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PO-APP-726
ISN -17085

MAR 20 1980

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR, BUREAU FOR AFRICA

FROM : AFR/RA, E. Dennis Conroy *E. Conroy*

SUBJECT: Project Authorization - Support to Regional Organizations (698-0413), Sub-Activity Grant (698-0413.4) to the African Cooperative Savings and Credit Association (ACOSCA) and Credit Union National Association (CUNA)

Problem: Your approval is required for a grant of \$2,670,000 from the Selected Development Activity (Sec. 106) appropriation as a joint grant to the African Cooperative Savings and Credit Association (ACOSCA) and Credit Union National Association (CUNA) under the Support to Regional Organizations Project (698-0413).

Discussion: A grant request for the ACOSCA/CUNA sub-activity was submitted by CUNA, on behalf of ACOSCA, in December, 1978, which proposed A.I.D. funding support of approximately \$2.85 million over a five-year period. The type of assistance being requested for ACOSCA is basically the same as that provided under Project 698-0391 (Directed Agriculture Production Credit) which terminated on December 31, 1979, but pilot small farmer credit activities are no longer included. Based on an earlier Bureau decision it was agreed (1) that future assistance to ACOSCA should be funded under the Support to Regional Organizations project, and (2) that assistance under the new grant would be provided directly to ACOSCA. REDSO/EA undertook discussions with ACOSCA to complete development of a sub-activity grant to ACOSCA. Unfortunately, after protracted discussions only minimal progress had been achieved to finalize the grant request, and in late December, 1979, Deputy Administrator Nooter decided (1) that the locus of these discussions be transferred from Nairobi to Washington, and (2) that future discussion on the proposed assistance should be directly between the Africa Bureau and CUNA. The attached ACOSCA sub-activity grant request is the result of these subsequent meetings and discussions.

The purpose of the project is to strengthen and improve ACOSCA's capability to assist the growth of credit unions in Africa through training, managerial and financial services. The proposed assistance continues AID support to the credit union movement in Africa through a joint grant to ACOSCA and CUNA. The total estimated life-of-project cost is \$6,150,000, of which \$2,670,000 (43%) would be provided by AID through a joint grant to ACOSCA and CUNA. ACOSCA's resources will provide \$635,000, and other donors will provide \$2,845,000. AID's grant would support seven person-years of technical assistance (\$665,000) provided by CUNA, support for ACOSCA's administrative budget (\$1,200,000), and support for training activities (\$805,000). The ACOSCA/CUNA sub-activity paper covering the proposed assistance is attached for your review (Tab B). The sub-activity paper was reviewed by an AFR/RA project committee on

March 6, 1980 and found acceptable, with only one substantive change. This change involved shortening the time period in which ACOSCA/CUNA would be required to submit a more detailed training plan for AID approval. ACOSCA will now be required to submit the training plan within three months after signing the grant agreement, instead of six months. An Initial Environmental Examination was prepared by AFR/DR/SDP and recommends approval of a Negative Determination.

The proposed sub-activity meets the criteria set forth in the PID for the Support to Regional Organizations project which was approved on June 5, 1979. The Support to Regional Organizations Project Paper is currently under preparation and will be presented for full Bureau review prior to April 30, 1980. It will call for extending the term of the overall project through FY 1985. The Support to Regional Organizations project was in the FY 1980 Congressional Presentation on page 501, and the proposed FY 1980 obligation of \$1,260,000, of which \$450,000 is for ACOSCA/CUNA, was included therein. Since the project paper for the Support to Regional Organizations Project has not yet been approved, there are several options with respect to final Bureau review and approval of this sub-activity including:

1. Hold up approval of this sub-activity grant until the Support to Regional Organizations project paper is approved. This may take over a month.
2. Submit the sub-activity paper to AFR/DR for full project review. However, this is not considered necessary because (1) AFR/DR/CAWARAP participated in the AFR/RA project review and is in agreement with the sub-project as proposed, and (2) AFR/DR does not normally review sub-activities under an approved "umbrella" type project.
3. Approve the sub-activity grant now, on the basis that it satisfies the project criteria established in the approved PID.

Recommendation: It is recommended that you approve Option No. 3 and (1) authorize a grant to ACOSCA and CUNA in the amount of not to exceed \$2,670,000, effective January 1, 1980, by signing the attached Project Authorization covering sub-activity 698-0413.4 to the Support to Regional Organizations Project 698-0413 (Tab A); and (2) approve the attached Initial Environmental Examination which is Annex 2 of the sub-activity project paper.

Attachments:

Tab A: Project Authorization
Tab B: ACOSCA/CUNA Paper

Clearance:

AFR/DP:GCauvin (draft)
AFR/DP:RStacy (draft)
AFR/DR:MSpeers (draft)
AFR/DR:BBoyd (draft)
AFR/DR/ARD:SKraus (draft)
GC/AFR:EADragon (draft)
DAA/AFR:WHNorth

Drafted by AFR/RA:JWDawson:rg:3/20/80:X-22476

JWD

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PROJECT AUTHORIZATION

Name of Entity: African Cooperative Savings
and Credit Association (ACOSCA)
and Credit Union National
Association (CUNA)

Name of Project: Support to
Regional
Organizations-
ACOSCA

Number of Project: 698-0413.4

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the sub-activity, Support to Regional Organizations - ACOSCA, as a regional activity involving planned obligations of not to exceed \$2,670,000 in grant funds over a five year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the project.

2. The project consists of the strengthening and improving of ACOSCA's ability to assist the growth of credit unions in Africa through training, managerial and financial services. The project will enable ACOSCA to provide this assistance to and through regional, national and local credit union structures. The project is designed to accelerate the growth of domestic household savings in Africa and to expand the volume of lending to lower and middle-income Africans for productive and provident (education and health) purposes. To carry out the objectives of this project A.I.D. will provide financing for technical assistance, budget support, training, commodities and other services. The project will be implemented through a joint grant to ACOSCA and CUNA.

3. The Grant Agreement which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegation of Authority shall be subject to the following terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

4. a. Source and Origin of Goods and Services

Goods and services shall have their source and origin as specified in A.I.D. Handbook 1, Supplement B, Chapters 16B1c and 18, and A.I.D. Handbook 13, Chapter 4.

b. Pre-Grant Agreement Costs

The Grant Agreement to ACOSCA/CUNA may provide for reimbursement of local costs incurred after January 1, 1980 and not covered by Grant No. AID/afr-G-1079 if these costs are reasonable, if they are within the scope of the Project, and are otherwise eligible costs under the Project.

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c. Conditions

The Grant Agreement will set forth undertakings, providing in substance, as follows:

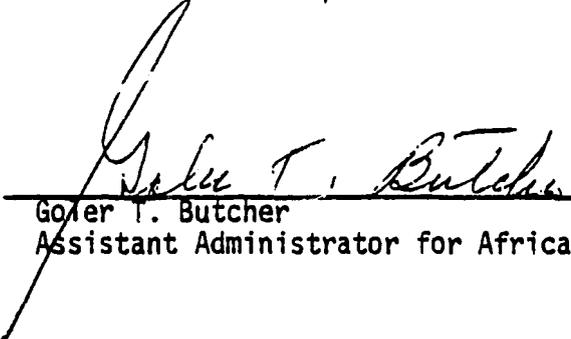
(1) The submission by ACOSCA of a training plan for A.I.D. review and approval within three months after the execution of the Grant Agreement and before the assignment of the CUNA Regional Training Advisor to the Southern Regional Training Center. The training plan will cover the period through December 31, 1980.

(2) The submission by ACOSCA of a revised training plan for A.I.D. review and approval prior to December 31, 1980, covering the period from January 1, 1982, to December 31, 1984.

(3) An assurance that ACOSCA employees, who receive long-term training financed under the grant will be employed, upon completion of such training, by ACOSCA in positions related to this Project for which they have received training.

(4) The approval by ACOSCA of CUNA technicians prior to their assignments overseas.

Date: ~~MAR~~ 24 1980


Gomer T. Butcher
Assistant Administrator for Africa

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AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____	DOCUMENT CODE 3
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2. COUNTRY/ENTITY AFR Regional	3. PROJECT NUMBER 698-0413/04
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4. BUREAU/OFFICE AFR/RA	5. PROJECT TITLE (maximum 40 characters) Support to Regional Organizations-ACOSCA
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6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 09 30 85	7. ESTIMATED DATE OF OBLIGATION (Under 'B' below, enter 1, 2, 3, or 4) A. Initial FY 80 B. Quarter 2 C. Final FY 84
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8. COSTS (\$000 OR EQUIVALENT \$1 =)

A. FUNDING SOURCE	FIRST FY 80			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(100)	(350)	(450)	(670)	(2,000)	(2,670)
(Loan)	()	()	()	()	()	()
Other U.S.						
Host Country	-	80	80		635	635
Other Donor(s)	-	520	520		2,845	2,845
TOTALS	100	950	1050	670	5,480	6,150

9. SCHEDULE OF AID FUNDING (\$000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ST	771-R	812				2,670		2,670	
(2)									
(3)									
(4)									
TOTALS									

10. SECONDARY TECHNICAL CODES (maximum 5 codes of 3 positions each) 860 840 721 740 615 246	11. SECONDARY PURPOSE CODE 249
---	-----------------------------------

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)
A. Code
B. Amount 2,670

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen and improve the African Cooperative and Credit Association's (ACOSCA's) capability to assist the growth of credit unions in Africa through training, managerial and financial services.

14. SCHEDULED EVALUATIONS	15. SOURCE/ORIGIN OF GOODS AND SERVICES
Interim MM YY MM YY Final MM YY 07 82 01 85	<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify)

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

17. APPROVED BY	Signature <i>E. Dennis Corney</i>	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY
	Title Director, AFR/RA	

INSTRUCTIONS

The approved Project Data Sheet summarizes basic data on the project and must provide reliable data for entry into the Country Program Data Bank (CPDB). As a general rule blocks 1 thru 16 are to be completed by the originating office or bureau. It is the responsibility of the reviewing bureau to assume that whenever the original Project Data Sheet is revised, the Project Data Sheet conforms to the revision.

Block 1 - Enter the appropriate letter code in the box, if a change, indicate the Amendment Number.

Block 2 - Enter the name of the Country, Regional or other Entity.

Block 3 - Enter the Project Number assigned by the field mission or an AID/W bureau.

Block 4 - Enter the sponsoring Bureau/Office Symbol and Code. (See Handbook 3, Appendix 5A, Table 1, Page 1 for guidance.)

Block 5 - Enter the Project Title (stay within brackets; limit to 40 characters).

Block 6 - Enter the Estimated Project Assistance Completion Date. (See AIDTO Circular A-24 dated 1/25/78, paragraph C, Page 2.)

Block 7A. - Enter the FY for the first obligation of AID funds for the project.

Block 7B. - Enter the quarter of FY for the first AID funds obligation.

Block 7C. - Enter the FY for the last AID funds obligations.

Block 8 - Enter the amounts from the 'Summary Cost Estimates' and 'Financial Table' of the Project Data Sheet.

NOTE: The L/C column must show the estimated U.S. dollars to be used for the financing of local costs by AID on the lines corresponding to AID.

Block 9 - Enter the amounts and details from the Project Data Sheet section reflecting the estimated rate of use of AID funds.

Block 9A. - Use the Alpha Code. (See Handbook 3, Appendix 5A, Table 2, Page 2 for guidance.)

Blocks 9B., C1. & C2. - See Handbook 3, Appendix 5B for guidance. The total of columns 1 and 2 of F must equal the AID appropriated funds total of 8G.

Blocks 10 and 11 - See Handbook 3, Appendix 5B for guidance.

Block 12 - Enter the codes and amounts attributable to each concern for Life of Project. (See Handbook 3, Appendix 5B, Attachment C for coding.)

Block 13 - Enter the Project Purpose as it appears in the approved PID Facesheet, or as modified during the project development and reflected in the Project Data Sheet.

Block 14 - Enter the evaluation(s) scheduled in this section.

Block 15 - Enter the information related to the procurement taken from the appropriate section of the Project Data Sheet.

Block 16 - This block is to be used with requests for the amendment of a project.

Block 17 - This block is to be signed and dated by the Authorizing Official of the originating office. The Project Data Sheet will not be reviewed if this Data Sheet is not signed and dated. Do not initial.

Block 18 - This date is to be provided by the office or bureau responsible for the processing of the document covered by this Data Sheet.

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10. Budget Details - ACOSCA Training Project
11. Budget Details - Backup details for Tables I and III of Financial Plan
12. Budget Details - ACOSCA Contribution
13. ACOSCA Self-Sufficiency Strategy

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1. Summary and Recommendations

1.1 Face Sheet

1.2 Recommendations:

The following actions are recommended herein:

- A. Authorization and obligation of a grant in the amount not to exceed \$450,000 from FY 80 funds.
- B. Approval of life of project funding, subject to the availability of funds, in an amount not to exceed \$2,670,000.
- C. Approval for retroactive funding from January 1, 1980, to finance local cost items not covered by residual funds in AID/afr-G-1079.

1.3 Project Summary

The project proposed herein is designed to strengthen and improve the African Cooperative Savings and Credit Association's (ACOSCA's) capability to assist the growth of credit unions in Africa through training, managerial, and financial services. Total project costs are estimated at \$6,150,000, of which ACOSCA will provide \$635,000, and other donors will provide \$2,845,000 (46%).

The A.I.D. inputs will be as follows:

- A. Seven person years of technical assistance to be provided by Credit Union National Association (CUNA) (25%).
- B. Financial assistance to core operating costs of ACOSCA (36%).

C. The creation of an Education, Training and Information department within ACOSCA (9%).

D. Support for implementing an Organizational Development Program (8%).

E. Support for the Southern Regional Training Center (SRTC) in Lesotho (22%).

It is anticipated obligation of A.I.D. funds will occur over a five-year period between FY 1980 to FY 1984.

1.4 Findings:

On the basis of the analysis contained in this sub-activity paper, the Office of Regional Affairs concludes that this project is technically, economically, and financially sound and is consistent with both the A.I.D. mandate and the development plans of ACOSCA. The analysis set forth in this paper supports the conclusion that this project will meet all applicable A.I.D. criteria and will not have an adverse affect on the environment. The provisions for host country cost sharing of 25% (FAA Section 110-A) are not applicable by virtue of the project assisting a private, regional organization.

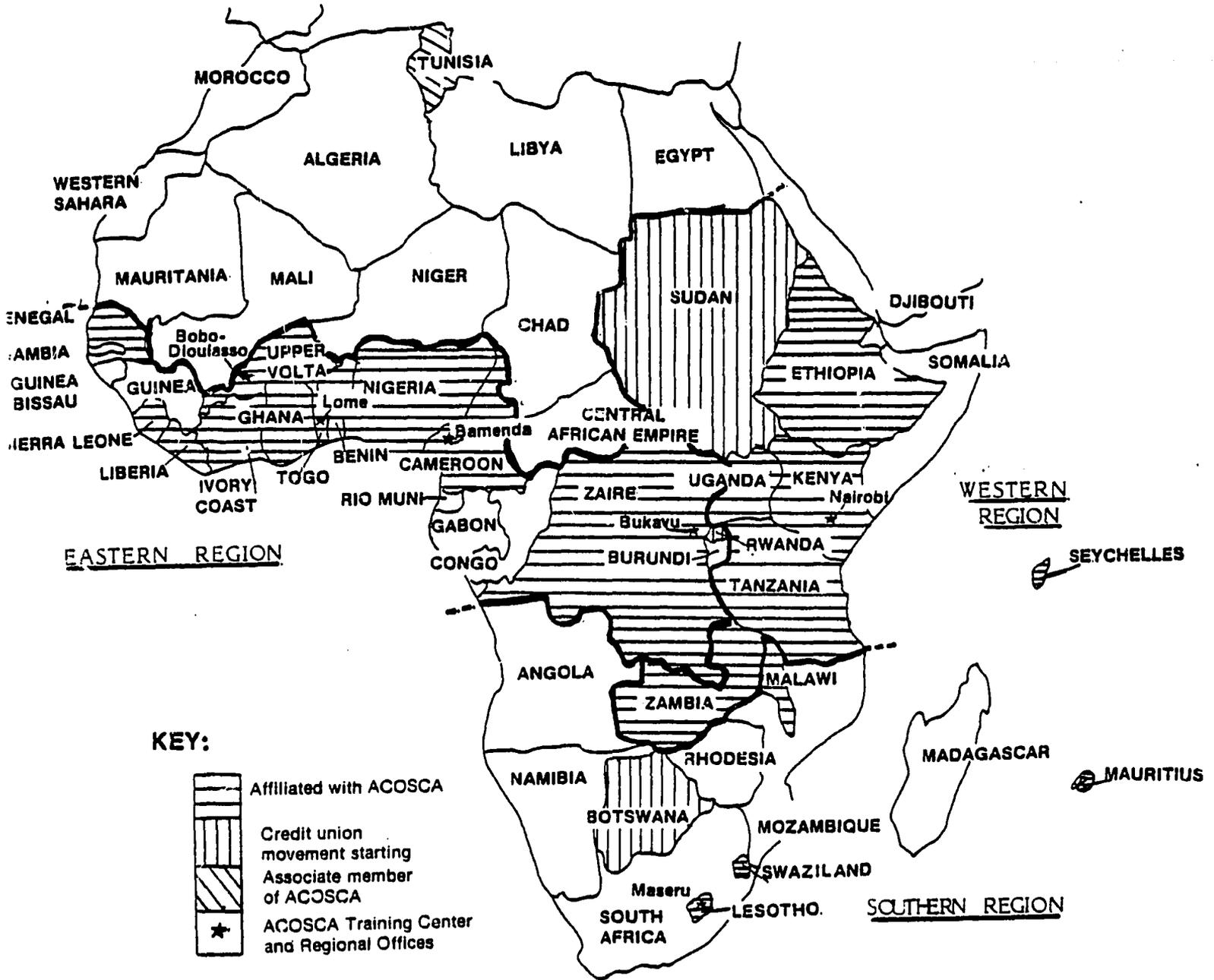
2. Project Background and Detailed Description

2.1 Background

The proposed project supports credit union development in Africa through the strengthening of ACOSCA (the Africa Cooperative Savings and Credit Association), the Pan-African apex organization for savings and credit cooperatives. Today 22 national credit union organizations are affiliated with ACOSCA and together represent 1.4 million members of 10,000 credit unions.

ACOSCA was established in 1968 to provide representational and technical support to national credit union organizations in Africa. Initially limited to a largely liaison role, ACOSCA has increased its staffing and areas of support to the credit union movement. Today, in addition to the Headquarters secretariat in Nairobi, ACOSCA has professional staff operating a risk management program that insures savings and loans of credit union members and offers bonding services; a Central Finance department that provides technical assistance and guidance to national associations in planning and operating financial intermediation services; and an Education, Training and Information department that will coordinate curriculum development and training in ACOSCA's regions. Presently three such Regional Offices are operating: the Southern Region headquartered in Maseru, Lesotho; the Eastern Region based in Nairobi; and the Western Bilingual Region with an office in Lome, Togo as well as training centers in Bobo Dioulasso, Upper Volta, Bukavu, Zaire and Bamenda, Cameroon. Regional staff are responsible for education and training programs; credit union movement development and

MAP OF AFRICA SHOWING ACOSCA AFFILIATES, REGIONAL OFFICES AND TRAINING CENTERS



Training Centers: Nairobi, Maseru.
Regional Offices: Nairobi, Maseru, Lomé

technical support coordination; and representation of the movement to governments within their region.

In addition to activities presently carried out by ACOSCA, it is anticipated that technical support to production credit and other specialized loan programs as well as initiation of international inter-lending will take place within the current decade.

To place ACOSCA's role in perspective, it must be recognized that the majority of Africa's credit unions require some forms of support, primarily in the areas of technical guidance and training of leadership and staff. This support is primarily provided by national association staff. To meet their responsibilities, the national associations require more sophisticated technical support and training. ACOSCA is mandated to provide these services. As the credit union movement has evolved and developed, the needs of the primary societies have also grown more complex. The membership requires financial and related services that permit them to more fully participate in development activities. Here too, national associations require the technical support of ACOSCA as they attempt to respond to more sophisticated needs through special projects and programs. In the longer term, with consolidation of the technical and financial condition of its affiliates, ACOSCA will be in the position to draw on the financial resources of the international savings and credit cooperative movement to meet increasing borrowing needs.

An analogue of credit union development in Africa is the effort that has taken place in Latin America. Beginning in the early 1950s, individual credit unions were promoted and organized. As numbers grew they joined together in national federations which, in turn, ultimately formed the Confederacion Latinoamericana de Cooperativas de Ahorro y Credito (COLAC). A.I.D. played a role in supporting the two-part strategy that has resulted in a largely self-sufficient organization. This strategy entailed country-specific projects that focussed on strengthening national federations along with simultaneous technical and financial support to the regional confederation. Today, in addition to an A.I.D. loan, COLAC is onlending funds borrowed from the Inter-American Development Bank, the U.S. Credit Union National Association, and other external lenders.

A.I.D. has supported credit union activity in Africa from the mid-1960s when technical and financial assistance was provided to national programs in Kenya, Uganda and Tanzania. From ACOSCA's founding in 1968, A.I.D. has supported its activities with technical and financial assistance. In 1974 this support was linked to introduction and promotion of credit union lending to small farmers for agricultural and animal husbandry production. The current project (Afr-G-1079) was evaluated by A.I.D. in early 1977. Performance was assessed in terms of ACOSCA objectives as well as small farmer production components operated through national associations in Lesotho and Cameroon. The chart in Annex 3

summarizes project accomplishments in relation to Output Indicators. ACOSCA's potential is indicated by its performance in consistently exceeding project outputs in all areas but dues revenues. It should be stressed that A.I.D.-funded technical and financial support to ACOSCA during the project period contributed significantly to the expansion of the credit union movement to 10 additional countries in Africa; an increase of 11 ACOSCA-affiliated national organizations; close to 800,000 additional credit union members; an estimated increase in total member savings of more than \$91 million; expansion of loan volume to credit union members of at least \$47 million; and cumulative lending during the project of more than \$265 million. Without A.I.D. support it is unlikely that these growth trends would have reached current levels. The return on that support has been substantial: the cost per new member enrolled during the project has been \$1.63; the cost per additional dollar of savings generated has been \$0.01; and the cost per dollar of cumulative credit union lending has been \$0.004.

The design of the proposed project began with A.I.D.'s and the Credit Union National Associations's (CUNA's) evaluation of the current grant. Initial identification of organizational strengths and weaknesses led to a comprehensive examination of ACOSCA performance in virtually all areas of operation. ACOSCA staff assessed itself in relation to the organization's technical support, training and management functions. Parallel to this effort a detailed financial analysis was prepared and alternative routes to accelerated

self-sufficiency were identified. The results of these analyses were reviewed by ACOSCA's Board of Directors who mandated a comprehensive program including:

- 1) updating of ACOSCA's current Five-Year Plan (1978 to 1982);
- 2) approval of an Organizational Development Program; 3) authorization to develop a comprehensive ACOSCA Education and Training Program; 4) commitment to a financial self-sufficiency strategy.

This project addresses expansion and improvement of credit union services in Africa through technical and financial support to elements of ACOSCA's total development over a five year period. ACOSCA is committing increasing self-support from its own revenues and has presented other components of the comprehensive project to European, Canadian and U.S. credit union movement donor sources. In Europe such donors as the Konrad Adenauer Foundation, Misereor, Bread for the World, Bishops' Lenten Funds, Rabobank (Holland) have supported ACOSCA and credit union development for a number of years and are expected to maintain or increase that assistance (see Annex 4). In Canada, the Canadian Cooperative Credit Society (CCCS) and La Compagnie Internationale de Developpement Regional (CIDR) have collaborated with the Canadian International Development Agency (CIDA) to support ACOSCA technically and financially. This support is expected to continue through the project period. In the U.S., the CUNA Mutual Insurance Society has supported ACOSCA's risk management program since its inception. This assistance will continue at or above present levels. Financial

support has also been provided through the Worldwide Foundation for Credit Union Development and state credit union leagues. A.I.D.'s proposed participation includes financial support in specified areas where ACOSCA and other donor resources fall short of total requirements as well as funding of technical assistance.

2.2 Detailed Project Description

Goal:

The goal of this project is to accelerate the growth of domestic household savings in Africa in order to expand the volume of credit available to lower and lower-middle income Africans for productive and provident purposes. Estimated cumulative lending during the life-of-project should approach \$650 million. This represents a substantial new resource for production credit and will permit greater utilization of basic human needs infrastructural investments. One hundred percent of these loan funds are generated through member savings and will be used by credit union members in the villages, towns and cities of Africa.

Purpose:

The project proposed herein is designed to strengthen and improve the African Cooperative Savings and Credit Association's capability to assist the growth of credit unions in Africa through training, managerial, and financial services. ACOSCA will provide this assistance to and through regional, national and local credit union structures. Increased numbers of financially strong, well-managed credit unions will result in greater membership, accelerated savings and loan volume. To expand and strengthen credit unions, national organizations must provide improved technical and financial services; this,

in turn, requires a strengthened Pan-African confederation with the ability to service the technical, educational and financial needs of national associations.

While the proposed project will benefit ACOSCA, its affiliates and credit unions in Africa, the primary beneficiaries are the expanding membership of the credit union movement. This membership is predominantly (75 percent) rural and comprised of lower and lower-middle income persons.

The benefits to credit union members are several. The credit union offers a place and the encouragement to save. This helps ensure that money is available for emergencies and productive investment. Second, credit unions provide loans for a variety of purposes. These are granted largely on the basis of character; applications are simple; approval is given by members of the community or work group. Administrative costs of lending are low and the knowledge that loan funds come from the savings of friends ensures an almost uniformly high repayment rate. The credit union movement's transfer of surplus urban savings to meet loan demand in rural areas is unique in Africa. Third, credit unions offer members the opportunity to develop new skills through educational programs. During the last decade thousands have learned bookkeeping, rudimentary accounting, loan analysis and financial management skills. Fourth, an increasing

number of credit unions have provided services responsive to member needs. Provision of agricultural inputs, marketing services, cooperative purchase of construction materials and consumer goods have both helped members and led to formation of other coops and private enterprise. Fifth, credit unions have created a constituency that increasingly commands the services of government and private organizations. Last, and most important, credit unions demonstrate that individuals working together can improve the quality of their lives.

The project is consistent with the basic thrust of A.I.D.'s development assistance program in Africa. It directly creates African capacities to expand development services, enlarge incomes and meet basic human needs. The project contributes to development of a self-sustaining system for provision of agricultural credit and supporting inputs and marketing services. It augments managerial skills and institutional capacity for implementation of development programs. It strengthens the rural infrastructure, increasing rural access to services vital to meeting basic human needs. It will broaden access to improved cooperatives and credit.

The project will contribute to another increasingly critical development priority: mobilization of domestic household savings. As economists have argued, there is a positive relationship between domestic savings and growth of national income. Investment depends on savings; investment is essential to growth of income. Over the long term, even high levels of external capital cannot sustain required

levels of total investment in Africa's low and middle-income countries.

Credit unions target domestic savings generated by households and non-corporate agricultural and business enterprise. This is the most dynamic factor in domestic savings growth, accounting for more than 50 percent of total domestic savings in low and middle-income nations.

While acting in a way complementary to other financial institutions, credit unions have demonstrated impressive performance in savings mobilization in Africa. Today 1.34 million credit union members have savings in excess of \$115 million. By end-of-project this should reach \$215 million, 80 percent of which will be on loan, enabling members to better utilize services developed and assisted with donor funding of food and nutrition, education and health sector programs.

2.21 Project Elements: Outputs/Inputs

A. Core Support:

In order to achieve the project purpose, ACOSCA will need both core budget support to maintain a qualified professional staff as well as specific and focussed assistance in the areas of organizational development and credit union education and training programs. The measure of performance

in the area of core support can best be quantified in terms of movement growth indicators and the technical and financial performance of national associations that are supported by ACOSCA. By end-of-project movement growth should reach 1.85 million members, savings of \$215 million, and cumulative loan volume of \$650 million. As a result of 687 person-weeks of national association staff training, it is anticipated that 18 national associations will have prepared and initiated detailed plans for technical support to their affiliates and that 10 national associations will have reached or exceeded 50 percent financial self-sufficiency.

A.I.D. core support to ACOSCA complements both ACOSCA's own increasing resources as well as the core support of other donor agencies such as CIDA/ CCCS/CIDR (Education and Training in the Eastern and Western Regions); Rabobank (Holland) (Central Finance Department); CUNA Mutual Insurance Society (Risk Management Department); and a variety of smaller donors that fund specified target group activities and country programs.

During the project period it is estimated that ACOSCA's Headquarters and Regional operations will cost \$5.15 million. Of this, it is estimated that ACOSCA will meet \$632 thousand from its own resources and that a consortium of other donors will meet an estimated \$2.77 million. A.I.D. will provide core costs for personnel, transport and office expenses at the level of \$1.27 million for the five years as well as \$475 thousand of core support to the Southern Regional Training Centre. Of total core support costs over the five years, ACOSCA anticipates meeting 12 percent from its own revenues; 54 percent will come from other donors; and A.I.D. will provide 34 percent.

B. Organizational Development

ACOSCA's Board, Management and Staff have recognized that financial resources alone are not sufficient to enable the confederation to achieve its full potential. As the result of a thorough institutional analysis, areas of required improvement have been identified in ACOSCA technical assistance, operational and management functions. In most instances strengthening these will require a combination of procedural definition, training of ACOSCA personnel and specific equipment or materials. To address these requirements, ACOSCA has developed an organizational development program with three major components: a) definition of ACOSCA functions, procedures and methods; b) training of ACOSCA professional staff; c) provision of specific equipment and materials. It is anticipated that the major portion of functional definition and training will be done under contract and other arrangements with such African institutions as CAFRAD, the Pan African Institute of Development, national cooperative colleges, the National University of Kenya, and such. External resources such as the Volunteer Development Corps, National Credit Union Administration, Cooperative colleges at Wisconsin and Saskatchewan will also be used where appropriate. The outcome of this Program will include: a) methods and procedures materials for all major ACOSCA functional areas; b) between 70 and 100 person-weeks of ACOSCA staff training; c) performance of specified functions at the levels specified in the Organizational Development Plan objectives .

By systematically strengthening its performance as the technical resource and apex organization for credit unions in Africa, ACOSCA will more effectively and

efficiently carry out its mandate to strengthen national associations and their ability to expand and strengthen the grassroots credit union movement in the continent.

Over the life of the project, A.I.D. will provide \$211,000 in support of this activity; \$132,000 for technical assistance and training, \$54,000 for travel costs related to acquisition of technical assistance and/or training, and \$25,000 office equipment, supplies and training material. The World Council of Credit Unions and the CUNA Global Projects Office as well as the CUNA Mutual Insurance Society will continue to provide technical support at no cost to ACOSCA or the project.

C. Training

Training and education represents ACOSCA's major investment and the major means of building a strong Pan-African credit union movement. The success of individual credit unions depends on the ability of elected board and committee members as well as voluntary or paid staff to carry out the basic functions of the society. Given the limited educational backgrounds of many credit union officials, training is critical and must be accurately focussed on their needs within the context of their backgrounds. Although ACOSCA's Regional Training Centres have carried out training for credit union leadership and staff, it is not feasible at this time for the confederation to meet the training needs of more than 10,000 credit unions. With the current ACOSCA project support of the Southern Regional Training Centre, initial steps were taken to develop and implement a training of trainers approach whereby ACOSCA staff focus their efforts on developing the training capability of national association

staff who, in turn, have the responsibility for the training of credit union leaders and officers. The ACOSCA Training Project will develop a comprehensive ACOSCA Training System based on systematic analysis of training needs, development of appropriate objectives, design of training activities and materials, appropriate pre- and post-training measurement. By the end of the project both ACOSCA Headquarters and Regional Staff will have carried out training of trainer activities that result in national association ability to employ the system and methods. During the project period 270 person-week- of national association staff training will be conducted to produce these out- comes; national associations will, in turn, complete more than 10,000 person- weeks of credit union board, committee and officer training. The chart on the following page illustrates the likely emphases and recipients of this training.

A.I.D. will provide \$786 thousand to fund the costs of the training project (See Annex 10.) Of this, 84 percent is allocated for 7 person-years of technical assistance provided by CUNA. The remaining 16 percent covers non-recurring training costs primarily in the areas of materials preparation and travel.

The technical assistance being provided by CUNA includes four person-years in Nairobi where an experienced training curriculum specialist with credit union background will assist ACOSCA's Chief of Education and Training in further development of a comprehensive training system and contribute to development of counterpart skills regionally and at the national level. Three person-years of technical assistance (are) allocated to the Southern Regional Training Center (SRTC) which will continue its role as training laboratory and demonstration model for ACOSCA training elsewhere in Africa. The individual assigned to this position will combine credit union and training experience

ILLUSTRATIVE TRAINING CONTENT AND PARTICIPANTS

Personweeks of Training	<u>Participant Categories</u>									
	ACOSCA Regional Trainers	National Boards/Committees	National Managers	National Trainers	National Field Staff	Credit Union Boards	CU Supervisory Committees	CU Credit Committees	CU Education Committees	Govt. Coop Personnel
<u>Content Areas</u>										
Training Needs Analysis	12		2	15						
Training Desing	18		2	25						
Training Budget & Admin.	6		1	10						
Training Evaluation	12		2	15						
Program/Action Planing	4	24	3	5		420				
Financial Planning	12	24	10			420	420			
Program Evaluation	4	24	3	5		210				
Self-Sufficiency Calulation	12	48	10	10	15	420	420			
Operating Budget Preparation	6		10	5		210	210			
Financial Management	12		15	5		210	420			
Capitalization Strategies	12		4							
Central Finance Operation	3	10	16							
Loan Portfolio Planning	6		4	15		210		840		
Loan Analysis Procedures	6		4	20				420		
Loan Collection	12		4	20				840		
Cash Budgeting	6		4	5				420		
Risk Management Program Mgmt.	3		3	20		55	210	55	70	
Bookkeeping and Preparation of Financial Statements	3	5	10	25	15	210	840	210	70	50
Internal Auditing	6	48	5	20		210	840	210		250
Credit union technical assis- tance program planning	12		12	20	60					250
Local Resource Identification	3	12	2	5	5	70			70	
Files and Records Maintenance	3		2	10			70	70		
Adult Education/Member Educa-	12		2	25		70			840	50
CU Promotion & Organization	6			5					840	125

and will be responsible for strengthening the technical skills of ACOSCA SRTC staff in the training of trainers area as well as in supporting the testing and evaluation of training needs analysis, program design and evaluation methods. (The training project activities are complementary to A.I.D. and other donor support of ACOSCA's Education, Training and Information Department and the Regional Training Center.) However, the CUNA advisor to the SRTC will not be assigned to post until such time as ACOSCA has developed a more definitive training plan/schedule acceptable to A.I.D., covering the period through at least December 31, 1981. At a minimum, the plan should indicate:

- Course title and brief description
- Length of course
- Number and timing of courses
- Number and qualifications of trainees
- Planned dissemination of training.

A more detailed description of the training advisor's duties are contained in Annex 5.

2.21 Other Donor Support

Budget Support: ACOSCA receives budget support from a variety of U.S. credit union, Canadian and European donor sources (see Annex 4). Notable are the Canadian program referenced above; the Konrad Adenauer continental program supporting training costs in a number of countries; Rabobank (Holland) which funds the Central Finance Department and has financed training in the Netherlands for ACUSCA's Chief of Central Finance; the CUNA Mutual Insurance Society which both funds and underwrites the risk management program. As noted, ACOSCA is committed to financing an

increasing portion of its expenditures through its own revenues.

Technical Assistance: Under a CIDA program, advisors from the Canadian Cooperative Credit Society and La Compagnie Internationale de Developpement Regional have been placed at the ACOSCA Bi-Lingual Office in Lome, the Nairobi Regional Office, and the training centers in Bukavu, Bamenda and Bobo Dioulasso. The Konrad Adenauer Foundation has placed a full-time staff member at ACOSCA Headquarters in Nairobi as has the CIDA/CCCS/CIDR project. Short-term technical assistance and training has been provided by Rabobank (Holland), Konrad Adenauer Foundation, the World Council of Credit Unions, and the CUNA Mutual Insurance Society. ACOSCA itself provides qualified and experienced management and professional staff in central finance, risk management and education. ACOSCA's Board includes high-level civil servants, social service leaders, and professionals.

3.1 Technical Analysis

Addressed by this project is the creation of a self-sustaining vehicle to reach increasing numbers of Africans at the roots with services that contribute to improved productivity, incomes and quality of life. The three-tiered credit union movement (See Annex 6) offers three impact points in addition to direct assistance to member. Experience in Latin America and elsewhere, as well as accomplishments in Africa to date, offer evidence that a two-part strategy is the most effective in maximizing the potential of credit unions to serve an increasing membership. With more than 10,000 credit unions in Africa today, there is no feasible means of directly reaching membership through individual societies. The approach, therefore, is one of employing available resources to strengthen credit unions and to improve the quality and quantity of services them. This is being done in two ways: a) through direct technical assistance and financial

support to national credit union organizations; b) through development of ACOSCA's capability to replace external assistance with its own staff resources. This is the approach undertaken in Latin America where A.I.D. and other donors funded country and regional efforts. The result, today, is a regional confederation, COLAC, that provides a full range of technical and financial services to self-sustaining national credit union organizations. While conditions and needs in Africa do vary, a similar strategy is believed appropriate. It is anticipated that by the end of this project, ACOSCA will have a self-sustaining technical capability and will require only highly-specialized short-term technical support as well as diminishing financial assistance. By 1984 ACOSCA should be well placed to assume the major responsibility for design, management and evaluation of country credit union development projects. The technology employed in the project is based on the fundamental uniformity of credit union operations. It focusses on systematically strengthening each level of the credit union structure (local, national and regional) through development of appropriate operating procedures and effective skill training. The approach and its planned implementation are based on an in-depth analysis of credit union operational functions and procedures. Such analyses provide the data necessary to specify ACOSCA program and organizational development priorities.

A major factor in selection of the project strategy is the potential spread effect. ACOSCA cannot directly reach the more than 1.4 million members and 10,000 credit unions it serves. It can effectively and economically strengthen its affiliated national organizations which, in turn, are potentially capable of developing and servicing credit unions. Thus the support and development of ACOSCA ultimately impacts on the services provided by the

credit unions to more than 6½ million family members.

Neither ACOSCA nor national association staff presently possess the full range of skills required for project implementation. In the case of ASOSCA, resources are included both to broaden professional capabilities through additional staffing and to systematically develop the skills of present and future personnel. Concurrently with this effort, national association staff resources will be strengthened with training focussed on areas of identified need.

3.11 Administrative Feasibility

Founded in 1968, ACOSCA is the Pan-African apex organization for credit unions. Initially staffed by a single African manager, ACOSCA today has eight professional staff in Nairobi Headquarters; three Regional Offices in Nairobi, Maseru and Lome, each staffed by a Manager and assistance; and sub-regional training centers with training officers in Bamends, Cameroon, Bukavu, Zaire and Bobo Dioulasso, Upper Volta. In addition to representing the credit union movement continent-wide and providing a variety of informational services, ACOSCA provides a wide variety of educational programs for affiliates as well as technical support in operation of central finance, risk management and small farmer production credit. ACOSCA's Executive Secretary reports to a Board of Directors composed of representatives from each geographical region and which currently includes a senior Treasury official, a former parliamentarian, a chartered accountant, a civil servant responsible for rural development, and a cooperative federation manager. The Board, in turn, is elected at biennial meetings of delegates from each of the 22 affiliated national organizations.

The administrative requirements of the project do not depart substantially

from those already handled by ACOSCA staff under present donor agreements. The organizational development component will entail limited contracting for specified technical consulting and staff development services with African and Africa-based organizations such as CAFRAD, Pan-Africa Development Institute, and private firms. Standardized procedures will be developed to facilitate this requirement. ACOSCA's ongoing relationship with the World Council of Credit Unions, Economic Commission for Africa, Konrad Adenauer Foundation, Rabobank, Canadian Cooperative Credit Society and CUNA Mutual Insurance Society provide it with access to administrative support and services through on-site advisors and headquarters' personnel.

3.2 Financial Plan

3.21 A.I.D. Contribution

As shown in Tables I, II and III below, this Five-Year project proposal includes A.I.D. financing of \$2.67 million, or 46.4% of a total estimated project cost of \$6.15 million. A.I.D.'s contribution would provide core support for six professional and nine junior staff members within ACOSCA's Administration and Education, Training & Information Department; total salary, fringe benefits, travel and office support for these two departments is estimated at \$1.20 million, or 44.9 percent of A.I.D.'s total projected contribution. (See Annex 7 & 8 for details). A.I.D. Southern Regional Training Center (SRTC) in Maseru, Lesotho, for five years at a cost of \$474,671, or 17.8% of the projected total contribution. (See Annex 9 for details).

ACOSCA has also requested A.I.D. funding of a \$211,125 Organizational Development Program involving use of technical consulting services (\$132,415), limited equipment and supplies (\$24,560), and the travel of consultants and ACOSCA professional personnel (\$54,150). The last project component is Training which includes seven person-years of technical assistance at a cost of \$664,569 and non-recurring training costs of \$121,770. The total, \$786,339, represents 19.5 percent of the total requested A.I.D. contribution. See Annex 10.0 for details.

Annex 11 provides additional detailed budget data in support of Tables I and III.

3.22 Other Donor Support

About \$2.85 million, or 55.3% of ACOSCA's projected total operating expenses of \$5.15 million, are to be funded by other donors. The largest commitment (\$1.64 million) is the continuation of Canada's Continental Training Program. In addition, the U.S. credit union movement, through the CUNA Mutual Insurance Society, will contribute approximately \$484,720 to continue funding ACOSCA's Risk Management Program. It is anticipated that the Netherlands' Rabobank will continue its funding (\$266,839) of ACOSCA's Central Finance Department. Additional funding commitments are anticipated from the Konrad Adenauer Foundation of West Germany and from other European donor agencies, amounting to \$457,363 or 7.5% of total project costs.

(See Annex 4.0 for details)

TABLE I
SUMMARY COST ESTIMATE AND FINANCIAL PLAN

(US \$)

<u>INPUTS/USES OF FUNDS</u>	<u>S O U R C E O F F U N D S</u>			<u>TOTALS</u>
	<u>A. I. D.</u>	<u>OTHER DONORS</u>	<u>ACOSCA</u>	
<u>1. ACOSCA OPERATING EXPENSES</u>				
HQ Staff Salaries	523,316	285,259	117,524	926,099
HQ Staff Benefits	328,656	68,049	65,706	462,411
HQ Staff Travel & Transportation Costs	276,500	200,300	69,200	546,000
HQ Office Expenses	69,089	194,592	147,679	411,360
Board Expenses	-	24,847	162,056	186,903
Biennial Meetings	-	150,000	-	150,000
WOCCU Dues	-	-	70,821	70,821
Other HQ Operating Expenses	-	285,875	-	285,875
Regional Office Operating Expenses	474,671	1,636,921	-	2,111,592
Sub-Totals	1,672,232	2,845,843	632,986	5,151,061
<u>ORGANIZATIONAL DEVELOPMENT PROGRAM</u>				
Short-Term Consultants	132,415	-	-	132,415
Equipment, Supplies, Materials, etc.	24,560	-	-	24,560
Travel & Per Diems	54,150	-	-	54,150
Sub-Totals	211,125	-	-	211,125
<u>TRAINING PROJECT</u>				
Technicians Costs (8PY.)	664,569	-	-	664,569
Training Costs	121,770	-	-	121,770
Sub-Totals	786,339	-	-	786,339
GRAND TOTALS	<u>2,669,696</u>	<u>2,845,843</u>	<u>632,986</u>	<u>6,148,525</u>

TABLE II
COSTING OF PROJECT OUTPUTS*

	O	U	T	P	U	T	S**	TOTALS
	<u>ACOSCA/ NATL. ASSN. STAFF TRAINING</u>	<u>CU PERSONNEL TRAINING</u>	<u>ACOSCA TA TO NATL. ASSNS.</u>	<u>NATL. ASSN. TA TO CU's</u>	<u>SYSTEM FINANCIAL VIABILITY</u>	<u>DEFINITION OF FUNCTION</u>		
<u>AID-APPROPRIATED</u>								
<u>ACOSCA BUDGET SUPPORT</u>								
To Administration Dept.			288,753	96,251	385,004	192,502		962,510
To Education, Training & Information Dept.	152,783	23,505	47,010	11,753	-	-		235,051
To Southern Regional Training Center	261,069	47,467	94,934	71,201				474,671
Sub-Totals	413,852	70,972	430,697	179,205	385,004	192,502		1,672,232
ORGANIZATIONAL DEVELOPMENT PROJECT	21,113	-	52,781	63,338	-	73,893		211,125
ACOSCA TRAINING PROJECT	629,071	117,951	59,317	-	-	-		786,339
TOTAL AID INPUTS	1,064,036	188,923	522,795	242,543	385,004	266,395		2,669,696
<u>OTHER DONORS' SUPPORT</u>								
Insurance Project (CUNA MUTUAL)		24,236	145,416	145,416	121,180	48,472		484,720
Central Finance Project (Rabobank)	53,368	26,684	53,368	40,025	66,710	26,684		266,839
Continental Training Project (Canada)	1,309,537	245,538	81,846	-	-	-		1,636,921
Other European Donors (Unconfirmed)	45,736	-	162,546	48,736	137,209	45,736		457,363
Total Non-AID Donor Support	1,408,641	296,458	463,576	231,177	325,099	120,892		2,845,845
ACOSCA CONTRIBUTION	31,649	31,649	379,792	-	158,247	31,649		632,986
TOTAL PROJECT COST	2,504,326	517,030	1,366,163	473,720	868,350	418,936		6,148,525

*Although all project inputs have been allocated to various project outputs according to the estimated relative amount of staff time involved ACOSCA will also be involved in many non-project-related activities, so the total "cost" of a particular output cannot be considered a truly precise figure.

**See log frame and text for more detail on each output.

TABLE III
PROJECTION OF EXPENDITURES BY FISCAL YEAR

(US \$)

YEAR (JAN. 1- DEC. 31)		<u>A. I. D.</u>	<u>OTHER DONORS</u>	<u>ACOSCA</u>	<u>TOTALS</u>
1980	a/	282,730	518,155	77,686	878,571
	b/	50,631	-	-	50,631
	c/	<u>110,293</u>	-	-	<u>110,293</u>
		443,654	518,155	77,686	1,039,495
1981	a/	312,414	511,530	99,848	923,792
	b/	46,028	-	-	46,028
	c/	<u>202,175</u>	-	-	<u>202,175</u>
		560,617	511,530	99,848	1,171,995
1982	a/	330,606	582,923	124,095	1,037,624
	b/	41,844	-	-	41,844
	c/	<u>197,148</u>	-	-	<u>197,148</u>
		569,598	582,923	124,095	1,276,616
1983	a/	359,501	579,075	150,413	1,088,989
	b/	38,040	-	-	38,040
	c/	<u>207,498</u>	-	-	<u>207,498</u>
		605,039	579,075	150,413	1,334,527
1984	a/	386,981	654,160	180,944	1,222,085
	b/	34,582	-	-	34,582
	c/	<u>69,225</u>	-	-	<u>69,225</u>
		490,788	654,160	180,944	1,325,892
TOTALS		<u><u>2,669,696</u></u>	<u><u>2,845,845</u></u>	<u><u>632,986</u></u>	<u><u>6,148,525</u></u>

KEY:

- a/ ACOSCA Operating Budget Support
- b/ Organizational Development Program
- c/ ACOSCA Training Project

3.23 ACOSCA's Contribution

ACOSCA's contribution to the project consists of funding an increasing (15% at End-of Project) proportion of its total operating budget from revenues generated through affiliate dues and risk management program earnings. Specifically, ACOSCA is expected to fund the equivalent of the salary benefits and international travel of the Executive Secretary, WOCCU dues, increasing proportion of Board expenses (100% by Year Five) and \$147,700 of general office expenses. (See Annex 12.0 for details)

3.3 Economic Analysis

3.31 Cost-Effectiveness

Strengthening of ACOSCA capability is of value proportionate to the extent that it results in a demonstrable increase in members served by credit unions; in accelerated mobilization of savings; and in expanded lending to members. The ultimate financial viability of the movement at each level, in turn, depends on growth in these areas.

It is clear that growth of the key indicators enumerated in the preceding paragraph will occur even in the absence of support to ACOSCA. Credit union movement savings and membership growth trends, once established, can be projected with some accuracy using regression techniques. There is a substantial degree of probability that, in the absence of additional resources, member and savings growth will correspond closely with projections based on established trends.

In assessing the cost-effectiveness or worth of this project, A.I.D. contributions should be assessed in relation to increases attributable to the proposed project.

Savings: Current trends indicate that by mid-1984, Total Movement Savings will reach \$202 million in the absence of any additional external support. With the A.I.D. support proposed, TMS should reach \$215 million, or higher, or \$4.85 in additional savings for each project dollar.

Loans: Current trends project \$625 million in cumulative lending between 1980 and 1984. It is estimated that the increment attributable to the project will be approximately \$24 million; an 11 cent project investment thereby returns \$1.00 in additional loan funds available to credit union members in Africa.

Membership: At present growth rates, membership should reach 1.67 million by 1984. As a result of the project, this should accelerate to a level of 1.85 million, or an attributable increase of 182,000. This suggests a project cost of approximately \$14.50 per member.

Movement Self-Sufficiency: Growth in total movement savings has a direct impact on credit union, national association and ACOSCA self-sufficiency. Credit union revenues are based on loan interest; loan volume is correlated with savings. National association

revenues are based on dues, risk management commissions and central finance department income all of which are a factor of national movement savings. ACOSCA revenues from dues and risk management program commissions are, in turn, based on national movement savings. It is estimated that as a result of the acceleration of total movement savings attributable to the project, ACOSCA revenues will increase by \$85,000 during the five-year period; during the same period cumulative national association revenues should increase by \$225,000. (See Annex 13 for more complete discussion of ACOSCA self-sufficiency strategy.

A last measure of project worth is the cost of benefit to the credit union member. The following table illustrates these costs:

COST PER MEMBER.

<u>YEAR</u>	<u>Annual Costs*</u>	<u>Projected Members**</u>	<u>Cost/Member</u>
1980	\$ 1,036,495	\$ 1,479,436	70.04¢
1981	1,174,995	1,558,051	75.41
1982	1,276,616	1,636,664	78.00
1983	1,334,527	1,715,278	77.80
1984	1,325,892	1,850,000	71.67

*All costs including donor and ACOSCA contributions

**Least-Squares linear extrapolation plus 10 percent attributable increase

3.4 Social Soundness Analysis

The credit union has found fertile soil in much of Africa as evidenced by the rapid growth of the movement on the continent. In part this can be attributed to its similarity with the traditional rotating savings and credit societies. Such societies, with local variations, have a long history in many parts of Africa. They encourage savings by a small group which are pooled and allocated to members under a variety of different methods. The credit union adds longevity and somewhat more formal rules of operation to the rotating savings and credit society structure, as well as permitting a larger field of membership. A second advantage of the credit union is its single-purpose emphasis. Other cooperatives with a multiplicity of functions can strain the talents of management and the understanding of elected leaders and members. Experience in Africa has shown that the skills developed within the credit union often provide the foundation for more complex cooperative enterprise. There are innumerable examples of credit unions spinning off consumer cooperatives, supply and marketing coops and even housing associations.

The project does not propose to directly reach the 1.4 million credit union members in Africa or the 10,000 individual credit unions affiliated to ACOSCA through recognized national associations. What it will do is exploit and strengthen the potential to reach credit unions and their members through national organizations. As such, the project is complementary to A.I.D. and

other donor efforts to improve the quality of life in Africa. Creation of infrastructures in the shelter, health, education, agriculture and nutrition sectors is of value to the extent that beneficiaries make use of the institutions and facilities developed. While services are provided free, more often there are costs to beneficiaries: school fees, uniform costs and books must be paid for; medicines and transport to dispensaries and hospitals require money; recommended production packages require investment credit. Credit unions both create savings that can be used to buy services and supplies as well as provide loans for these uses. In 1979, approximately \$80 million was loaned by credit unions in Africa; the major portion of these funds were used to improve the quality of life of lower income groups by enabling them to meet basic human needs.

In the last decade the African credit union movement has grown from a handful of societies and members to the single largest association of cooperatives operating on a Pan-African basis. This growth has occurred with limited external resources and reflects equally the commitment of African leadership within the movement and the appropriateness of the institution to the needs and the cultural contexts of credit union membership.

3.41 The Role of Women

The role of women in the African credit union movement varies with the cultural and social differences of the continent. In Lesotho

women represent as high as 75 percent of credit union membership and are prominent on credit union boards and national staff. In most countries a minimum of 30 percent of membership is comprised of women. While participation on boards and committees locally and nationally is uneven, there are significant instances of women playing prominent roles in the movement, including representation on ACOSCA's board.

In assessing credit unions and the role of women, it is important to recognize that in a significant number of African cultures, women have traditionally held important roles in economic and social life. The advent of monetary economies has imperiled this role. Modern commercial, financial institutions--government and private sector--are male-dominated. Women find it difficult to obtain credit for trade and other enterprise and to meet the costs of children's health and education for which they are traditionally responsible. It is significant that credit unions are the only institution that protects the rights of women members to the extent that they cannot be used as a co-signer for their husbands without express voluntary permission.

ACOSCA's leadership has a strong commitment to enhancing the role of women in credit unions and the Board has formally committed its resources to development of programs that increase both the membership of women and their participation in leadership roles. During 1980 a women's workshop will be held in West Africa leading to

country programs that are aimed at these objectives.

3.5 Environmental Impact

(See Annex 1)

4. Implementation Arrangements

As the recognized Pan-African apex body for savings and credit cooperatives, ACOSCA has ultimate responsibility for the implementation, monitoring and coordination of this project. However, in recognition of certain manpower shortages, CUNA will provide two technical assistance advisors as previously specified.

A.I.D. financial support for ACOSCA and CUNA will be provided through a joint grant agreement between A.I.D. and ACOSCA/CUNA, with both ACOSCA and CUNA as co-signatories under the grant. A.I.D. funding in support of ACOSCA will be allotted to and administered by REDSO/EA. ACOSCA may request an advance of funds in amount not to exceed three months of the estimated expenditures eligible for A.I.D. funding. Funding for the technical assistance provided by CUNA will be provided by AID/W in the same manner under which funds were made available under AID/afr-C-1079; i.e., direct reimbursement.

Support provided to ACOSCA under this project shall be retroactive to cover costs incurred after January 1, 1980, and which were not otherwise covered by residual funds remaining in AID/afr-C-1079. This provision is made in recognition of certain delays that occurred during the development of this new support agreement and to assure the continuity of ACOSCA operations.

A project advisory committee will be constituted for oversight and will meet semi-annually to review project achievements and to prepare recommendations for future implementation. It is recommended that the advisory committee include the ACOSCA Executive Secretary, the ACOSCA Board Chairman or designee, the project liaison officer for A.I.D./REDSO/EA, representatives of donor

groups participating and available, and a representative of the World Council of Credit Unions.

The advisory committee would review in detail the project objectives and self-sufficiency strategy results for the six-month period. Where appropriate they would recommend to ACOSCA's Board and Management modification in the project objectives, rescheduling, addition or deletion as appropriate.

A.I.D. will assign a project liaison officer from the REDSO/EA staff to serve on the project advisory committee and maintain contact with ACOSCA and project personnel as well as to provide within the limits of existing constraints, those technical support services and advice that may facilitate project implementation.

With respect to project planning and management, ACOSCA through its Board and Executive Secretary will be designated as the final authority with advice and assistance provided through CUNA technical advisors, A.I.D.'s project liaison officer, and, periodically, the project advisory committee. The specific responsibilities and roles of each have been outlined above.

4.1 Implementation Schedule

The major activities in project implementation will follow the schedule below:

<u>Date</u>	<u>Activity</u>	<u>Responsibilities</u>
3/80	Project Approved	A.I.D./W
3/80	Allotment of funds	A.I.D./W
3/80	Project Advisor nominated	CUNA/ACOSCA
3/80	Grant signed	A.I.D./CUNA/ACOSCA
4/80	Project Advisor on board	CUNA/ACOSCA
4/80	ACOSCA Chief, Education recruitment initiated	ACOSCA
6/80	ACOSCA Chief, Education selected and employed	ACOSCA

<u>Date</u>	<u>Activity</u>	<u>Responsibilities</u>
7/80	Submit training plan for AID approval	ACOSCA
12/80	First twelve OD Program objectives completed	ACOSCA/CUNA
12/80	Training Program objectives I.1, I.2 and I.6 completed	ACOSCA/CUNA
12/80	ACOSCA 5.0% self-sufficient	ACOSCA
3/81	Project Advisory Committee meets	Advisory Committee
6/81	Fourteen OD Program objectives completed	ACOSCA
6/81	Training Project objectives completed through I.9	ACOSCA
6/81	SRTC Training Advisor placed	ACOSCA/CUNA
9/81	Project Advisory Committee meets	Advisory Committee
12/81	Three OD Program objectives completed	ACOSCA
12/81	Training Project Objectives II.1-2, 9-10, 14 completed	ACOSCA
12/81	ACOSCA 8.8% self-sufficient	ACOSCA
12/81	Submit training plan for AID approval	ACOSCA
3/82	Project Advisory Committee meets	Advisory Committee
4/82	Project Evaluation initiated	A.I.D. et.al
6/82	Five-Year Development Plan assessed; new plan drafted	ACOSCA

(Continued on page 35.)

<u>Date</u>	<u>Activity</u>	<u>Responsibilities</u>
6/82	Twenty OD Program objectives completed	ACOSCA
6/82	Training Project objectives II.4-8 and II.12 Completed	ACOSCA
8/82	Project Evaluation completed	A.I.D. et al.
8/82	Project Advisory Committee meets	Advisory Committee
8/82	Biennial Meeting Reviews and Adopts Five-Year Development Plan	Biennial Delegates
12/82	Two OD Program objectives completed	ACOSCA
12/82	Two National Association Training Officer Courses complete (12 TOs trained)	ACOSCA
12/82	ACOSCA 12.0% self-sufficient	ACOSCA
3/83	Advisory Committee meets	Advisory Committee
6/83	Fifteen OD Program objectives completed	ACOSCA
6/83	Six National Courses completed (300 cu officials; 24 national association staff)	ACOSCA
6/83	Advisory Committee meets	ACOSCA
12/83	Fourteen OD Program objectives completed	ACOSCA
12/83	One National Association Course; Six National Courses completed (300 cu officials; 30 national association staff)	ACOSCA
12/83	First Year Objectives Five-Year Plan completed	ACOSCA
12/83	ACOSCA 12.0% self-sufficient	ACOSCA
3/84	Advisory Committee meets	Advisory Committee
4/84	Follow-on Project Decision reached	ACOSCA/A.I.D.
6/84	End-of-Tour SRTC technician	ACOSCA/CUNA
6/84	Four OD Program objectives completed	ACOSCA
6/84	Six National Courses completed outputs as above	ACOSCA
9/84	Advisory Committee meets	Advisory Committee
12/84	Remaining OD Program objectives completed	ACOSCA
12/84	Six National Courses completed	ACOSCA
12/84	Second Year Objectives Five-Year Plan completed	ACOSCA
12/84	ACOSCA 14.8% self-sufficient	ACOSCA
12/84	Final Advisory Committee meeting	Advisory Committee
12/84	Final Project Reporting complete	ACOSCA/CUNA/A.I.D.

4.2 Records

The standard records established by A.I.D. Contracts for special support grants must be maintained by the grantees. ACOSCA will agree to maintain and have audited those records and financial statements necessary to meet grant terms and conditions and to measure achievement of project objectives.

4.3 Project Evaluation

Informal evaluation will occur throughout the life of the project through the activities of ACOSCA and CUNA advisory personnel. Every three months a monitoring report will be prepared jointly indicating the status of all objectives undertaken during the period as well as specifying those that will be targeted for the next three month period. Where objectives have not been achieved as specified, an analysis and appropriate recommendations will be made. Copies will be circulated to all members of the project advisory committee. Reports of all training programs undertaken will be made and will include statement of objectives, pre-training assessment of trainee skills, post-training assessment of trainees in relation to objectives, and analysis of failures to produce desired objectives with appropriate recommendations. Monthly financial statements will be prepared along with budget variance analyses and appropriate corrective action taken if indicated. With initiation of a second Five-Year Development Plan in 1983, periodic assessment of plan progress against objectives will be prepared. A project advisory committee (see above) will meet twice annually to review progress in all major project components and will make appropriate recommendations to the ACOSCA Board and management.

A major substantive outside evaluation should take place in the latter part of Year 2 or early in Year 3. This evaluation will measure project performance against all stated objectives for the period, identify and analyze any significant failures, and will include recommendations for any required modifications to overall project design.

4.4 Goods and services financed by AID under the project will have their source and origin as specified in AID Handbook 16, Supplement B, Chapter and 18, 16B1c/ and Handbook 13, Chapter 4. Advice on procurement procedures will be provided by the REDSO/EA Regional Supply Advisor and/or Regional Contract Officer.

4.5 Conditions, Covenants and Negotiating Status

1. Within three months after the execution of the grant agreement and before the assignment of the CUNA Regional Training Advisor to the SRTC, ACOSCA agrees to submit a training plan for A.I.D. review and acceptance. Said plan will contain the information specified in Section 2.21 (page 17) of this document and cover planned training activities through December 31, 1981.

2. Prior to December 31, 1981, ACOSCA agrees to submit a revised training plan for A.I.D. review and approval covering the period from January 1, 1982 to December 31, 1984. Said plan will contain the same information as required under paragraph 1, above.

3. Technicians provided to ACOSCA by CUNA shall be approved by ACOSCA prior to their assignment overseas.

Project Country : Regional
Project Title : Support to Regional Organizations/ACOSCA
Funding : FY(s) 1980-1984 - \$2,670,000
Period of Project : Five Years
IEE Prepared by : B. Boyd

Environmental Action Recommended: Negative Determination
Concurrence : E. Dennis Conroy, AFR/RA

E. Dennis Conroy

AA Decision:

Approved: *[Signature]*

Disapproved: _____

Date: 3/24/84

3.5

A.I.D. Regulation 16 requires that this A.I.D. financed action be examined from the viewpoint of its potentiality for having a significant effect on the human environment. If the result of this project indicates the action will not have a significant detrimental effect on the human environment, then an official finding to this effect called a "Negative Determination" must be signed by the Assistant Administrator of the relevant A.I.D. Bureau.

Findings:

The purpose of the project is to support African Cooperative Saving and Credit Association's (ACOSCA's) efforts to expand and strengthen the regional credit union movement. The project seeks to strengthen the rural infrastructure by increasing access to services vital to meeting basic human needs. Credit Unions offer a place and the encouragement to save. They help ensure that money is available for emergencies and provide loans for a variety of purposes. An incentive to income growth starts from savings leading to investments. As the project will have no significant effect on the environment, it is recommended that a Negative Determination be approved.

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
<p>Program or Sector Goal:</p> <p>To accelerate growth of domestic household savings in Africa and to expand the volume of lending to lower and lower-middle income Africans for productive and provident (education & health) purposes.</p>	<p>Measures of Goal Achievement:</p> <ol style="list-style-type: none"> 1. Total cu movement membership of 1.85 million 2. Total movement savings of \$215 m. 3. Cumulative loan volume of \$649 m. 4. BIN Loan Programs operating in 5 affiliate countries; lending concentrated in poor majority membership and productive/provident portfolio. 5. Five national interlending programs operating; plan for international interlending formulated. 	<p>ACOSCA and national association statistics verified by acceptable sampling methods.</p>	<p>Assumptions for achieving goal target:</p> <p>Continuation of government support in countries where affiliates operate. Stable or improving economic environment with some abatement of inflation</p>
<p>Project Purpose:</p> <p>To strengthen and improve ACOSCA's capability to assist the growth of credit unions in Africa through training, managerial, and financial services.</p>	<p>Conditions that will indicate purpose has been achieved. BOP Status:</p> <ol style="list-style-type: none"> 1. Current 5-Year Plan Objectives realized; new plan prepared and approved. 2. OD Objectives Achieved: functions defined; personnel performing adequately. 3. Training system defined; supporting syllabus, materials, etc. prepared; instructors display competence as determined by trainee performance; 4. ACOSCA 10% self-sufficient; 10 na at 50% or higher. 	<ol style="list-style-type: none"> 1. ACOSCA, national association statistics verified by evaluation; 2. Procedural descriptions; assessment of staff performance; 3. Training manuals, materials, and evaluations of training programs as well as performance of trainee sample; 4. ACOSCA financial statements; national association financial statements. 	<p>Assumptions for achieving purpose:</p> <p>Resources permit retention of qualified staff; Inflationary impact on major ACOSCA/national association cost factors within levels projected; Technical resources available within Africa of acceptable quality; Other donor commitment to education/training continues.</p>
<p>Outputs:</p> <ol style="list-style-type: none"> A. ACOSCA and national association professional staff trained; B. Credit union officers trained; C. ACOSCA technical assistance to 24 national affiliates; D. Improved national support to 10,000 credit unions; E. Increased ACOSCA and national association revenues; F. ACOSCA and national-level functions defined and documented. 	<p>Magnitude of Outputs:</p> <ol style="list-style-type: none"> 1. 17 ACOSCA and 200 National staff participate in 450 personweeks training; 2. 10,000 personweeks cu officer training completed; 3. 18 national associations with detailed technical support plans in effect; 4. Cumulative ACOSCA revenues increased by \$85k; national associations by \$225k. 5. Manual of function definitions for ACOSCA and national-level. 	<ol style="list-style-type: none"> 1. Records of training programs conducted by ACOSCA; 2. Records of training programs conducted by ACOSCA and affiliates; 3. National association records. 4. ACOSCA and national association income and expense statements compared with 1980 projected trends. 5. Manuals prepared. 	<p>Assumptions for achieving outputs:</p> <p>Continuity of ACOSCA and national staff; Available qualified personnel and resources within continent; Other donor funds made available at projected levels Continued ACOSCA/national affiliate commitment to training and education</p>
<p>Inputs:</p> <p><u>U.S. Resources</u></p> <ol style="list-style-type: none"> A. U.S. technical services B. Locally-contracted technical services C. Budget support D. Training of Personnel E. Equipment & Supplies F. Other Resources <p><u>Other Resources</u></p>	<p>Implementation Target (type and quantity)</p> <ol style="list-style-type: none"> 1. long-term (\$4 pm); short-term (10pm) 2. short-term (\$5-100 pm) 3. HQ admin, Ed.&Trng Dept, SRTC 4. on-the-job counterpart (84 pm) 5. \$25,000 for items specified 6. CUNA, NCUA technical personnel at no project cost 	<ol style="list-style-type: none"> 1. USAID program records 2. ACOSCA and USAID program records 3. ACOSCA and USAID program records 4. ACOSCA and USAID program records 5. ACOSCA and USAID program records 6. ACOSCA records 	<p>Assumptions for achieving outputs:</p> <p>Qualified personnel available Qualified personnel/other resources available Projections account adequately for inflation factor</p>

ANNEX 3
(AID/afr-G-1079)

QUANTIFICATION OF GRANT PROJECT PROGRESS *

ACOSCA

Indicator	Projected EOP	SOP	12/77	12/78	12/79
National Affiliates	22	11	21	22	22
Countries with Credit Union Programs	33	22	32	32	34
CU Members in ACOSCA Affiliated Countries	636,000	424,000	1,135,749	1,272,298	1,400,000
Credit Unions in ACOSCA-Affiliated Countries		8,476	9,636	9,845	10,906
Rural credit unions as % of all credit unions established in ACOSCA-Affilia- ted Countries	25%	?	65%	75%	75%
ACOSCA Affiliates Savings (\$ millions)	49.2	24.6	79.7	95.7	118.6
ACOSCA Affiliates Loans Outstanding (\$ millions)	46.6	23.3	50.9	68.9	78.7
ACOSCA Dues Revenues (\$ thousands)	29.8	4.485	29.885	22.105	13.032*
Affiliates with Cen- tral Finance Depts.	5	2	5	5	6

SRTC

Trng. Programs During Year		1	4	3	3
Cumulative Programs		0	11	14	17
Number Trained		20	61	98	53
Cumulative		0	290	297	450

* As of 12/31/79

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Annex 4

NON-AID DONOR SUPPORT TO ACOSCA
1976 - 1981*

Donor	1976	1977	1978	1979	1980*	1981*	TOTAL
Misereor	\$ 4,000	-	14,326	18,651			\$36,977
CUNA Mutual Insurance Co.	32,565	41,564	67,178	51,801	57,934	62,240	313,282
Michigan CU League	2,625	2,500	2,500				7,625
World Council	3,000	-	25,010	29,402			47,412
Worldwide Foundation	9,750	9,305	9,400	2,000			30,455
Konrad Adenauer Foundation	9,212	12,435	18,952	17,496	173,637**	20,728	252,460
CIHA-CCCS-CIDR		34,728	20,127	86,488	119,708	127,519	388,570***
Rabobank		40,693	67,765	90,270	79,004	42,813	320,545+
Catholic Fund for Overseas Development		1,827	10,123	5,969			17,919
Credit Mutuel			2,216				2,216
EZE			23,984				23,984
Bread for the World			51,022	47,607			98,629
CEBEMO				30,162	35,000		65,162
ICCO					83,720		83,720
TOTAL	61,152	143,052	302,603	379,846	549,003	253,300	1,688,956

* Data for 1976 through 1979 based on audited ACOSCA Statements of Income and Expenditure and reflect funds actually received from donors during calendar year; 1980 through 1981 figures represent estimated commitments and are partial.

** Includes one-time donation of approximately \$150,000 to retire ACOSCA House mortgage.

*** Data through 1979 is partial and includes only those project funds received by or passed through ACOSCA for use in Eastern Region and Western Region Training Programs.

+ 1980 through 1981 estimates do not reflect projected Rabobank central finance program estimated at \$285,000 for 1980 through 1984.

Note: Donor contributions cited are those directly provided to ACOSCA in support of confederation activities. These represent only a proportion of donor contributions to credit union development in Africa.

ANNEX 5

Job Descriptions

CUNA Training Advisors

STATEMENT OF DUTIES

JOB TITLE ACOSCA Headquarters Training Technician DEPARTMENT CUNA/GPO

DESCRIPTION OF WORK

1. Functional Areas of Responsibility

- A. Institutional Development
- B. Training Design and Implementation
- C. Action Planning
- D. Monitoring
- E. Reporting
- F. Representation and Liaison

2. Process Responsibility by Functional Area

A. Institutional Development

In collaboration with the ACOSCA, Chief Education and Training:

1. ACOSCA

- 1.1 Carry out an institutional analysis including a listing of all functions and processes necessary to ACOSCA's Organizational goals and objectives; specify factors affecting discrepancies in process performance; and periodically document relevant process objectives commensurate with ACOSCA's development priorities.
- 1.2 Identify Service Objectives of ACOSCA affiliates meeting the ACOSCA identified criteria.
- 1.3 Prepare an Institutional Development Plan reflecting ACOSCA's development objectives and its affiliates service objectives.
- 1.4 Monitor progress of achieving institutional development plan objectives.
- 1.5 Carry out an annual assessment of progress in achieving specified Process and Intermediate Objectives of the development plan.
- 1.6 Identify all ACOSCA functional areas, processes essential to ACOSCA's operations.
- 1.7 Identify and define all ACOSCA positions and document detailed job descriptions for each including process responsibilities and skill requirements.

ACOSCA Headquarters Training Technician

2. National Associations

- 2.1 Identify and define all processes related to national association development and service objectives including the functional areas of:
 - 2.1.1 Organizational Goal and Policy statements
 - 2.1.2 Institutional Development
 - 2.1.3 Program and Financial Planning
 - 2.1.4 Organizational Maintenance
 - 2.1.5 Service to Credit Unions
- 2.2 Carry out an analysis of national association institutional performance based on identified and defined criteria.
- 2.3 Design a national association development plan based on the institutional analysis to include an action plan, personnel responsibilities, budget, and sources of financial and technical assistance.

B. Training Design and Implementation

1. Prepare an appropriate training design model including identification and definition of each task involved in implementing the following:
 - 1.1 Institutional Analysis
 - 1.2 Training Needs Analysis
 - 1.3 Definition of Trainee Population
 - 1.4 Definition of Training Strategy
 - 1.5 Developing Training Objectives
 - 1.6 Training Program Implementation
 - 1.7 Training Evaluation and Redesign
2. Carry out National Association Training Needs Analysis based on Training System Design.
3. Develop appropriate national association and ACOSCA Regional Training Strategies in coordination with national association managers and ACOSCA Regional Trainers.
4. Prepare training materials relevant to national association and ACOSCA Training activities.
5. Implement training programs for national association, credit union and ACOSCA personnel based on the needed skills development identified in Institutional analysis.
6. Carry out and document training evaluation and training redesign as needed.

ACOSCA Headquarters Training Technician

C. Action Planning

Prepare and submit to ACOSCA Executive Secretary detailed Action Plans for agreed upon periods.

D. Monitoring

1. ACOSCA Affiliates

1.1 Ensure scheduled completion and submission of Monitoring Reports (based on scheduled Process and Intermediate Objectives) to ACOSCA Executive Secretary and WOCCU.

1.2 In coordination with ACOSCA Executive Secretary, prepare and transmit to concerned National Associations, technicians and WOCCU, specific recommendations concerning problems encountered in implementing Action Plans.

2. ACOSCA

Prepare and submit periodic Monitoring Reports to ACOSCA Executive Secretary and WOCCU, identifying actual achievements in relation to Action Plan Process and Intermediate Objectives and, where indicated, recommendations concerning problems encountered.

E. Reporting

Using required formats, prepare and submit according to schedule, any reports required by ACOSCA, the National Association, WOCCU and/or donor organizations.

F. Representation and Liaison

1. With ACOSCA Affiliates and Government Authorities

1.1 Defines and ensures mutual agreement on responsibilities and obligations of all concerned parties in relation to development and implementation of training activities.

1.2 Identifies and employs the most effective methods and channels of communication with responsible authorities of National Associations, Governments and donors.

1.3 Determines the nature and manner of communications in order to ensure:

1.3.1 mutual agreement on Development objectives;

1.3.2 timely completion of management, monitoring and reporting requirements;

1.3.3 efficiently handling of potential emergency situations;

1.3.4 efficient prosecution and successful promotion of ACOSCA and WOCCU programs and interests.

ACOSCA Headquarters Training Technician

2. With donor and Other Support Agencies
 - 2.1 Identifies, establishes and maintains contact with donor and other support agencies and their representatives in area of operation.
 - 2.2 Identifies and employs most effective methods of providing general and specific information on ACOSCA programs and potential projects, designed to attract, maintain and enhance technical, financial and material support.

STATEMENT OF DUTIES

JOB TITLE ACOSCA Southern Region Training Technician DEPARTMENT CUNA/GPO

DESCRIPTION OF WORK

1. Functional Areas of Responsibility

- A. Institutional Development
- B. Training Design and Implementation
- C. Action Planning
- D. Monitoring
- E. Reporting
- F. Representation and Liaison

2. Process Responsibility by Functional Area

A. Institutional Development

In collaboration with the ACOSCA, Chief Education and Training, the Regional Manager and Training Officer

1. ACOSCA

- 1.1 Identify Service Objectives of ACOSCA affiliates meeting the ACOSCA identified criteria.
- 1.2 Monitor progress of achieving ACOSCA institutional development plan objectives.

2. National Associations

- 2.1 Identify and define all processes related to national association development and service objectives including the functional area of:
 - 2.1.1 Organizational Goal and Policy statements
 - 2.1.2 Institutional Development
 - 2.1.3 Program and Financial Planning
 - 2.1.4 Organizational Maintenance
 - 2.1.5 Service to Credit Unions
- 2.2 Carry out an analysis of national association institutional performance based on identified and defined criteria.
- 2.3 Design a national association development plan in collaboration with the managers and directors based on the institutional analysis to include an action plan, personnel responsibilities, budget, and sources of financial and technical assistance.

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ACOSCA Southern Region Training Technician

B. Training Design and Implementation

1. Prepare an appropriate training design model in collaboration with the ACOSCA Chief of Education and Training including identification and definition of each task involved in implementing the following:
 - 1.1 Institutional Analysis
 - 1.2 Training Needs Analysis
 - 1.3 Definition of Trainee Population
 - 1.4 Definition of Training Strategy
 - 1.5 Developing Training Objectives
 - 1.6 Training Program Implementation
 - 1.7 Training Evaluation and Redesign
2. Carry out National Association Training Needs Analysis based on Training System Design.
3. Develop appropriate national association and ACOSCA Regional Training Strategies in coordination with national association managers and ACOSCA Regional Trainers.
4. Prepare training materials relevant to national association and ACOSCA Training activities.
5. Implement training programs for national association, credit union and ACOSCA personnel based on the needed skills development identified in Institutional analysis.
6. Carry out and document training evaluation and training redesign as needed.

C. Action Planning

Prepare and submit to ACOSCA Chief of Education and Training and ACOSCA Executive Secretary detailed Action Plans for agreed upon periods.

D. Monitoring

1. ACOSCA Affiliates

- 1.1 Ensure scheduled completion and submission of Monitoring Reports (based on scheduled Process and Intermediate Objectives) to ACOSCA Executive Secretary.
- 1.2 In coordination with ACOSCA Chief of Education and Training, prepare and transmit to concerned National Associations, specific recommendations concerning problems encountered in implementing Action Plans.

2. ACOSCA

Prepare and submit periodic Monitoring Reports to ACOSCA Chief of Education and Training and ACOSCA Executive Secretary, identifying

ACOSCA Southern Region Training Technician

actual achievements in relation to Action Plan Processes and Intermediate Objectives and, where indicated, recommendations concerning problems encountered.

E. Reporting

Using required formats, prepare and submit according to schedule, any reports required by ACOSCA, the National Associations, WOCCU and/or donor organizations.

F. Representation and Liaison

1. With ACOSCA Affiliates and Government Authorities

- 1.1 Defines and ensures mutual agreement on responsibilities and obligations of all concerned parties in relation to development and implementation of training activities.
- 1.2 Identifies and employs the most effective methods and channels of communication with responsible authorities of National Associations, Governments and donors.
- 1.3 Determines the nature and manner of communications in order to ensure:
 - 1.3.1 Mutual agreement on development objectives;
 - 1.3.2 Timely completion of management, monitoring and reporting requirements;
 - 1.3.3 Efficiently handling of potential emergency situations;
 - 1.3.4 Efficient prosecution and successful promotion of ACOSCA and WOCCU programs and interests.

2. With Donor and Other Support Agencies

- 2.1 Identifies, establishes and maintains contact with donor and other support agencies and their representatives in area of operation.
- 2.2 Identifies and employs most effective methods of providing general and specific information on ACOSCA programs and potential projects, designed to attract, maintain and enhance technical, financial and material support.

Annex 6.0

International Credit Union System

INTERNATIONAL CREDIT UNION SYSTEM

(As of December 1978)

	REGIONAL LEVEL	NATIONAL LEVEL	LOCAL LEVEL	Credit Unions	Members	Savings ¹	Loans Outstanding ¹
WORLD COUNCIL OF CREDIT UNIONS	AFRICA CO-OPERATIVE SAVINGS AND CREDIT ASSOCIATION (ACOSCA)	Benin Cameroon Ethiopia Ghana Ivory Coast Kenya Lesotho Liberia Malawi Mauritius Nigeria Senegal Sevchelles Sierra Leone Swaziland Tanzania Togo Uganda Upper Volta Zaire Zambia		10,906	1,351,511	\$118.6	\$78.7
	ASIAN CONFEDERATION OF CREDIT UNIONS (ACCU)	Republic of China Hong Kong Indonesia Japan Korea Papua New Guinea Philippines Thailand		3,662	1,388,782	\$191.5	\$167.1
	AUSTRALIAN FEDERATION OF CREDIT UNION LEAGUES (AFCUL)	6 States and 2 Territories		638	1,067,988	\$1,159.5	\$1,038.3
	CANADIAN COOPFRATIVE CREDIT SOCIETY (CCCS)	10 Provinces and 2 Territories		3,727	9,007,884	\$18,627.8	\$14,778.1
	CARIBBEAN CONFEDERATION OF CREDIT UNIONS (CCCU)	Antigua Barbados Belize Dominica Grenada Guyana Jamaica Montserrat St. Kitts-Nevis-Anguilla St. Lucia St. Vincent Surinam Trinidad and Tobago		481	306,629	\$95.5	\$95.9
	CREDIT UNION NATIONAL ASSOCIATION - USA (CUNA)	50 States and the District of Columbia		21,935	40,289,198	\$52,591.6	\$50,636.1
	LATIN AMERICAN CONFEDERATION OF CREDIT UNIONS (COLAC)	Bolivia Brazil Chile Colombia Costa Rica Dom. Republic Ecuador El Salvador Guatemala Honduras Mexico Neth. Antilles Nicaragua Panama Paraguay Peru Uruguay Venezuela		2,239	2,185,026	\$315.6	\$329.5
	FREE STANDING LEAGUES	Fiji Great Britain Ireland New Zealand		1,104	549,290	\$201.1	\$190.7
			TOTAL	44,692	56,146,308	\$73,301.3¹	\$67,314.4

Source: World Council of Credit Unions
International Annual Report 1978-1979

Notes: ¹Amounts in millions of U.S. dollars
Figures may not add due to rounding

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Annex 7.

AID BUDGET SUPPORT TO ACOSCA

ADMINISTRATION DEPARTMENT BUDGET SUPPORT

(US\$)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTAL</u>
<u>SALARIES</u>						
Exec. Secy. (See ACOSCA Contribution)						
Asst. Exec. Secy	17,050	18,755	20,631	22,694	24,963	104,093
Accountant	11,000	12,100	13,310	14,641	16,105	67,156
Asst. Accountant	5,852	6,437	7,081	7,789	8,568	35,727
Bilingual Translator	7,260	7,986	8,785	9,663	10,629	44,323
Admin. Assistant	8,349	9,184	10,102	11,113	12,224	50,972
Secretary--Gr. I	7,547	8,302	9,132	10,045	11,050	46,076
Receptionist	1,584	1,742	1,917	2,108	2,319	9,670
Custodian/Messenger	1,471	1,618	1,780	1,958	2,154	8,981
Watchman-Exec. Secy.	2,081	2,289	2,518	2,770	3,047	12,705
Driver	2,625	2,888	3,176	3,494	3,843	16,026
Gardner	986	1,085	1,193	1,312	1,444	6,020
Day Watchman	1,287	1,416	1,557	1,713	1,884	7,857
Night Watchman	<u>980</u>	<u>1,078</u>	<u>1,186</u>	<u>1,304</u>	<u>1,435</u>	<u>5,983</u>
TOTAL SALARIES	68,072	74,880	82,368	90,613	99,665	415,598
<u>FRINGE BENEFITS</u>						
Post Adj. Allowance	26,697	29,367	32,303	35,537	39,087	162,991
Pens. Contribution(7½%)	5,105	5,616	6,178	6,796	7,475	31,170
Social Insr.&Permits (Pd. by ACOSCA)	-	-	-	-	-	-
Home Leave	3,800	11,400	4,500	13,000	5,500	38,200
Insurance	6,382	7,020	7,722	8,494	9,344	38,962
Others	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>2,000</u>	<u>10,000</u>
TOTAL FRINGE BENEFITS	43,984	55,403	52,703	65,827	63,406	281,323
<u>TRAVEL & TRANSPORTATION</u>						
<u>International Travel</u>						
Asst. Exec. Secy.	7,000	7,700	8,500	9,500	10,500	43,200
Accountant	5,000	5,500	6,000	6,500	7,000	30,000
Admin. Assistant	5,500	6,000	6,500	7,000	7,500	32,500

Annex 7 ., Cont.

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTAL</u>
Bilingual Translator	5,500	6,000	6,700	7,500	8,200	33,900
Others	<u>5,500</u>	<u>6,000</u>	<u>6,700</u>	<u>7,500</u>	<u>8,200</u>	<u>33,900</u>
SUB-TOTALS	28,500	31,200	34,400	38,000	41,400	173,500
Vehicle Running Expenses	<u>3,800</u>	<u>4,200</u>	<u>4,600</u>	<u>5,000</u>	<u>5,400</u>	<u>23,000</u>
TOTAL TRAVEL & TRANS- PORTATION COSTS	32,300	35,400	39,000	43,000	46,800	196,500
<u>OFFICE EXPENSES</u>						
Stationery&Supplies	9,105	10,016	4,968	-	-	24,089
Communications	5,000	5,000	5,000	5,000	5,000	25,000
Main. & Repairs	3,000	3,000	3,000	3,000	3,000	15,000
Other Office Expenses	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>5,000</u>
TOTAL OFFICE EXPENSES	18,105	19,016	13,968	9,000	9,000	69,089
TOTAL USAID BUDGET SUPPORT REQUESTED	<u>162,461</u>	<u>184,699</u>	<u>188,039</u>	<u>208,440</u>	<u>218,871</u>	<u>962,510</u>

Annex 8

EDUCATION, TRAINING, AND INFORMATION DEPARTMENT BUDGET SUPPORT

(US\$)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
<u>SALARIES</u>						
Department Chief	14,080	15,488	17,037	18,740	20,615	85,960
Typist	<u>3,564</u>	<u>3,920</u>	<u>4,312</u>	<u>4,744</u>	<u>5,218</u>	<u>21,758</u>
TOTAL SALARIES	17,644	19,408	21,349	23,484	25,833	107,718
<u>FRINGE BENEFITS</u>						
Post Adj. Allowance	4,400	4,840	5,324	5,856	6,442	26,862
Pen. Contribution (7½%)	1,323	1,456	1,601	1,761	1,937	8,078
Social Insr. & Permits (Paid by ACOSCA)	-	-	-	-	-	-
Relocation/Home Leave	3,000	-	3,600	-	4,000	10,600
Insurance	<u>294</u>	<u>323</u>	<u>355</u>	<u>391</u>	<u>430</u>	<u>1,793</u>
TOTAL FRINGE BENEFITS	9,017	6,619	10,880	8,008	12,809	47,333
Travel-Chief	<u>14,000</u>	<u>15,000</u>	<u>16,000</u>	<u>17,000</u>	<u>18,000</u>	<u>80,000</u>
TOTAL USAID BUDGET SUPPORT REQUESTED	<u>40,661</u>	<u>41,027</u>	<u>48,229</u>	<u>48,492</u>	<u>56,642</u>	<u>235,051</u>

Annex 9

SOUTHERN REGION TRAINING CENTRE

(LESOTHO)

<u>EXPENSE ITEMS</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
<u>Personnel Costs:</u>						
Salary of Regional Mgr.	12,100	13,310	14,641	16,105	17,716	73,872
Salary of Asst. Regional Manager	7,920	8,712	9,583	10,542	11,596	48,353
Salary of Secretary	3,850	4,235	4,659	5,124	5,637	23,505
Benefits of Regional Mgr.	4,048	4,453	4,898	5,388	5,927	24,714
Benefits of Asst. Regional Manager	2,112	2,323	2,566	2,811	3,092	12,904
Benefits of Secretary	385	424	466	512	564	2,351
TOT. PERSONNEL COSTS	<u>30,415</u>	<u>33,457</u>	<u>36,813</u>	<u>40,482</u>	<u>44,532</u>	<u>185,699</u>
Staff Travel	12,500	13,600	14,700	15,800	16,900	73,500
<u>Office Expenses:</u>						
Supplies	1,997	2,196	2,416	2,657	2,923	12,189
Cost of Space	2,396	2,635	2,899	3,189	3,508	14,627
Communications	<u>1,000</u>	<u>1,100</u>	<u>1,200</u>	<u>1,300</u>	<u>1,400</u>	<u>6,000</u>
	5,393	5,931	6,515	7,146	7,831	32,816
<u>Training Costs:</u>						
Transportation of Students	11,000	12,100	13,310	14,641	16,105	67,156
Course Admin.	16,000	17,000	18,000	19,000	20,000	90,000
Educational Materials	<u>3,300</u>	<u>3,600</u>	<u>4,000</u>	<u>4,500</u>	<u>5,100</u>	<u>20,500</u>
Total Training Costs	30,300	32,700	35,310	38,141	41,205	177,656
Miscellaneous Costs	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>5,000</u>
TOTAL COSTS	<u>79,608</u>	<u>86,688</u>	<u>94,338</u>	<u>102,569</u>	<u>111,468</u>	<u>474,671</u>

Annex 10.0

ACOSCA TRAINING PROJECT BUDGET

(US\$)

<u>EXPENSE ITEMS</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
1. TRAINING COSTS						
1.1 Consultants	5,000	5,000	-	-	-	\$ 10,000
1.2 Trng. Accomodations	2,000	2,200	2,420	2,650	3,000	12,270
1.3 Trng. Materials	6,000	6,500	5,000	5,000	4,000	26,500
1.4 Office Supplies/ Communications	3,500	4,500	2,500	2,500	2,500	15,500
1.5 Printing	3,000	2,500	-	-	-	5,500
1.6 Audio-Visual Equipment	4,000.	7,000	-	-	-	11,000
1.7 ACOSCA Regional Officer Trng.	<u>12,000</u>	<u>14,000</u>	<u>7,500</u>	<u>5,000</u>	<u>2,500</u>	<u>41,000</u>
TOTAL TRAINING COSTS	35,500	41,700	17,420	15,150	12,000	121,770
2. ACOSCA TECHNICIANS COSTS						
<u>2.1 ACOSCA Hdqs.</u>						
2.11 Salary*	18,975	27,830	30,615	33,675	9,261	120,356
2.12 Benefits*	4,364	6,400	7,040	7,744	2,130	27,678
2.13 Allowances, (Housing, Educ., etc.)*	8,500	12,100	13,310	14,641	5,000	53,551
2.14 Home Leave	-	-	12,500	-	-	12,500
2.15 Equipment	3,000	-	-	-	-	3,000
2.16 Relocation	20,000	-	-	-	30,000	50,000
2.17 Travel/Per Diem	<u>8,000</u>	<u>11,000</u>	<u>12,100</u>	<u>13,310</u>	<u>5,000</u>	<u>49,410</u>
SUB-TOTALS	62,839	57,330	75,565	69,370	51,391	316,495
<u>2.2 ACOSCA South- ern Region</u>						
2.21 Salary	-	24,200	26,620	29,280	-	80,100
2.22 Benefits	-	5,566	6,125	6,740	-	18,431
2.23 Allowances	-	12,100	13,310	14,641	-	40,051
2.24 Home Leave	-	-	16,000	-	-	16,000

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Annex 10.0, Cont.

<u>EXPENSE ITEMS</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
2.25 Equipment	-	2,000	-	-	-	2,000
2.26 Relocation	-	21,000	-	26,000	-	47,000
2.27 Travel/Per Diem	<u>-</u>	<u>5,500</u>	<u>6,050</u>	<u>6,655</u>	<u>-</u>	<u>18,205</u>
SUB-TOTAL	-	70,366	68,105	83,316	-	221,787
2.3 Indirect Costs (Overhead)*	<u>11,954</u>	<u>32,779</u>	<u>36,058</u>	<u>39,662</u>	<u>5,834</u>	<u>126,287</u>
TOTAL TECHNICIAN SUPPORT COSTS	<u>71,793</u>	<u>163,475</u>	<u>179,728</u>	<u>192,348</u>	<u>57,225</u>	<u>664,569</u>
TOTAL TRAINING & TECHNICIANS' COSTS	<u>110,293</u>	<u>202,175</u>	<u>197,148</u>	<u>207,998</u>	<u>69,225</u>	<u>786,339</u>

* Technician estimated to be in place from April 1, 1980 to March 31, 1984 (4PY).

Annex 11
Budget Details
Back-up Details for Tables I and II

Annex 11

ACOSCA REGIONAL DEVELOPMENT PROPOSAL
PROJECT BUDGET

(US\$)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
<u>CUNA</u>						
Salaries	18,975	52,030	57,235	62,955	9,261	200,456
Fringe Benefits	4,364	11,966	13,165	14,484	2,130	46,109
Travel	28,000	37,500	46,650	45,965	35,000	193,115
Allowances	8,500	24,200	26,620	29,282	5,000	93,602
Equipment	7,000	9,000	-	-	-	16,000
Consultants	5,000	5,000	-	-	-	10,000
Training Costs	20,000	22,700	14,920	12,650	9,500	79,770
Other Direct Costs	6,500	7,000	2,500	2,500	2,500	21,000
Overhead	<u>11,954</u>	<u>32,779</u>	<u>36,058</u>	<u>39,662</u>	<u>5,834</u>	<u>126,287</u>
TOTAL CUNA GRANT	110,293	202,175	197,148	207,498	69,225	786,339
<u>ACOSCA</u>						
Salaries	109,586	120,545	132,600	145,868	160,447	669,046
Fringe Benefits	52,746	57,822	63,413	69,546	76,298	319,825
Travel	78,585	87,206	88,532	98,557	100,070	452,950
Equipment	5,890	5,354	4,868	4,425	4,023	24,560
Consultants	31,756	28,868	26,244	23,858	21,689	132,415
Training	30,300	32,700	35,310	38,141	41,205	177,656
Other Direct Costs	<u>24,498</u>	<u>25,947</u>	<u>21,483</u>	<u>17,146</u>	<u>17,831</u>	<u>106,905</u>
TOTAL ACOSCA SUB-GRANT	333,361	358,442	372,450	397,541	421,563	1,883,357
TOTAL PROJECT COST	<u>443,654</u>	<u>560,617</u>	<u>569,598</u>	<u>605,039</u>	<u>490,788</u>	<u>2,669,696</u>

Annex 12

ACOSCA CONTRIBUTION

(US\$)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>	<u>5-YEAR TOTALS</u>
<u>SALARIES</u>						
Exec. Secretary	19,250	21,175	23,293	25,622	28,184	117,524
<u>FRINGE BENEFITS</u>						
Pension/Social Insr.	1,757	1,932	2,125	2,338	2,572	10,724
Life Insurance	294	323	355	391	430	1,793
Post Adj. Allowances	<u>8,712</u>	<u>9,583</u>	<u>10,542</u>	<u>11,596</u>	<u>12,756</u>	<u>53,189</u>
TOTAL FRINGE BENEFITS	10,763	11,838	13,022	14,325	15,758	65,706
<u>TRAVEL & TRANSPORTATION</u>						
International Travel of Exec. Secretary	11,500	12,700	14,000	15,000	16,000	69,200
<u>OFFICE EXPENSES</u>						
Stationery & Supplies	-	-	6,049	12,119	13,331	31,499
Communications	-	-	-	7,615	22,916	30,531
Depreciation & Util.	<u>14,029</u>	<u>15,432</u>	<u>16,975</u>	<u>18,673</u>	<u>20,540</u>	<u>85,649</u>
TOTAL OFFICE EXP.	14,029	15,432	23,024	38,407	56,787	147,679
Board Expenses	9,409	25,254	36,592	42,180	48,621	162,056
WOCCU Dues	<u>12,735</u>	<u>13,449</u>	<u>14,164</u>	<u>14,879</u>	<u>15,594</u>	<u>70,821</u>
TOT. ACOSCA CONTRIBUTION	<u>77,686</u>	<u>99,848</u>	<u>124,095</u>	<u>150,413</u>	<u>180,944</u>	<u>632,986</u>

Annex 13

ACOSCA Self-Sufficiency Strategy

During the course of the project, ACOSCA will demonstrate progress toward financial self-reliance. The ACOSCA Board and management has committed the organization to a strategy of accelerated progress toward self-reliance through a combination of cost reduction and exploiting income potential. During the period, ACOSCA-generated revenues should increase from \$77,500 to \$180,000, totaling \$630,000 for the five years. Conditions will also have been established for initiation of international inter-lending which, ultimately, will be the single major source of revenue for ACOSCA.

The confederation has adopted a strategy for achieving financial self-sufficiency by approximately 1992. Briefly stated, the strategy involves cost reductions in some areas as well as increases in earned revenues. Board actions include reduction in the number of employees and official vehicles initially projected in ACOSCA's Five Year Development Plan; minimization of international training programs in favor of country-specific courses; use of less-costly training facilities; a phased increase in assumption of international meeting costs by affiliates.

In relation to increased earned revenues, it is necessary to recognize that ACOSCA's present and potential revenues are largely functions of the total savings generated by the movement. Annual dues income from affiliates is 8/100 of 1% of their total movement savings; insurance earnings are only as large as the total savings (and loans) insured; and international lending, ACOSCA's major future revenue source, must be extended in rough proportion of each country's savings. Two key elements of ACOSCA's self-sufficiency strategy are: 1) increasing savings growth rates by improving management--and member confidence in--movement institutions at all levels; and 2) assisting affiliates to overcome restrictions on currency movement so that affiliates can remit dues, insurance program commissions and capitalization requirements. As salary- and wage-earners' credit unions rapidly build significant savings levels, ACOSCA will strongly encourage development of more workplace credit unions.

Examination of proforma Income and Expense Statements for the next five years suggest the level of self-support to be attained during the project. Two points require explanation in examining

progress toward self-sustaining financial operation. First, experience with COLAC in Latin America, as well as other third-world service organizations, indicates that heavy expenditures are required in the early years to establish an infrastructure that after a relatively extended period will result in the growth and volume of services that permit self-sufficiency. Initially, revenues will be small and costs high, but as the system grows, new services are added and revenues thus derived will accelerate. ACOSCA's revenue base is total movement-wide savings (TMS). Initially, revenues as a percent of TMS are small (currently 0.05% of TMS for ACOSCA). However, as the movement grows, economies of scale take hold and unit costs decline. At the same time, unit revenues increase, as new services such as international lending are added and more national associations are able to use them. In the case of ACOSCA, future unit costs, revenues and levels of self-support are estimated as follows:

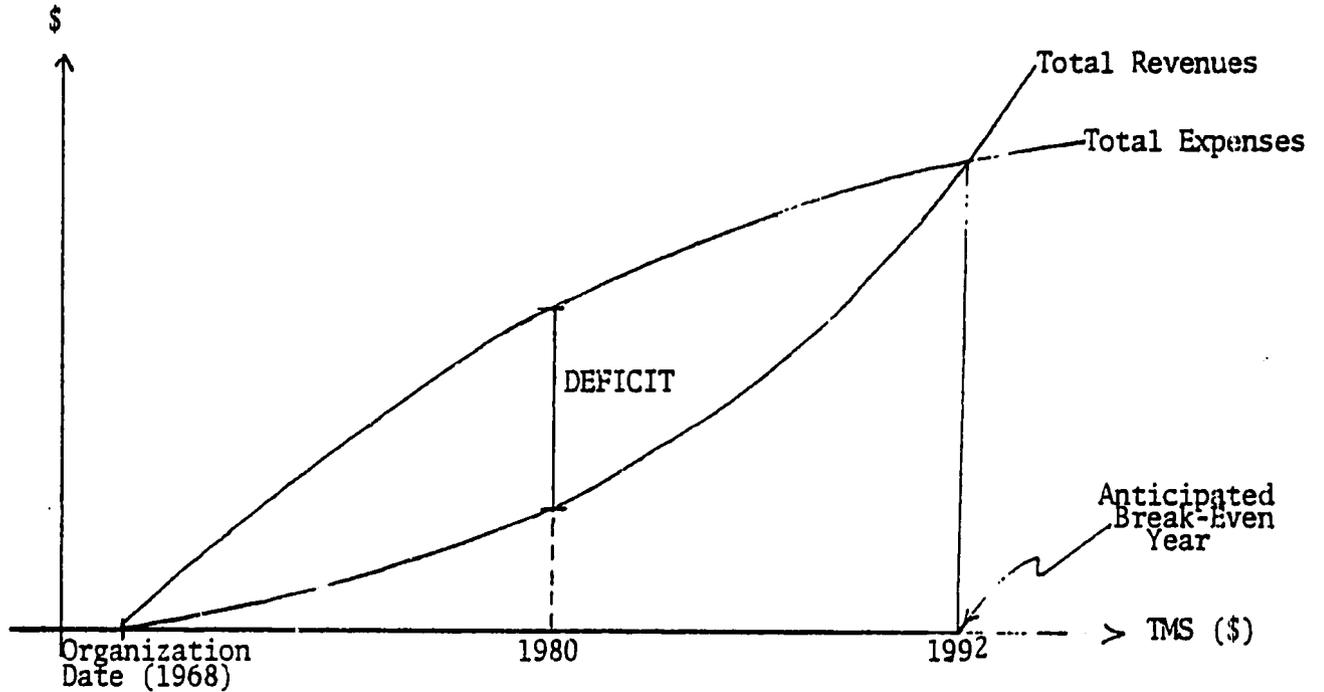
<u>ACOSCA COST AND REVENUE STRUCTURE</u>				
<u>YEAR</u>	<u>Mid-Year TMS (\$ millions)</u>	<u>Unit Cost (% of TMS)</u>	<u>Unit Revenues (% of TMS)</u>	<u>Per Cent Self-Supporting</u>
1980	\$ 148.9	0.59	0.05	8.8
1982	209.4	0.49	0.06	11.9
1984	282.4	0.43	0.07	14.8
1986	367.9	0.41	0.10	24.4
1988	465.9	0.39	0.15	38.5
1990	576.5	0.36	0.24	66.7
1992	699.7	0.34	0.34	100.0

ACOSCAPROFORMA INCOME & EXPENSE STATEMENTS(1980-1984)
(US \$)

	<u>1980</u>	<u>1981</u>	<u>1982</u>	<u>1983</u>	<u>1984</u>
<u>INCOME</u>					
Dues from Affiliates	59,639	76,214	95,805	112,376	133,794
Insurance Commissions	18,047	23,634	30,230	38,037	47,150
Total Earned Income	<u>77,686</u>	<u>99,848</u>	<u>124,095</u>	<u>150,413</u>	<u>180,944</u>
<u>GRANTS</u>					
A.I.D.	282,730	312,414	330,606	359,501	386,901
CUNA Mutual Instr. Society	84,447	90,090	96,429	103,002	110,752
Rabobank (Holland)	46,784	50,232	52,811	56,690	60,322
C.C.C.S/C.I.D.A. (Canada)	277,539	301,678	330,918	352,774	379,733
Other Donors	109,419	69,530	102,765	66,609	107,353
Total Grant Income	<u>800,885</u>	<u>823,944</u>	<u>913,529</u>	<u>938,576</u>	<u>1,041,141</u>
TOTAL INCOME	878,571	923,792	1,037,624	1,088,989	1,222,085
<u>EXPENSES</u>					
<u>HEADQUARTERS</u>					
Salaries	151,691	166,867	183,547	201,901	222,093
Fringe Benefits	73,367	91,812	85,418	109,478	102,336
Travel & Transportation	91,100	99,706	109,300	118,500	127,400
Office Expenses	70,656	76,113	81,893	88,033	94,665
Board Expenses	27,700	31,810	36,592	42,180	48,621
Biennial Meetings	40,000	-	50,000	-	60,000
WOCOU Dues	12,735	13,449	14,164	14,879	15,594
Other Expenses	54,175	55,675	57,175	58,675	60,175
Total Headquarters Expenses	<u>521,424</u>	<u>538,426</u>	<u>618,089</u>	<u>633,646</u>	<u>730,884</u>
<u>REGIONAL OFFICES</u>					
Lome	102,204	107,895	114,004	120,674	127,853
Nairobi	73,471	81,829	88,617	98,318	106,021
Maseru	79,608	86,688	94,338	102,569	111,468
Bamenda	46,962	51,728	56,631	61,684	66,902
Bobo Dioulasso	26,203	28,844	31,687	34,750	38,057
Bukavu	28,699	31,382	34,258	37,348	40,900
Total Reg'l Office Costs	<u>357,147</u>	<u>388,366</u>	<u>419,535</u>	<u>455,343</u>	<u>491,201</u>
Total Expenses	878,571	923,792	1,037,624	1,088,989	1,222,085
NET INCOME	-0-	-0-	-0-	-0-	-0-
‡ SELF-SUFFICIENCY	8.8%	10.8%	12.0%	13.8%	14.8%

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In graphical terms, ACOSCA's (and other credit union confederations') fiscal development resembles the following:



ACOSCA is near the mid-point of an estimated 22-year march toward self-sufficiency. Since it still has not reached the midpoint, ACOSCA's absolute deficit should increase during the next three to four years before starting to decline. Once that point is reached, however, the progress toward self-sufficiency will accelerate rapidly, assuming realization of the impetus incorporated in this project.

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Annex 13 (page 6)

The U.S. and other developed cooperative movements rely to a large extent on dues to sustain national-level organizations. It is important to recognize that this is not and cannot be the case in developing world areas. ACOSCA dues revenues are the final deduction from a limited revenue generation. Until total movement savings have reached much greater levels, dues income can only be a small portion of total ACOSCA potential revenues. To meet operating costs at current dues rates, movement savings would have to approximate \$1.1 billion. During the project period dues revenues are expected to rise from about 6 percent of costs to 11 percent. Ultimately they should contribute between 15 and 20 percent of ACOSCA's total revenues. Charges for services, commissions on risk management insurance, and margin on inter-lending will be the major future sources of revenue.