function is defined as a set of logically-related processes that, together, are descriptive of a major element of the organization's operations. A process is defined as a set of logically-related tasks that, together, describe a measurable and discrete outcome of organizational activity.

In order for performance standards to be monitored and evaluated periodically, each of the process statements is defined in measurable standards of performance along the following guidelines:

1. each statement specifies what product is desired as the outcome of a set of activities. Therefore, the focus is on results, rather than methods;
2. each statement is subject to observation and measurement;
3. each statement of process is significant and related to a task or task step;
4. Each statement is important to CONAUDEC, and its successor organization. Further, it does not require skills or resources, or imply levels of sophistication that are beyond reasonable expectations.

The March program resulted in over 100 process statements of measurable performance. The following is a listing of major categories, as related to CONAUDEC's organizational functions:

1. Organizational Goal and Policy

CONAUDEC Goal
Definition of Organizational Policy

2. Institutional Development

Affiliate Analysis
CONAUDEC Institutional Analysis
Institutional Development Planning

3. Program Planning

Program Planning
Financial Self-Sufficiency Strategy Planning

4. Administrative Functions

Personnel
Financial Management
Dues Collection

5. Service Functions

Financial Services to Primary Institutions
Non-financial services to Primary Institutions.

The next activity, scheduled for April, will be an assessment by CONAUDEC management and staff of current performance in relation to the standards established by each process statement. Three ratings will be used.

1. adequate--the process meets or exceeds the measurable standards specified as the acceptable outcome;

2. partial--the performance meets some of the elements of the standard set, but does not fully meet the outcome criteria specified;

3. unsatisfactory or non-existent--the standards for the process are largely unmet, or the process is not operating at all.

The diagnosis will not be complete, however, until the reasons for deficient performance are identified. These can be categorized by any of four possible causal factors: definition, skill, attitude, and resources. The institutional analysis of CONAUDEC will then be complete and the planning phase for national credit union development can begin.

The first part of the next phase is to establish national credit union development priorities. Criteria will be established by CONAUDEC leadership for this type of ranking by which all less-than-adequate processes will be rated and ranked. Following this, implementation methodologies will be selected for each process and responsibility assigned to CONAUDEC leadership and staff, the nature of responsibility identified, and outline job descriptions prepared. Next, internal and external resources needed to carry out these responsibilities will be inventoried and appropriately assigned to processes. As a corollary, cost estimates will be assigned to each expenditure item. Finally, after establishing priorities, estimated person-days required for process development, human resource availability, and resource mobilization schedules, an implementation schedule for national credit union development will be drawn up. The timing of activities will be scheduled over five years and monitored periodically by credit union leadership and staff, with the GPO and ACOSCA services available for consultation, so that timely adjustments may be made as necessary. This approach, which was on schedule at the time of this evaluation, will institutionalize the planning and evaluation

processes of national credit union development and ensure a system responsive to affiliate needs.

Development of Accounting and Budgeting Systems

CONAUDEC accounting. Prior to the arrival of the CUNA/GPO technician in Lome, a Canadian consultant devoted three months to developing an accounting system. At the time of the technician's arrival, however, the system was not in use. Functioning accounting and budgeting systems, in effect, did not exist and had to be created. The technician devoted more than 8 weeks (12 October through 12 December 1980), to establishing the system with the assistance of CONAUDEC local staff (Annex D). There also was a similar lack of accounting and budgeting systems in the primary societies.

According to the implementation schedule, the first eight weeks of technician time were to be devoted to technical orientation. At the time, CONAUDEC personnel with knowledge of the day-to-day operating expenses and accounting records were participating in promotion seminars and unavailable. Therefore, development of the accounting system could not be started until the last half of October.

Since the latest accounting report covered expenditures through March 31, 1978, the problem was urgent. In addition, available funds (AID support for the first year and remaining other donor funds through December 31, 1980) would allow CONAUDEC to operate only through June 1981. All non-AID funding had been suspended because accounting and financial statements justifying expenditures had not been prepared since the last accounting report. CONAUDEC's, existence therefore was threatened.

Two systems were created to solve this problem. First, a cash flow accounting system was designed justifying expenses for the period in question. After having assured donors that their money had been properly used, an accrual system was introduced following internationally recognized accounting principles and standards (OCAM). After introducing the accounting system, the longer term problem of system maintenance had to be addressed. Someone to keep the accounts had to be trained to implement the new system. Otherwise, the system would again fall into disuse.

To assist in redressing the accounting problem, the CUNA/GPO project officer (current WCCCU chief financial officer) provided one week of technical support. He and the field technician modified the OCAM system, the system internationally recognized for French-speaking African countries, to fit the needs of CONAUDEC. The intermediate step (cash flow accounting) was still necessary before final development and implementation of the accrual accounting system. This was because all cash movements had to be verified physically. Finally, it was agreed that CUNA/GPO would furnish follow-up technical support services to complete implementation of this objective. These services were provided in March of 1981.

Using the chart of accounts, cash movements from April 1, 1978, to December 31, 1979, were reconstructed and reconciled. This was done from existing vouchers, personal salary records, petty cash books/ledger, check book, and bank statements. CONAUDEC had changed its offices twice during 1980, which provided many opportunities for loss of documents. A chronological cash flow, accounting for every franc withdrawn from the bank, was the goal.

Receipts had to be verified against the petty cash book; then the petty cash replenishment against the check book; then the check book against the bank statement. Deposits had to be justified to determine cash inflow available to be spent, with all withdrawals then constituting cash outflow to be justified by receipts, vouchers or redeposits. Deposits minus checks drawn plus checks outstanding, equal the real bank balance. An example of a procedural constraint was the fact that receipts for the petty cash book and other expenses were found in incoming or outgoing mail or perhaps elsewhere.

The final accounting documents produced by the cash flow method were mailed to the Swiss donor agency December 12, 1980. In February 1981, the Swiss donors disbursed the remaining CFAF 6,732,000. These accounts were presented personally to the West African Representative of Bread for The World. During this meeting it was agreed that unobligated CFAF 16,000,000 remaining in the pipeline for the project would be released. Release of the funds was agreed pending receipt a letter of request accompanied by the supporting accounting documents. Total funds received by CONAUDEC after the initial accounting work were CFAF 22,732,000 (US\$ 105,000).

An accountant was trained on-the-job by working closely with the CUNA/GPO technician. From October 13, 1980, to April 2, 1981, CONAUDEC progressed from no accounting to verifiable financial statements.

The trainee accountant produced the 1981 accounting statement which is presently being audited by a private financial consultant who audits a World Bank project account in Togo and the ACOSCA West and Central African Regional Office accounts.

Thus far, the following budgeting and accounting objectives have been achieved:

1. CONAUDEC can prepare budgets with a realistic base as cost figures by expenditure class are known;
2. financial reporting has been started and donor confidence regained; and
3. a proposed budget for 1982-87, projected from 1978-81 accounts, has been submitted to donors for consideration.

The system will be updated regularly. The existing system:

1. specifies general ledger accounts required to provide essential financial data, at the time and in the format required, for good management control;
2. complies with statutory and donor financial reporting requirements;
3. utilizes formats which allow insertion of new accounts as required by new activities;
4. is operable by available trained personnel; and
5. requires periodic adjustment of balance sheet accounts to reflect changing monetary values, specifically, the revaluation of fixed assets, accrued receivables and payables, and bad debts.

Remaining output targets which have not been fully achieved include:

1. monthly balancing of subsidiary ledgers with the general ledger control account, because the accountant must perform other functions, e.g., training and promotion activities;
2. daily reconciliation of physical cash with control accounts;
3. sub-systems to allocate revenues and costs to organizational units;

4. financial data consistent with internal and external auditing.

The above needs have been identified by the evaluation team. The accounting system is expected to meet these targets by the end of the project. Improvement of accounting remains a prime objective, as well as a major accomplishment of the project.

Primary society accounting. During an initial one-week visit to rural societies major accounting problems were identified by the CUNA/GPO technician. Such needs, in some respects, were less pressing than at the national level. However, the existing system is inadequate. The system is maintained by field agents, in practically all cases, with little or no society capacity to do bookkeeping and accounting.

The system accepted by CONAUDEC utilizes a color code with cash deposits made on green documents and cash withdrawals on red. With the system designed to use existing CONAUDEC documents, the next stage was delivery. The lack of a standard accounting system for primary societies gave CONAUDEC an opportunity to introduce a standard, country-wide system. In addition, up-to-date statistics can be gathered during conversion to the new system.

Agents were trained for two weeks in February then again in September for two weeks. Training was prior to the implementation to give the field agents the necessary skills to service the system. Field agents now can act as trainers of society treasurers. New accounting documents were printed at a cost of CFAF 1,678,550, over half (CFAF 950,000) financed by a grant from a Credit Mutuel affiliate.

The system is now in use country-wide after training sessions carried out all over Togo. Some primary societies already are able to keep their own accounts with little or no agent supervision.

The societies which have not yet reached this level of skill will be closely monitored by field agents until they become technically self-sufficient.

The design, development, and implementation of the accounting system at the local and national level have been primary objectives of the project. The results are conclusively favorable but must be fully institutionalized to provide a technically solid foundation for further growth of the movement.

Observed results are:

1. accounts for the national committee including:
 - (a) financial statement at year end justifying expenditures of donor contributions;
 - (b) cost figures for making realistic budget expenditure estimates and CONAUDEC outside funding needs;
2. an accounting system for primary societies with:
 - (a) relevant documents printed and available for distribution and sale;
 - (b) agents trained to use the system and possessing the skills to train the society members in its use; and
 - (c) society treasurers trained.

CONAUDEC budgeting. Budgeting systems have progressed in a similar fashion. At the outset of the project no budgeting system existed because there was no cost information, thus, no knowledge of expenditure groups. The 1980 budget consisted only of expenditures with no indication of sources of revenue. The 1981 budget was not finalized until the 1979 and 1980 financial statements were completed in April 1981.

However, the 1981 budget was not a true operating budget for several reasons:

1. It was an expenditure budget with no revenue estimates;
2. because donor relations had just been resumed, expenditure restrictions were not known until the European mission visit during the summer of 1981;
3. realistic expenditure estimates were not known; and
4. actual expenditures exceeded budget expenditures by CFAF 1.2 million.

During formulation of the 1982-1987 financial plan, the budget process became more refined. Further improvement of the system and institutionalization is needed before the end of the project. The expenditure budget should follow the accounting plan to facilitate control of expenditures. Such information will signal overspending by line item and sub-line item.

The budget process is still not well understood by CONAUDEC. There is a tendency to assume that donor financial resources always will be available. Training in financial management can help establish the concept of a self-financing system relying mainly on dues and fees paid by member societies.

Except for one or two urban credit unions no budget process is in use among member societies. Institutionalizing the budget process is at least a year away for local societies.

Promotion and Growth Strategy

Knowing that service to existing societies is the key to long term growth of the movement, CONAUDEC increased field staff 50%, from 5 to 10 agents. Two agents filled vacant posts in Atakpame and Lama Kara, the first by a CONAUDEC trainee in August 1980, replacing the agent

transferred to Lome in January 1979; the second by a Government agent in January 1981, replacing an agent who had left CONAUDEC in late 1977. CONAUDEC started serving two new areas, Keve and Bassar, in August 1980 and January 1981, respectively. The fifth agent is a trainee who will finish training in May 1982 and has not yet been assigned. The effectiveness of field agents was enhanced by substantial amounts of training described above (Section VI, Training of Promotion Agents).

CONAUDEC agrees that a primary means of encouraging growth of the movement is to strengthen the most viable credit unions. CONAUDEC can supply services to viable societies which would become models to which the promotion agent can point in persuading other groups to organize their own credit union.

Training of society members has been the main vehicle to strengthen the most viable societies. Training of society members has focused on three major subjects: (1) cooperative organization and development; (2) modifications of national association by-laws; and (3) accounting. Table 8 presents data on training provided. The evaluation team analyzed the content and methodology used in these training sessions.

Promotion seminars for society members had been planned and training prepared in September 1980, prior to the technicians arrival. The format of all eight seminars was the same (Annex F).

The eight seminars accomplished several important objectives. Credit unions in all regions of Togo learned that the movement is functioning at the national level but that structural reorganization and change are necessary, with self-sufficiency accepted as the goal of the movement. Second, the instruction assisted agents directly to improve their job performance. Third, mutual reinforcement

8. TRAINING FOR NATIONAL COMMITTEE
MEMBERS AND PRIMARY SOCIETY
MEMBERS

<u>Dates</u>	<u>Location</u>	<u>No. of Trainees</u>	<u>Duration</u>	<u>Total person days</u>
<u>National Committee Members</u>				
Institutional Analysis				
Nov. 13- 16, 1980	Bethania	7	4	28
Sept.27-Oct.2, 1981	Bethania	19	5	95
Feb. 8-12, 1982	Kpalime	<u>2</u>	5	<u>10</u>
Total (3 courses)		28		133
Modifications of National Association by-laws				
Jan. 5-11 1981	Bethania	5	5	25
Jan. 27-29,1981	Lome	5	3	15
Mar. 17-18,1981	Lome	4	2	8
May 6-8, 1981	Lome	5	3	15
Mar. 12-13,1982	Lome	<u>8</u>	2	<u>16</u>
Total (5 courses)		27		79
Training of Trainers				
Feb. 22-27, 1981	Lome	<u>1</u>	10	<u>10</u>
Mar. 26, 1981		1		10
Total (1 course)		1		10
Cooperative Organization and Development				
Mar. 2-6, 1981	Dakar, Senegal	<u>1</u>	5	<u>5</u>
Total (1 course)		1		5
Central Finance - Creation of Credit Policy				
Dec. 29-30, 1981	Lome	4	2	8
Jan. 11-12,14, 1982	Lome	<u>4</u>	3	<u>12</u>
Total (2 courses)		8		20
Grand total (12 courses)		<u>65</u>		<u>247</u>

<u>Dates</u>	<u>Location</u>	<u>No. of Trainees</u>	<u>Duration</u>	<u>Total person days</u>
<u>Members of Primary Societies</u>				
Creation/Modification of National Association by-laws				
Jan.5-11, 1981	Bethania	8	5	40
Jan. 27-29,1981	Lome	4	3	12
Mar. 17-18,1981	Lome	3	2	6
May 6-8, 1981	Lome	<u>3</u>	3	<u>9</u>
Total (4 courses)		18		67
Cooperative Organization and Development				
Sept. 3-5 1981	Badou	30	3	90
Sept. 11-13, 1981	Kpalime	26	3	78
Sept. 24-26, 1981	Tsevie	35	3	105
Oct. 6-8, 1981	Dapaong	52	3	156
Oct. 9-11, 1981	Lama-Kara	45	3	135
Oct. 13-15, 1981	Sokode	41	3	123
Oct. 22-24, 1981	Lome	19	3	57
Dec. 18-20, 1981	Atakpame	24	3	72
Mar. 2-6, 1981	Dakar, Senegal	<u>1</u>	5	<u>5</u>
Total (9 courses)		273		821
Accounting				
Feb. 3-6,9-13, 1981	Lome	6	9	54
Nov. 2-6, 1981	Lama-Kara	10	5	50
Nov. 9-13, 1981	Atakpame	19	5	95
Nov. 16-20, 1981	Badou	38	5	190
Nov. 23-27, 1981	Kpalime	27	5	135
Jan. 4-8, 1982	Tsevie	33	5	165
Jan. 18-22, 1982	Dapaong	17	5	85
Jan. 25-29, 1982	Bassar	14	5	70
Feb. 15-19, 1982	Lome	22	5	110
Feb. 22-24, 1982	Dapaong	13	3	39
Mar. 1-3, 1982	Lama-Kara	<u>11</u>	3	<u>33</u>
Total (11 courses)		210		1,026
Central Finance - Creation of Credit Policy				
Dec. 29-30 1982	Lome	3	2	6
Jan. 11-12,14, 1982	Lome	<u>3</u>	3	<u>9</u>
Total (2 courses)		6		15
Grand total (26 courses)		<u>507</u>		<u>1,929</u>

Source: CONAUDEC.

was provided by bringing society members together. These seminars stimulated growth and promoted the idea of a national organization.

After these seminars a meeting of national committee members, the two senior agents and technician, was convened in November 1980, which led to the first national reorganization seminar in Bethania in January 1981. The by-laws were written in draft. Later, in January, a national drafting committee met to review the draft by-laws.

The last drafting committee meeting in March 1982 compared the revised model by-laws for primary societies with the draft for the national association. The two sets of by-laws are ready to be reviewed by the national promotion committee and sent to the Ministry of Rural Development for final acceptance as part of the registration procedure. This work on the by-laws has paved the way for formation of the national association.

Another part of promotion and growth strategy relates to training of national promotion committee members. The January 1981 seminar drafted the by-laws. The second institutional seminar on national re-organization took place in September 1981 under the direction of ACOSCA. The second seminar proposed three national entities-- the board of directors, the credit committee, and the supervisory committee. These two seminars have contributed to formation of a national structure and priorities essential for the CONAUDEC five year plan. The ACOSCA Africa-wide seminar in Kpalime in February 1982 dealt with the relationship between the managing director and the board of directors.

Although CONAUDEC will be able to meet project growth targets, much training remains to be done. The five year institutional development plan will address these problems to accelerate growth and achievement of self-sufficiency.

CONAUDEC has drafted a credit policy for central finance. The creation of a central finance facility has been a longstanding objective presented to the primary society members during organization and development seminars in the fall of 1980. Bread for the World has accepted a proposal by CONAUDEC to use CFAF 8 million from its capital grant to establish a central lending facility and risk management program, CFAF 5 million and 3 million to each, respectively. To use these funds CONAUDEC must establish the administrative structure to provide these services. Following a decision of the new board of directors in December 1981, a drafting committee was nominated to prepare a draft central finance policy for the board and national promotion committee to consider and approve.

The success of the drafting committee's work resulted from: (1) a clearly defined purpose; (2) proper preparation of working materials; (3) specialized technical assistance by ACOSCA and CUNA/GPO; and (4) a common goal of serving the movement. With specialized training of an agent already under way, limited central finance services will eventually be introduced.

A major part of CONAUDEC's growth strategy is technical training in accounting for society members. Eleven courses were held for 210 trainees who received 1,026 hours of training. Although this training is not described in detail in this report, it constitutes an important step towards acceptable accounting practices by primary societies.

Liaison, Reporting and Administrative Procedures

Although AID grants to private voluntary organizations are expected to be largely self-monitored, the CUNA/GPO technician also has maintained regular liaison with OAR/Togo, GOT and CONAUDEC, in accordance with the project agreement.

Upon arrival in country, the technician met with the AID Representative and OAR project officer, during which a brief orientation resulted in mutually agreed information requirements. It was agreed that the technician would give priority to project implementation and inform the OAR of activities as appropriate. This procedure satisfied OAR needs. Whenever the CUNA/GPO project officer was in Togo to provide technical support, he briefed OAR staff with the project technician. Close cooperation has evolved between the technician and OAR staff. All tasks and implementation priorities were outlined to OAR regularly.

Posting of a new regional director and deputy to the ACOSCA Regional Office also has resulted in close collaboration with ACOSCA. The technician met with the CUNA/GPO Director and the ACOSCA Executive Secretary in Kenya to discuss project objectives and responsibilities. Initial contacts were made with the Minister of Rural Development through ACOSCA's Vice-President.

Although formal, bi-monthly progress reports by the technician to the grantee were not submitted, the regular use of telex and telephone insured proper implementation of the project. Timely monitoring of project needs by the technician resulted in consultation before the end of the first year with CUNA/GPO's financial management specialist for assistance in the design, development, and implementation of CONAUDEC's accounting system. Regular financial reports were made.

Project Financing

The project grant is divided into two parts: technical assistance and the CONAUDEC sub-grant. Direct CONAUDEC support has been for operating and administrative costs, commodity purchases, and a revolving fund for the purchase of safes. Table 9 provides a breakdown of expenditures as of March 31, 1982.

Project funds have been disbursed in the following manner. The technician left Washington in July of 1980 with a travel advance equal to estimated needs for three months plus ACOSCA consultation travel funds for the 6th biennial meeting in September 1980. Before leaving for this meeting the technician telexed CUNA/GPO the project financial needs for the next six months. On his return, the funds had been deposited in one of the BIAO accounts in Lome.

Further transfers involved a system based on the technician's forecast of funds needed during a pending quarter. Prior to the end of a given quarter funds on hand are analyzed. To this beginning cash position is added known quarterly needs (i.e., rent, electricity) plus any special needs, such as equipment purchases or foreign travel. All needs are totaled, then compared with the on-hand position and a discrete margin is allowed for unexpected expenses. These needs, minus the amount on hand, plus the margin, determine the total funds to be requested. This request is then telexed to CUNA/GPO before the end of the quarter. With the receipt of the telex, a Federal Reserve Letter of Credit is drawn to meet the request made.

Once received from the Federal Reserve System, the money is transferred to a holding account managed by the technician at the National Bank of Washington branch near the CUNA/GPO office. From this holding

9. PROJECT EXPENSES

<u>Line Item</u>	<u>Expenditures 6/29/80-3/31/82</u>	<u>Projected 4/1/82-12/31/82</u>	<u>Projected Total Project Costs</u>
Technical Assistance			
Salaries	40,811	19,679	60,490
Fringe Benefits	7,802	6,515	14,317
Allowances	22,696	13,147	35,843
Travel	18,028	41,527	59,555
Equipment	9,118	4,432	13,550
Consultants	-	10,023	10,023
Other Direct Costs	13,397	15,989	29,386
Indirect Costs	<u>25,746</u>	<u>48,386</u>	<u>74,132</u>
Sub-total	137,598	159,698	297,296
CONAUDEC Sub-grant	<u>41,183</u>	<u>37,521</u>	<u>78,704</u>
Total Project Grant	<u>178,781</u>	<u>197,219</u>	<u>376,000</u>

account the money is transferred in dollars to the two project accounts maintained at the main office of the BIAO in Lome. One account is for technical assistance and the other is for the CONAUDEC sub-grant. Bank charges for these checks are about 2.3% of their value. This system, however, also provides the project with CFAF credit within two days. The funds in each of the BIAO accounts, as well as the account in Washington, are under sole signatory power of the technician. Technician-related expenses are dealt with either by check for large expenses or through a petty cash fund. Only the technician makes withdrawals for the following project budget line items:

1. allowances, rent, electricity and water;
2. travel;
3. direct costs; and
4. equipment purchases.

All other disbursements of project funds are by CUNA/GPO.

The CONAUDEC sub-grant was managed by the technician through the end of 1981. This was due to the lack of an accounting system to insure adequate control of funds. All disbursements, however, were made after consultation with the responsible members of the national promotion committee (president and treasurer). Since the beginning of 1982, CONAUDEC sub-grant funds have been advanced directly to its operating account for disbursement according to the agreed (by board and technician) budget line items. The justified expenses are totaled by line item, translated into dollar values, photo-copied, and sent to CUNA/GPO for final processing.

Over the first 21 months of the project, the CONAUDEC sub-grant has financed the following line items:

<u>Item</u>	<u>Amount (\$)</u>	<u>Percent</u>
CONAUDEC Salaries/Benefits	4,300	10.4
Travel	18,139	44.0
Rent/Equipment	2,900	7.0
Training	15,642	38.0
Other Direct Costs	203	0.5
	<hr/>	<hr/>
Total	41,183	100.0

The budget line item disbursements for technical assistance are presented in Table 9. For clarification, "Other Direct Costs" have been used for training and communication. Unused funds in other categories could be redirected to this line item to ensure the continuation of training activities (perhaps from relocation funds, where there is presently a \$10,000 surplus).

Impact

Credit union membership. During the first 21 months this project has (1) increased credit union membership by 1,200 to 5,000; (2) expanded the number of societies to nearly 100 throughout the country; (3) increased average savings per society member to \$98; and (4) trained over 700 credit union directors, staff, and members (over 3,000 trainee days) in bookkeeping, credit management, planning, promotion, office management, and training methodology.

Productivity and income. Since local financial investment is the means by which productivity and income may be increased within the

cooperative credit union system, increased savings for reinvestment in local productive lending programs are the most important variables. Excellent progress was made through the 24-month period ending December 31, 1981, during which total credit union savings increased 138% to over \$300,000. However, increased savings is a first step. These resources must be utilized by the small borrowers for investments such as improved tools, equipment, fertilizer, and seeds. Thus, the facts that the value of loans during the period increased 255% to \$61 per member, and that these loans represented 62% of local savings, compared with 41% two years earlier, indicate that there has been a dramatic mobilization and productive use of financial resources by primary societies.

Participation of women. Women have continued to play a major role in the Togolese credit union development. Although complete country-wide statistics of membership by sex are not yet available, CONAUDEC estimates that 25% of local society members are female. Women serve on local credit union committees and participate as equals in meetings, in accordance with world-wide cooperative principles. Active involvement by women in credit unions is a natural outgrowth of the active, traditional role of women in the economic activities of African communities. CONAUDEC's commitment was illustrated by participation in a week-long, ACOSCA-sponsored seminar on women in development in 1981.

Appropriate technology. If this term is narrowly defined to mean implements and equipment, the impact of the project has been slight. If, on the other hand, the credit union structure as an institution

is viewed as an appropriate development mechanism, the project has had major impact. This also has been the case throughout the 23 countries in Africa where national credit union movements are affiliated to ACOSCA. Society members have recognized this organizational form as one which most suitably meets their own needs as demonstrated by the 1.4 million persons who have joined 15,000 societies, in which they have deposited \$170 million of their savings, and from which they have borrowed \$140 million. The credit union is a simple organization which relies largely on a voluntary staff, elementary procedures, and community cooperation. Now that the CONAUDEC board is comprised exclusively of primary society members, national policies for the Togolese credit union movement will be stimulated by real local needs.

Membership will have doubled over the life of the project, which is the most impressive indicator of the appropriate technology of the credit union institution.

Poor majority. By their nature as savings and credit cooperatives, credit unions cannot serve persons who are not able to retain as savings any part of income after basic expenditures, nor should they if credit unions are to be financially viable. However, credit unions offer financial services to a segment of population which is without easy access to commercial banks. The majority of credit union members in Togo are poor rural families for whom credit union services strengthen participatory community growth. At the same time, the project has recognized the importance of savings mobilization in the less rural areas, among regular wage earners. These funds can be loaned in the rural areas through an interlending service among all societies,

coordinated at the national level by CONAUDEC. Such a central liquidity facility has proven successful in other African credit union movements which CONAUDEC staff have visited recently in preparation for initiating the program in Togo. This service will, in effect, help reverse resource flows out of rural areas and enhance the project's impact on Togo's poor majority.

Employment. The direct impact of the project on employment has been small. CONAUDEC staff has increased from 7 to 13. This is not, however, the best measure of project's impact on employment because of the decentralized and voluntary nature of the credit union movement. Of more significance is the \$300,000 in loans to society members in 1981 for productive purposes; the 2,000 person-days of training of credit union volunteers in organizational and financial management, which has increased skills in the private sector; as well as the doubling of savings per society to over \$5,000 during 1980-81, which has increased the capacity of these societies to provide capital with which the poor majority may increase employment and improve their economic well being.

Institutional development. The project has been concerned primarily with establishing the prerequisites of a national association and introduction of a promotion and growth strategy which can facilitate growth of membership and savings to assure the eventual self-sufficiency of CONAUDEC and the credit union movement. Self-sufficiency must be both technical and financial for long-term viability. The institution also must have a solid legal structure and follow a development plan directed toward self-sufficiency, integrating both technical and financial resources.

1. Technical. A major objective has been to develop CONAUDEC's planning and monitoring capacity to enable it to adequately perform normal credit union functions, e.g., planning, office management, financial management, and service functions to primary society credit unions. This capacity has been increased gradually through training and institutional analysis. In addition, considering the legal framework under which a national association of societies must be established, a revised accounting system has been installed at the national level and standard documentation for the system is being utilized by primary societies. The final step before drafting a long term development plan is a survey of all credit unions to be completed by the end of April 1982. Information from the questionnaire will determine the needs to be addressed in the plan. The plan will focus on causes of performance deficiencies. Deficiencies will be addressed through performance-based development of skills and attitudes. When performance has reached acceptable standards, only limited and specialized external technical interventions will be required.

2. Financial. Financial self-sufficiency for CONAUDEC, and/or the successor national association of credit unions, is defined as the generation by the organization of enough revenues from internal sources to cover costs of operations, including continued promotion of the movement. At present, these costs are met by donor grants and in-kind assistance from GOT. However, in anticipation of both fees for services rendered by the national association to its affiliates and phase-out of donor support, the CUNA/GPO technician and CONAUDEC board have tentatively estimated that the level of self-sufficiency may be approximately 50% by the end of 1987. Such

estimates, of course, may be modified following the design and approval of the five year development plan to be finalized by the 24th month of the project. Within the financial plan, direct income of the national association includes: earnings from the central lending fund; dues revenues; risk management commissions; and sale of stationery and supplies. Growth of society membership, savings, and loans were conservatively estimated, while operational costs were increased assuming recent rates of inflation. Assuming no major change in the implementation schedule, a national association may be formed in early 1983, when more reliable estimates for achieving financial self-sufficiency may be possible.

Potential replication in other francophone countries. The credit union movement in Africa is largely in anglophone countries. Therefore, the movement in Togo has the potential of becoming a model in francophone West Africa where national credit union associations are even less advanced. The registration of both primary societies and the national association under cooperative law promises to be a precedent which can enhance progress of the movement in those francophone countries where the legal status of societies is not yet clarified. In addition, the development of French language documentation, e.g., training and bookkeeping, for the Togolese movement will minimize the preparation time for promotional activities in these countries.

VII. ISSUES

Legal Status of Credit Unions

The legal structure of credit unions in Togo is governed by Ordinance No. 13 of April 12, 1967 and Decree No. 71-167 of September 3, 1975, which provide the legal framework within which cooperative societies are monitored by the Ministry of Rural Development, represented by the Division of Cooperation, Mutuality and Credit. As a result of examining these statutes and discussions with the Director of Cooperation, Mutuality, and Credit, the evaluation team established that, in order for existing credit unions to be registered as cooperative societies, financial statements must be prepared for the most recent three years and members must subscribe to share capital. The latter, however, may be paid in pre-determined annual increments according to the Director's interpretation of the statutes. These conditions permit the Togolese government to ensure that exemptions and protection granted to cooperatives are not misused for commercial purposes. To satisfy these requirements, CONAUDEC has drafted model by-laws for credit union societies which include the share capital provision and have standard accounting procedures for primary societies to facilitate technical assistance by field agents in updating financial records. As soon as these conditions have been met, a constitutional general meeting will be held in each society to elect the board of directors and, if the society so desires, to make an official request to the supervisory ministry for registration as a cooperative society. This request will be passed on to the registration committee which should reach a decision within three months. The decision would then be passed to the Minister for final approval of registration or modification.

Since the procedures for legal recognition are understood by CONAUDEC and appropriate measures are being taken to ensure this status for the credit unions, CONAUDEC hopes that at least 70 societies will be registered within the next year.

Legal Status of CONAUDEC

CONAUDEC (the National Credit Union Development Committee) was created in 1968 and registered on August 7, 1970 by Decree No. 1011 of the Ministry of the Interior. As spelled out by this decree, its purposes are to:

1. help in the formation and development of credit unions in Togo;
2. help the local unions resolve their technical and operational problems, by providing the necessary services;
3. help in obtaining legal recognition for the credit unions in compliance with the laws in effect and, when necessary, to submit to the authorities amendments to these regulations in order to facilitate the activities of these unions;
4. be a source of information as well as research and the general coordinator of the movement in Togo;
5. establish working relationships with the African Cooperative Savings and Credit Association (ACOSCA) headquartered in Nairobi, and with CUNA International/the World Council of Credit Unions;
6. lay the groundwork for an official association with the two international associations in order to solicit their technical and financial assistance to the Togolese movement;

7. choose delegates to represent Togo at regional or international conferences;
8. choose capable candidates for adequate training in Africa or elsewhere and to ensure that scholarships are only granted for reasons of merit or services;
9. monitor the detailed activity reports of personnel in order to evaluate their efficiency and better orient them; and,
10. solicit, on behalf of the local Togolese unions, financial aid from philanthropic organizations interested in African credit unions.

Within the context of its stated directives, CONAUDEC has performed its tasks admirably. However, since the major purpose of this project has been the creation of conditions leading to the formation of a national association of credit unions, progress and related constraints must also be examined.

The appropriate legal texts provide the framework for the formation and recognition of cooperative unions and federations. In discussion of the creation of a national credit union association, the Director of Cooperation, Mutuality, and Credit outlined the sequence of prerequisite activities. Primary society credit unions which are registered should formally express a desire to become members of such an association and their willingness to subscribe to mutually agreed upon (by the societies) share capital. The Director pointed out that although decentralized regional structures would facilitate services to member societies, recognition of the national association would not depend on this step, and that, since the association would consist of societies which are already registered, the period of study by the registration committee would be brief. Since by-laws for the national structure

have already been drafted by CONAUDEC, as soon as the primary societies are legally recognized as cooperatives, the creation of their national organization will be a simple procedural matter.

Organization of CONAUDEC

At the present time, CONAUDEC has a general assembly of 20 persons which serves as a promotion committee, 17 of whom are members of primary society credit unions. From these twenty, a seven-member board of directors was elected in October 1981, all of whom are credit union members. In addition, a credit committee and a supervisory committee of 5 members each were elected. While the board exercises an overall policymaking and administrative role, each of the committees has a specialized function in lending to societies and monitoring loans, and in overseeing the general management exercised by the board and the credit committee, respectively.

Day-to-day administration of CONAUDEC has been delegated by the board to an executive committee consisting of the chairman and the treasurer. However, given recent growth in CONAUDEC activities, as well as the increase in personnel, full-time management of CONAUDEC's administrative functions is needed, although funding of such a position must be provided during an interim period from external sources. Within the framework of CONAUDEC's forthcoming development plan, responsibility for additional services to primary societies will result in additional administrative divisions, e.g., risk management, central lending, financial management and supplies. Selection of a managing director would assure continuity of direction after technical assistance is phased out, would permit the managing director to benefit from CUNA/GPO expertise, and would relieve the CUNA/GPO technician ad hoc managerial duties.

Although the managing director of the national association in some African countries is a civil servant selected by government, this arrangement should be avoided and is likely to be resisted by the CONAUDEC board consisting of members of primary societies. Acceptance of a civil servant appointed by the GOT has the appeal that the salary would be paid by government. However, the need for the credit union movement to be self owned and organizationally and administratively autonomous from government, while functioning within the laws of the country, suggests that the managing director should be from the private sector.

Financing Recurrent Costs of CONAUDEC

In addition to a resident technician, this project will have funded approximately \$50,000 of CONAUDEC's administrative and operational costs over its 30-month life. However, other donors have funded most of CONAUDEC's recurrent costs. Continued support of recurrent costs is prerequisite to eventual financial self-sufficiency of the Togolese credit union movement. Assistance over the first 21 months of the project facilitated steps leading to the creation of a national cooperative of credit unions. This association eventually will become self-sustaining as its member societies see the practical benefit of paying dues and fees for services received. However, this state of financial independence can only be reached by demonstration of the utility of such services, and thus, the services must be supported externally for a period during which the movement grows and members realize that it exists "not for profit, but for service".

Recurrent costs have been kept modest by renting low cost, un-airconditioned office space and paying normal salaries for such post-

tions in Togo. CONAUDEC has three vehicles, one provided by the project.

Other Donor Support

In addition to the AID-financed grant, assistance to the Togolese credit union movement during the project has come from four other external donors: Bread for the World, Bread for My Brother, the International Center of Mutual Credit, and the World Council of Churches, as well as ACOSCA, and the Togolese Government. All such inputs have been discussed above.

While other donor support represents multi-lateral confidence in the future of the credit union movement, the evaluation team reviewed its impact, to ensure that duplication has been avoided. GICM assistance has financed short and long term accounting training, as well as the purchase of a vehicle. The other three European donors devoted 69% (\$82,000) of their resources to financing recurring costs, the remaining 31% targeted for the establishment of administrative services (central lending and risk management). On the other hand, AID's primary input has been technical assistance to help create conditions appropriate for officially establishing the credit union movement.

Other donor support has been a major component of assistance to continuing CONAUDEC activities, thereby complementing and facilitating AID-financed efforts to prepare for overall technical and financial self-sufficiency.

Financial Management

The most important component of effective financial management is a reliable accounting system. A major effort has been made during this project to install such a system at the national level and train

CONAUDEC staff to implement it. Skills transfer to primary societies is an ongoing process carried out by the field agents. Now that the bookkeeping base has been established for CONAUDEC, expenditure decisions have been greatly facilitated. Although the organization's budget and yearly financial statements are subject to approval each year by the general assembly, it has delegated current financial management to the board of directors. Daily operational disbursements are the responsibility of the executive committee, composed of the president and treasurer, who must co-sign checks. Capital purchases must be approved by the board before such items may be bought. Although monitoring of expenditures is on-going, CONAUDEC recently has contracted an external auditor to review the entire financial management process through March 1982. When CONAUDEC is able to hire a full-time manager, such sub-systems as a petty cash fund and daily reconciliations must be established.

Attitude of the Government of Togo

The attitude of the Togolese government towards the CONAUDEC project, and the credit union movement in general, has been positive as demonstrated by GOI collaborative, yet non-paternalistic, support. For instance, two civil servants from the Division of Cooperation, Mutuality and Credit have been attached to work for CONAUDEC (nominally part-time, though actually full-time). However, the Ministry did not place them in specific positions, preferring to recognize the movement's autonomy by leaving job placement decisions to the board of directors. The Ministry has also offered the services of one or two more agents if the board desires. The Director of the Division of Cooperation, Mutuality and Credit anticipates smooth registration for both the societies and a national association upon compliance with the governing

statutes. GOT support for self-reliant, growth of credit unions in the private sector has been, of course, in addition to GOT assistance agreed in Annex E.

Attitude of CONAUDEC

During the evaluation, the opinions of CONAUDEC staff and board members were solicited to determine CONAUDEC's perception of the project's importance to the credit union movement. The attitudes expressed were positive.

CONAUDEC leadership feels that the major impact of the project has been to give direction to the movement, specifically concerning steps prerequisite to formation of a national association. The board president indicated that, prior to the arrival of the CUNA/GPO technician, the credit union movement was in a state of decline. Over the project's first 21 months, however, the idea of creating a national association of credit unions has progressed from a dream to a procedural matter. This has been largely the result, in his opinion, of the intensive promotion education campaign for society members, the training of field agents, and implementation of a reliable accounting system.

Although procedural differences arose with the board's growth as an autonomous, decision making body, perhaps the best indicator of CONAUDEC's attitude towards the project is its desire for continued technical support of CONAUDEC and the credit union movement. Specific assistance has been suggested in education, training, and financial management.

A. CONAUDEC BOARD OF DIRECTORS ^{1/}

<u>Name</u>	<u>Position</u>	<u>Area</u>
1. Komlan Adragni	President	Lome
2. Kossi Kpegba	Vice-President	Kpalime
3. Zinsou Legonou	Treasurer	Lome
4. Komlan Fanoua	Assistant Treasurer	Lama Kara
5. Patasse Tchonda	Secretary	Sokode
6. B. Thom Tcha	Director	Niamtougou
7. Zayini Tameklo	Director	Badou

1/ Elected October 1, 1981.

B. CONAUDEC FIELD AGENTS^{1/}

<u>Name</u>	<u>Region</u>	<u>Area</u>
1. Assogba Adjaka	Maritime	Tabligbo
2. Kodzokpui Aiague	Maritime	Keve
3. Agoti Ekuwoe	Maritime	Lome
4. Komlan Adjoh	Plateau	Atakpame
5. Dogbeda Aggrey	Plateau	Badou
6. Dodzi Anyomi	Plateau	Kpalime
7. Komla Anumu ^{2/}	Plateau	Kpalime
8. Missa B'Dekelabou	Kara	Lama Kara
9. Baba Hassouma	Kara	Bassar
10. Pagumadou Gompougoundi	Savanna	Dapaong

1/ As of April 1, 1982.

2/ Trainee.

C. CREDIT UNIONS, MEMBERS, SAVINGS, AND LOANS, 1981 ^{1/}

<u>Title</u>	<u>Members</u>	<u>Savings (CFAF)</u>	<u>Loans (CFAF)</u>
<u>Maritime Region</u>			
1. CETRAC (CEET)	400	25,000,000	15,121,888
2. BON SAMARITIN	291	3,000,000	2,600,662
3. COOPECPAL (Port)	375	30,000,000	19,028,374
4. BCEAO	113	5,500,000	3,689,853
5. COOPECETO (CET)	58	250,000	164,725
6. COOPECTRASTO (CNSS)	174	1,500,000	-
7. CERFER	33	953,500	359,500
8. HAHOTOE (OTP)	190	12,500,000	10,451,244
9. AGBEDRAFO	30	301,250	211,500
10. AGOUEGAN	162	600,000	481,870
11. BADOUGBE	74	400,000	272,210
12. KPEME (OTP)	122	2,192,410	-
13. COOPERCO (Apts. CON.)	16	280,000	125,000
14. ASECHA COOPECTAMAT	10	6,000,000	2,233,785
15. BADJA	72	104,225	-
16. DODJI	31	89,600	-
17. TODOME	43	38,700	-
18. DZOGJEPEME	36	16,800	-
19. BAGBE	12	18,400	-
20. DOKPLALA	13	10,000	-
21. ALOKOEGBE	35	8,200	-
22. KEVE	104	255,900	-
23. TSIVIEPE	9	10,300	-
24. AKEPE	25	49,900	-
25. NGEPE	7	32,000	-
26. AGOUDJA-BADJA	18	20,300	-
27. DZOLO	6	16,800	-
28. YOMETCHIEH	11	11,000	-
29. ESSE-ANA	25	149,000	110,000
30. SOTOCO	20	8,800	-
31. HOPITAL	12	37,000	-
32. KOUVE	13	505,432	-
33. OGILAVI	9	7,000	-
34. SIXPE-ADEGOU	15	82,853	15,000
35. YCHEKPO-A.	67	464,300	381,000
36. COOPECET	30	1,291,500	1,000,000
37. AHEPE	17	31,600	-
Sub-total	2,678	91,736,700	57,246,611

1/ December 31, 1981.

<u>Title</u>	<u>Members</u>	<u>Savings (CFAF)</u>	<u>Loans (CFAF)</u>
<u>Plateau Region</u>			
38. AGOU WESSIDO	78	230,730	
39. DANYI APEYEME	59	117,635	137,000
40. DANYI KAKPA	28	100,435	-
41. AGOU NYOGBO	22	69,055	19,185
42. AGOU AKOUMAHOUN	35	87,600	-
43. ZOMAYI KPALIME	38	174,015	30,000
44. DANYI AT'GBA	138	135,440	-
45. C.E.E.T. KPALIME	35	2,182,770	1,602,240
46. AGOME YOH	35	61,350	11,700
47. DANYI NDIGBE	191	878,448	600,000
48. KLO MAYONDI	44	51,500	35,700
49. KPELE KPOVIE	22	246,685	-
50. T.P. KPALIME	15	97,300	18,000
51. AGOME TOMEGBE	35	50,000	-
52. KPETE-MEMPEASSEM	23	95,700	-
53. KPETE-MAFLO	27	13,720	5,000
54. KPETE-MANGBI	31	93,500	-
55. CORPS ENSEIGNANT, BADOU	35	126,500	39,000
56. DZON	48	176,820	140,200
57. KOTORA	48	293,200	105,000
58. GBENDE	29	77,200	-
59. OUDJE	25	191,485	107,000
60. IMOUSSA	30	340,555	193,250
61. OUMABE	29	50,150	34,225
62. EKETO	51	180,535	82,000
63. GOBE	39	88,000	38,400
64. ONAN	49	154,850	76,500
65. GBADI	24	42,500	-
66. CROIX ROUGE, DENAU	19	51,700	-
67. SOTO	12	12,000	-
68. AMOU-GBLO	21	232,570	255,060
69. ATIKPAYI	30	75,450	-
70. AYOME	30	40,000	-
71. CETRASTOC AT.	28	19,000	-
72. DATCHA VILLAGE	13	19,000	-
73. DEME-YALLA	9	70,000	-
74. J.P.A. KAMINA	9	44,000	38,000
75. NOVISSI LELE AT.	15	15,000	-
76. SOCOTO	10	750,000	650,000
Sub-total	1,459	7,783,398	4,237,460
<u>Kara Region</u>			
77. LK	123	469,301	83,800
78. BO	42	135,737	20,000
79. AMIF	20	56,000	37,000
80. NIA	46	1,296,007	-

<u>Title</u>	<u>Members</u>	<u>Savings (CFAF)</u>	<u>Loans (CFAF)</u>
<u>Kara Region (Cont.)</u>			
81. FA	43	122,550	55,000
82. KABOU	73	130,000	-
83. SARA	38	49,400	-
84. MANGA	<u>45</u>	<u>117,550</u>	<u>-</u>
Sub-total	450	2,376,545	195,800
<u>Central Region</u>			
85. SOKODE (Maison familiale)	41	1,695,688	2,741,192
86. SOKODE (Gaité)	<u>35</u>	<u>156,200</u>	<u>42,500</u>
Sub-total	76	1,851,888	2,783,692
<u>Dapaong Region</u>			
87. NADEGUELE	60	460,000	213,000
88. WORGOU	34	84,400	11,800
89. CARESOME	14	26,700	21,000
90. NAMON-DOUGBA	31	53,575	35,000
91. MORDJOAK	26	68,050	5,000
92. O.R.P.V.	30	6,400	-
93. BATEBOGUE	17	26,750	21,500
94. NASSIAGOU	24	53,900	-
95. GUABONGBONG	34	38,740	-
96. TANTIGOU-DARRAGE	27	98,050	-
97. SIEGOU	<u>14</u>	<u>1,775</u>	<u>-</u>
Sub-total	311	918,340	307,300
Grand Total	<u>4,974</u>	<u>104,062,871</u>	<u>64,720,863</u> ^{2/}

2/ Incomplete.

Source: CONAUDEC.

BALANCE SHEET, 1978-1980 (DECEMBER 31)

(CFAF)

	DEBITS		
	1978	1979	1980
<u>Fixed Assets</u>			
Transport materials	1,256,392	806,324	1,986,003
Equipment	92,425	223,577	480,000
Inventory	364,019	364,019	522,276
<u>Total, Fixed Assets</u>	<u>1,712,836</u>	<u>1,379,786</u>	<u>2,988,279</u>

<u>Accounts Receivable</u>			
Inventory stocks	-	-	359,866
Personnel advances	15,000	91,810	137,859
Personnel loans	155,000	746,000	652,149
Linear advances	-	-	211,068
Committee advances	-	150,000	240,000
Charges paid in advance	-	-	799,500
Divisible at CNCA	-	-	191,708
Acc. to be received	1,118,761	-	537,700
<u>Total, Receivable</u>	<u>1,288,761</u>	<u>988,210</u>	<u>3,129,850</u>

<u>Available</u>			
Bank	35,398	35,398	41,587
On hand	-	6,720,776	2,720,931
Available	58,113	54,902	23,124
<u>Total, Available</u>	<u>93,511</u>	<u>6,811,076</u>	<u>2,785,642</u>

<u>Total Debits</u>	<u>3,095,108</u>	<u>9,179,072</u>	<u>8,903,751</u>
---------------------	------------------	------------------	------------------

	CREDITS		
	1978	1979	1980
<u>Capital</u>			
Accumulated results	(73,613)	(73,613)	(73,613)
Ex. current results	-	-	189,274
Alloc. fixed assets	2,038,860	2,245,940	4,421,342
Motorcycle fund	-	647,000	647,000
<u>Total, Capital</u>	<u>1,965,247</u>	<u>2,819,327</u>	<u>5,184,003</u>

<u>Accounts Payable</u>			
CNCA	650,617	-	-
Advances on Subs.			
BFDW	-	4,411,345	1,327,528
BDB	-	1,620,666	1,620,666
COE	-	-	-
EZE	-	-	-
Payable Taxes			
CNSS	133,644	144,534	221,820
CNTT	100	10,600	5,700
Civic taxes	-	5,500	4,950
Pay as you earn taxes	-	-	121,236
R.P.T.	-	-	26,531
COOPECs	11,000	-	88,000
Rents	210,000	18,000	-
CESA0	124,500	124,500	264,000
ACOSCA	-	-	35,171
Supplies	-	24,600	-
Sundry loans	-	-	4,160
<u>Total, Payable</u>	<u>1,129,861</u>	<u>6,359,745</u>	<u>3,730,268</u>

<u>Total Credits</u>	<u>3,095,108</u>	<u>9,179,072</u>	<u>8,903,751</u>
----------------------	------------------	------------------	------------------

PROFIT AND LOSS STATEMENTS, 1979 AND 1980

(CFAF)

<u>Expenditures</u>			<u>Income</u>		
	<u>1979</u>	<u>1980</u>		<u>1979</u>	<u>1980</u>
Material and Supplies Expenditure	455,111	539,298	<u>Donations</u>		
Transport Expenditure	1,280,458	2,442,008	WCCU	-	340,000
Service Expenditure	806,994	1,157,433	BFDW	3,663,814	2,744,193
Losses and Various Losses	1,398,095	4,277,589	EZE	-	480,000
Travel Expenditure	3,874,366	5,633,346	COE	-	10,316,800
Financial Charges	28,744	-	BDB	4,645,084	-
Provisions	465,130	567,019	ACOSCA	-	537,700
<u>Sub-total</u>	<u>8,308,898</u>	<u>14,616,693</u>	<u>Sub-total</u>	<u>8,308,898</u>	<u>14,418,693</u>
			<u>Other Income</u>		
			Bank Interest	-	213,359
			Sales	-	3,390
			Various Income	-	170,525
			<u>Sub-total</u>		<u>387,274</u>
		189,274	<u>Surplus</u>	-	-
Total	<u>8,308,898</u>	<u>14,805,967</u>	Total	<u>8,308,898</u>	<u>14,805,967</u>

EXPENDITURES, 1979, 1980

<u>Accounts</u>	1979		1980		(CFAF)
	<u>Sub-total</u>	<u>Total</u>	<u>Sub-total</u>	<u>Total</u>	
61 <u>Equipment and Supplies</u>		455,111		539,298	539,298
<u>Office equipment</u>	455,111		539,298		
62 <u>Travel</u>		1,280,458		2,442,008	2,442,008
Travel of agents	794,110		738,800		
Travel office personnel	15,305		111,800		
Motorcycle depreciation	190,000		222,500		
Gas	126,435		209,985		
Maintenance/Motorcycle repair	21,600		700		
Maintenance/Car repair	102,938		226,569		
Foreign travel	-		726,854		
Transfers	-		110,500		
Per diem	-		58,000		
Vehicle insurance	30,080		37,300		
63 <u>Other Services</u>		806,994		1,157,433	1,157,433
Rent	693,722		738,000		
Maintenance/repairs	5,134		95,378		
ACOSCA dues	24,000		35,171		
Stamps and orders	22,016		44,299		
Cables/Telex	53,422		24,411		
Telephone	200		-		
Bank charges	8,500		29,020		
Publicity	-		190,000		
Water/Electricity	-		1,154		
64 <u>Education/Training</u>		1,398,095		4,277,589	4,277,589
Seminars for credit unions	1,075,440		2,891,129		
Seminars for staff	100,000		80,230		
Expenses for Nat. Committee	140,950		155,220		
Losses/useless documents	-		878,448		
Other expenses	81,705		74,562		
Bad debts	-		198,000		
65 <u>Staff Expenses</u>		3,874,366		5,633,346	5,633,346
Salaries	3,266,272		4,324,805		
Social Security	501,618		678,525		
Responsibility Allowance	6,000		133,000		
Seniority Allowance	100,476		247,516		
Housing Allowance	-		40,000		
Staff Training (CESAO)	-		139,500		
67 <u>Bank Interest</u>		28,744		-	-
68 <u>Depreciation</u>		465,130		567,019	567,019
Vehicles	375,068		437,112		
Furniture	62,134		87,789		
Equipment	27,928		42,118		

E. DONOR SUPPORT, SEPTEMBER 30, 1972-MARCH 31, 1982

<u>Donor</u>	<u>Period</u>	<u>Sub-total (\$)</u>	<u>Total (\$)</u>
ACOSCA	9/30/72-3/31/82	20,398	20,398
World Council of Churches	9/30/72-4/10/74	19,137	76,523
	9/30/74-9/30/76	7,586	
	1/1/80-12/31/80	<u>49,800</u>	
Bread for the World	9/30/74-3/31/78	57,900	188,132
	11/27/78-12/31/81	120,930	
	1/1/82-3/31/82	<u>9,302</u>	
Bread for My Brother	9/30/76-11/27/78	30,757	91,135
	1/1/79-12/31/81	<u>60,678</u>	
Credit Mutuel	7/22/80-3/31/82	31,273	31,273
AID	6/29/80-3/31/82	178,781	178,781
Government of Togo	7/22/80-3/31/82	<u>16,494</u>	<u>16,494</u>
Total		<u><u>603,036</u></u>	<u><u>603,036</u></u>

Source: CONAUDEC.

F. PROGRAM OF THE REGIONAL SEMINAR AT
KPALIME, SEPTEMBER 11-13, 1980

<u>Date</u>	<u>Time</u>	<u>Topic</u>	<u>Primary Responsibility</u>
Sept. 11	08:00-09:15	Opening ceremonies	President
		Welcoming remarks of CONAUDEC's President	
	09:15-10:15	Welcoming remarks by the Prefect	Prefect
		The world-wide credit union movement and the organizations who support it	Nyanutse
		Break	
10:30-12:30	The history of the credit union movement	Agoti	
15:00-17:00	The role of the credit union in rural development	Nukunu	
Sept. 12	08:00-09:30	The credit union movement in the Kloto Prefecture	Anyomi
	09:30-09:45	Break	
	09:45-12:00	The organization and management of a credit union	Agoti
	15:00-16:15	Local control in a credit union	Nyanutse
	16:30-17:00	Group work (preparation of closing remarks)	
Sept. 13	08:00-10:00	The role of the Togolese Government in cooperative development	Nukunu
	10:00-10:15	Break	
	10:15-12:00	The national association of credit unions and its services: central finance, risk management	Adragni
	15:00-16:00	Final group work	
	16:00	Closing ceremonies	

G. PLANNED IMPLEMENTATION SCHEDULE
OF PROJECT TECHNICIAN 1/

Year 1

Months 1-6

1. Design and implement training for CONAUDEC leaders in all processes related to the development of promotion and growth strategies for the movement.

2. Identification of all essential tasks to be carried out by field workers in assisting credit unions, including: analysis of all basic credit union operations, breakeven analysis, training needs identification, and membership and savings stimulus strategies.

3. Test skills of all field workers, and design training program, including training materials, for first phase of field worker training.

4. Design required modifications in CONAUDEC's accounting and budgeting systems and instruct accountant in their use.

5. Test skills of coordinator in relation to all activities proposed in this project and design training for coordinator to enhance his skills. Training implementation will continue throughout the life of the project.

Month 7

Conduct four-week course for promotion agents that includes:

1. Introduction to institutional analysis, breakeven analysis, and self-sufficiency strategy development.

2. Bookkeeping system revision, records and files maintenance.

3. Review of duties of officers of credit unions, testing of officer's skills, and training techniques in relation to credit union officers' training programs.

4. Introduce basic credit union inspection techniques.

A personnel evaluation system will be introduced to the field staff at this time; specific work plans and tasks will be assigned at the conclusion of the training program.

1/ P10/T No. 693-0220-3-C001, June 6, 1980.

Month 8

1. Evaluate training program.
2. Review progress of accounting and budget system implementation.

Months 9-11

1. Visit all field workers to field test their ability to carry out tasks learned in previous training session and determine continued training needs.
2. Plan next phase of field worker training program and develop training materials.

Month 12

Conduct three-week course for promotion agents that includes:

1. Revision of bookkeeping and inspection system.
2. Budgeting and planning; breakeven analysis.
3. Savings and membership promotion strategies and programs (includes service center development and merger of credit unions).
4. Introduction to credit policy development.
5. Training methodologies and techniques.
6. Plan regional training courses for credit union officials.

At the conclusion of this training phase, promotion agents will set growth targets and strategies for their credit unions.

Year 2

Months 1-4

1. Attend regional training programs conducted by field workers for credit union officials. Evaluate training programs and work with individual field workers to continue to develop their training skills.
2. Prepare final field worker training program and training materials.
3. Review promotion and growth strategies with CONAUDEC leaders.

Month 5

Conduct two-week training program for field workers that includes:

1. Revision of bookkeeping, breakeven analysis, budgeting and

2. Advanced work in credit policy development.
3. Internal auditing - role of supervisory committee.
4. External auditing - role of CONAUDEC.
5. Develop training plans for short-term regional training courses for credit union officials.

Months 6-12

1. Visit all field workers to evaluate their work.
2. Provide technical assistance to field workers as required.
3. Begin preparation of material and data collection for a national association institutional development plan.
4. Attend regional training programs conducted by field workers for credit union officials.

Year 3

Months 1-6

1. Prepare and implement training for CONAUDEC's leaders in all phases of institutional development including self-sufficiency analysis, breakeven analysis, feasibility studies, budget preparation, etc.
2. Develop with the CONAUDEC leadership a long-term institutional development plan for the Togo credit union movement.
3. Participate in joint evaluation of project with WOCCU Global Projects, AID, ACOSCA, and CONAUDEC staff.

H. ACTIVITIES OF CUNA TECHNICIAN BY QUARTER

First Quarter: July-September 1980

July Orientation at CUNA/GPO Washington offices; arrival Lome, Togo; courtesy visit with Minister of Rural Development; meeting with all CONAUDEC staff; interview with four field agents; observation of selection of new CONAUDEC officers; meeting with collaborative agencies; programming of agent training in primary society bookkeeping (sponsored by Credit Mutuel).

August Review of CONAUDEC headquarters documentation and recent correspondence; institution of project local bank account; purchase of major commodities; inspection of first urban credit union; commencement of first national credit union inspection (with CONAUDEC support staff); submission of first project report.

September Training of agents in regions (12 days); selection of three agents to be trained for 2 1/2 months at the West African Economic and Social Training Center in Upper Volta; participation in ACOSCA training session and bi-annual meeting; design of accounting and promotion field seminars.

Second Quarter: October-December 1980

October Regional promotion seminars held (9 days); Lome promotion seminar (3 days); technical support visit of CUNA/GPO project officer; review/analysis of existing accounting system; interim report; interim planning revision.

November ACOSCA training support visit; revision of technical work plan; further accounting system development.

December Completion of accounting system development; presentation of financial situation to donor agencies; regional promotion seminar; completion of first national credit union inspection; preparation for first national reorganization seminar; review of proposed national association by-laws.

Third Quarter: January-March 1981

January First national reorganization seminar held, resulting in draft by-laws and formation of national association promotion committee; preparation/production of documentation called for by seminar; implementation of accounting system/application from 1978.

February Two week accounting training sessions held; preparations for regional training of trainers ACOSCA workshop held in Lome with seven CONAUDEC participants.

March ACOSCA workshop continues; participation in regional GPO/ACOSCA (Women in Development) seminar (Senegal); preparation of accounting documentation; continuation of work on national association by-laws; inauguration of society registration process; technical support visit of CUNA/GPO project officer; OCAM accounting system introduced.

Fourth Quarter: April-June 1981

April Financial statement presentation to CONAUDEC; preparation/presentation/modification/adoption of national association by-laws by CONAUDEC; three-week audit of Togo's largest credit union; CONAUDEC budget preparation/presentation/modification/adoption.

May Continued implementation of accounting system; credit union inspections/audits; consultations with CONAUDEC and GOT officials concerning conformity with legal requirements for registration of national association.

June Review of bookkeeping status of primary societies; documentation preparation for donor meetings; continued consultations with GOT concerning national association registration requirements.

Fifth Quarter: July-September 1981

July Technician R2R; final preparation of documentation for donor agency meeting.

August Donor agency meetings; review of work plan to result in national association with CONAUDEC staff; observation of CONAUDEC elections; preparation of accounting training.

September Ten day accounting seminar held; donor financial package prepared/distributed; national promotion seminar held; ASOSCA training support visit.

Sixth Quarter: October-December 1981

October Observation of CONAUDEC Board and national committee elections; development/production of documentation for national committee seminar; revision of national association by-laws; material design/development for accounting training seminars.

November	Twenty-one days of regional accounting training held.
December	Meetings held with new Board of Directors; 5 days of regional credit union inspections; preparation of 1981 statements.
Seventh Quarter:	January-March 1982
January	Fifteen days of regional accounting seminars held; CONAUDEC accounting documentation prepared.
February	GPO training support visit; presentation of 1982 budget proposal to Board of Directors; project report submitted; ACOSCA regional seminar held with CONAUDEC support; 5 day accounting seminar held in Lome.
March	Three day regional accounting seminar held; financial status preparation/presentation to CONAUDEC Board; participation in CONAUDEC meetings; preparations for AID/CUNA/ACOSCA project evaluation.

I. SURVEY QUESTIONNAIRE OF CREDIT UNIONS 1976-81

A - THE CREDIT UNION

- 1 - Name of the Credit Union: _____
- 2 - Date of Creation: _____
- 3 - Does the Credit Union have by-laws? Yes () No ()
- 4 - If not, explain _____
- 5 - Has the Credit Union developed internal regulations? Yes () No ()
- 6 - If not, explain _____
- 7 - Is the Credit Union officially registered? Yes () No ()
- 8 - If registered, state the date and registration number _____
- 9 - What is the Credit Union's common bond? _____
- _____
- 10 - Would the Credit Union join an association of Credit Unions?
Regional () National () No () If not, why not

B - MEMBERSHIP

1 - Please complete the following table:

<u>Year</u>	<u>Membership</u>	<u>Departures</u>	<u>Total</u>
1976	_____	_____	_____
1977	_____	_____	_____
1978	_____	_____	_____
1979	_____	_____	_____
1980	_____	_____	_____
1981	_____	_____	_____

2 - What would you reasonably estimate to be the number of persons (including present society members) living within the Credit Union's area of operation or sharing its common bond? _____

3 - What would you estimate new membership to be over the next 5 years:

Year	1983	1984	1985	1986	1987
New Membership	_____	_____	_____	_____	_____

4 - What level of membership would be necessary in order for your Credit Union to be viable (i.e., so that savings could meet members needs)? _____

C - THE CREDIT UNION'S ADMINISTRATIVE BODIES

1 - Does the Credit Union regularly hold annual General Meetings? Yes () No ()

2 - If it does, how many annual General Meetings have been held since its creation? (State the number) _____

3 - State the date of the last meeting: _____

4 - If annual General Meetings are not regularly held, explain the reasons why not:

5 - Is the renewal of Administrative bodies provided for in the by-laws? Yes () No ()

6 - If so, are elections to these bodies held during the annual General Meetings, in accordance with the aforementioned by-laws? Yes () No ()

7 - If they are, state the term for each body and ratio of officers re-elected:

- a) Board of Directors : Term _____ years; re-elected officers _____
- b) Credit Committee : Term _____ years; re-elected officers _____
- c) Supervisory Committee : Term _____ years; re-elected officers _____

8 - If re-elections are not held, explain why not _____

9 - According to your by-laws, what is the composition of each of the Credit Union's Administrative bodies: _____

a) Board of Directors: Number of members: _____

- | | | | |
|-----------|-----|---------------------|-----|
| President | () | Vice-President | () |
| Secretary | () | Assistant Secretary | () |
| Treasurer | () | Assistant Treasurer | () |

b) Credit Committee: Number of members: _____

President Vice-President
Secretary Assistant Secretary
Other Members State the Committee's role _____

c) Supervisory Committee: Number of members: _____

President Vice-President
Secretary Assistant Secretary
Other members State the Committee's role _____

10 - What is the frequency of Board of Directors meetings? Weekly

Bi-monthly Monthly Other

11 - Does this frequency meet the needs of your Credit Union? Yes No

12 - If so, what benefits are derived? _____

13 - If not, what frequency would best meet the Credit Union's needs? _____

14 - Does the Board of Directors draw up minutes of its meetings? Yes No

If it does, attach a copy of the minutes from the last Board meeting.

If it doesn't, explain why not: _____

15 - What is the frequency of Credit Committee meetings? Weekly

Bi-monthly Monthly Other If other, explain: _____

16 - Does the Credit Committee draw up minutes of its meetings? Yes No

If it does, attach a copy of the minutes of the last meeting.

If it doesn't, explain why not _____

17 - What is the frequency of Supervisory Committee meetings? Weekly

Bi-monthly Monthly Other If other, explain: _____

18 - The principle purpose of the Supervisory Committee is to monitor the Credit Union's activities; does this frequency allow it to monitor in an efficient and uninterrupted fashion? Yes () No ()

19 - If so, explain in 2 lines how this monitoring is carried out: _____

If this monitoring is not being carried out, explain why not: _____

20 - Does the Supervisory Committee draw up minutes of its meetings? Yes () No ()
If it does, attach a copy of the minutes of the last meeting.

21 - If it doesn't, explain why not _____

22 - Does the Credit Union hold Cooperative Council meetings where all three bodies meet? Yes () No ()

D - SAVINGS

1 - Please complete the following table:

<u>Year</u>	<u>Savings</u>	<u>Withdrawals</u>	<u>Net</u>	<u>Cumulative Total</u>
1976	_____	_____	_____	_____
1977	_____	_____	_____	_____
1978	_____	_____	_____	_____
1979	_____	_____	_____	_____
1980	_____	_____	_____	_____
1981	_____	_____	_____	_____

2 - What is the minimum amount of savings which a society member has on deposit in your credit union? _____

3 - What is the largest amount of savings which a society member has on deposit in your credit union? _____

4 - What would you estimate to be the minimum savings which a society member should have on deposit in your credit union in order for it to be viable?

- 5 - What is the value of a share which a society member buys in your credit union?

- 6 - How much share capital do you think a society member should contribute in order for the credit union to be viable? _____
- 7 - Are savings deposited on a regular basis, or rather irregular? _____
- 8 - If they are deposited on a regular basis, what schedule do they follow?
(Weekly, monthly, quarterly, etc.?) _____
- 9 - State whether this frequency is established or done on the member's own accord

- 10 - Has the credit union stated in its by-laws a minimum savings deposit below which a society member may not make withdrawals? Yes () No ()
- 11 - If so, what is the amount of this minimum deposit? _____
- 12 - How can this minimum deposit be made? In one payment () In portions ()
- 13 - If the minimum deposit is made in portions, how many are there?
2 () 3 () 4 () Other ()
- 14 - If the minimum deposit is made in portions, what is the frequency each portion must follow? Every 6 months () Every year () Other ()
Explain _____

2 - CREDIT

1 - Please complete the following table:

<u>Year</u>	<u>Loans</u>	<u>Repayments</u>	<u>Net</u>	<u>Cumulative Total</u>
1976	_____	_____	_____	_____
1977	_____	_____	_____	_____
1978	_____	_____	_____	_____
1979	_____	_____	_____	_____
1980	_____	_____	_____	_____
1981	_____	_____	_____	_____

2 - Number of the following types of loans granted

<u>Year</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Short term	_____	_____	_____	_____	_____	_____
Medium term	_____	_____	_____	_____	_____	_____
Long term	_____	_____	_____	_____	_____	_____

3 - Site 4 ways in which loans granted are put to use:

1. _____
2. _____
3. _____
4. _____

4 - What is the reimbursement period for each loan category?

Short term _____
Medium term _____
Long term _____

5 - Delinquent loans

<u>Type</u>	<u>6 months</u>	<u>12 months</u>	<u>18 months</u>
Short term	_____	_____	_____
Medium term	_____	_____	_____
Long term	_____	_____	_____

6 - State 3 ways which you can use to recover delinquent loans:

1. _____
2. _____
3. _____

7 - When delinquent loans cannot be recovered, how are such losses absorbed?

8 - State 5 reasons why a borrower from your credit union does not repay on time and in full:

1. _____
2. _____
3. _____
4. _____
5. _____

9 - Do members of the credit union have access only to the credit union as a lending vehicle? Yes No

10 - If yes, are the credit union's present funds sufficient to cover member credit needs? Yes No

11 - If not, what external financial sources are available to the credit union?

Type	Source	Amount						Total
		:1976:	:1977:	:1978:	:1979:	:1980:	:1981:	
Grant	:	:	:	:	:	:	:	:
Loan	:	:	:	:	:	:	:	:
Other	:	:	:	:	:	:	:	:

12 - If the answer to question 9 was "No", what financial sources are available to society members for their financial needs besides the sale of foodstuffs?

The credit union The money lender Traditional savings society
 Other Explain: _____

13 - Please state the amount of these loans granted in 1980 and 1981. _____

14 - How are they repaid? Weekly Monthly Quarterly
 Other Explain _____

15 - What is the interest rate paid on these loans? _____

16 - Please state the amount of interest paid for such loans granted in 1980. _____

7 - INTEREST

Please complete the following table:

<u>Year</u>	<u>Interest Received from Loans</u>	<u>Other Interest</u>	<u>Interest Paid</u>	<u>Net</u>
1976	_____	_____	_____	_____
1977	_____	_____	_____	_____
1978	_____	_____	_____	_____
1979	_____	_____	_____	_____
1980	_____	_____	_____	_____
1981	_____	_____	_____	_____

2 - Please state, in an informal way, the net surpluses for each of the last 5 years

1976 _____
 1977 _____
 1978 _____
 1979 _____
 1980 _____

3 - Please indicate below what reserve funds were established during the last 5 years and the amounts:

Reserves	%	1976	1977	1978	1979	1980	1981	Total end of 1981
:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:
:	:	:	:	:	:	:	:	:

4 - Please note on the following table the interest paid on savings during the last 5 years:

Year	% On Savings	% On Dividends	Total
1976	_____	_____	_____
1977	_____	_____	_____
1978	_____	_____	_____
1979	_____	_____	_____
1980	_____	_____	_____
1981	_____	_____	_____

C - BUDGET AND DEVELOPMENT PLAN

1 - Does the credit union draw up a budget forecast for its yearly activities?
 Yes () No ()

2 - If it does, attach a copy of the budgets and balance sheets for 1980 and 1981.
 If it doesn't do you think it is necessary to draw up a budget for the credit union? Yes () No ()

3 - If so, what has prevented the credit union from drawing one up? _____

4 - Has the credit union drawn up a development plan? Yes () No ()

5 - If yes, is this a plan for: two years () three years () four years ()
five years () Other () _____

Enclose a copy of the development plan.

6 - If a development plan has not been drawn up, do you feel that such an activity
is not necessary? Yes () No ()

MISCELLANEOUS

1 - Please indicate, where applicable, savings invested by the credit union during
the last 5 years:

<u>Year</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>Total</u>
Savings	_____	_____	_____	_____	_____	_____	_____

2 - Is the amount saved scheduled? Yes () No ()

If yes, state the amount of the last deposit: _____

If not, state the amount of the last deposit: _____

3 - Please indicate the financial organization with which the savings are on
deposit and the passbook account number: _____

4 - Please indicate the financial proceeds (return on these savings) for the last
5 years

<u>Year</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Proceeds	_____	_____	_____	_____	_____	_____

5 - If the credit union keeps a current account, please state the number of this
account and the related financial organization.

6 - Please indicate the financial charges for this account during the last 5 years.

<u>Year</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Charges	_____	_____	_____	_____	_____	_____

7 - If the credit union has neither a savings passbook nor current account, please
state where society members' savings are kept. _____

8 - In such a case, is the place of safe-keeping safe against theft? Yes () No ()
Fire? Yes () No (); Other calamities? Explain _____ Yes () No ()

9 - Is the security of this place of safe-keeping satisfactory for the majority
of society members? Yes () No ()

10 - If not, what type of safe-keeping would be acceptable? A safe ()
A passbook account () Other () Explain: _____

I - RELATION WITH OTHER COOPERATIVES

1- Within the area of operations of the credit or its common bond, are there one or more other cooperatives to which your society belongs? Yes () No ()

2 - What type of cooperative is this ? Agricultural () Marketing ()
Consumer () Artisan () Other () Explain _____

3 - How many credit union members are also members of this cooperative? _____

4 - Are the administrative bodies of the credit union separated from those of the other? Yes () No ()

5 - Are the funds and management of the credit union also distinct from those of the other? Yes () No ()

6 - If not, state in 3 lines the advantages and disadvantages of such a merger.

7 - If they are distinct, state in 3 lines the advantages and disadvantages of such a separation:

8 - Is the cooperative a credit union member? Yes () No ()

9 - If it is, how much does it save per month _____ per year _____

10 - Summarize below the dates and amounts of the last 12 deposits made:

_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

11 - Does the cooperative request loans from the credit union? Yes () No ()

12 - If so, what procedure does the credit union use to grant loans to this cooperative? _____

13 - Summarize below the last 3 loans granted to the cooperative, the terms and repayment period for each:

_____	_____	_____
_____	_____	_____
_____	_____	_____

14 - In the instance where the cooperative is not a member of the credit union, can it still be granted loans? Yes () No ()

15 - If so, explain the procedure followed: _____

16 - In these cases, summarize below the last 3 loans received by the cooperative, the terms and repayment period for each:

_____	_____	_____
_____	_____	_____
_____	_____	_____

17 - General comments concerning the credit union:

J. FINANCIAL AND TECHNICAL ASSISTANCE AGREEMENT
REGARDING THE DEVELOPMENT OF THE TOGOLESE
CREDIT UNION MOVEMENT

concluded between the following parties:

- ACOSCA (African Co-operative Savings and Credit Association)
- CONAUDEC (National Credit Union Development Committee)

As the first party

- The Togolese Government

and

- CUNA/GPO (Credit Union National Association/Global Projects Office U.S.A.)

As the second party

The USAID Project/Afr-G No. 693-0220 entitled "Development of the Togolese Credit Union Movement" is designed by the United States Agency for International Development and implemented by National Credit Union Development Committee.

Purpose of the Project

The purpose of the project is two-fold:

- to achieve a national promotion committee, technically self-sufficient, capable of providing all the services needed by affiliated credit union societies, as well as
- to establish an important network of credit unions which, thanks to the national promotion committee's support, would have financial capabilities sufficient to enable them to put the necessary savings and credit, as well as services related to this sector, at the disposal of an ever growing population.

Task Definition

With the help of and through the Credit Union National Association Global Projects Office (CUNA/GPO), the Africa Cooperative Savings and Credit Association (ACOSCA) will provide the National Credit Union Development Committee the following (when funds will be available), for the purpose of implementing the project:

- a) The services of a USAID financed resident advisor in credit unions for an initial period of thirty months all the necessary support costs (housing, travel, equipment, stationary, training material).

- b) The partial payment of the CONAUDEC operational expenses (in collaboration with CONAUDEC and Bread for the World).
- c) The training of CONAUDEC promotion staff.
- d) The purchase of necessary office material and equipment.
- e) A renewable revolving fund for purchasing safes for credit union societies and their unions.

The Government of the Republic of Togo undertakes to provide, within the framework of this project, at the request of CONAUDEC, the following facilities:

- a) Assistance in the recruitment and employment of personnel fulfilling the required conditions to hold positions within the organization.
- b) Exemption from custom duties for the importation of material related to the project and of the necessary equipment for the effective achievement of the project.
- c) Exemption from custom duties for the importation of personal and household effects belonging to the USAID paid CONAUDEC advisor.
- d) Status of exemption from income tax for the USAID paid CONAUDEC advisor.
- e) Control and audit services for the primary societies.
- f) Available use of public infrastructures and government officers for the training of CONAUDEC promotion and management staff, as well as of CONAUDEC and credit union members as deemed necessary.

ACOSCA Executive Secretary

Date

CONAUDEC Chairman

Date

Government of the Republic
of Togo

Date

CUNA/GPO

Date

K. PERSONS INTERVIEWED

John Lundgren, AID Representative, Lome

Sid Bliss, OAR, Lome

Smaragde Mbyirukira, Regional Manager, ACOSCA

Hoedem Sossa, Assistant Regional Manager, ACOSCA

Alassani Ayeva, Directeur de Cabinet, Ministere du Developpement Rurale

Komlani Adragani, President, Board of Directors, CONAUDEC

Warren Weinstein, Director, Peace Corps

Ron Phillips, Associate Director, Peace Corps

M'Kpaada Balonbadjo, Director, Division of Cooperation, Mutuality,
and Credit, Ministere du Developpement Rurale

Kokouvi Hihetah, President, Credit Committee, CONAUDEC

Pastor Awuue, President, Supervisory Committee, CONAUDEC