

The international
assistance arm of the
National Association
of Evangelicals, USA

World Relief 
Jerry Ballard, executive director

PD-AAZ-392
ISN 61508

WORLD RELIEF/AID MATCHING GRANT

Annual Report
June 1, 1988 -- May 31, 1989

Grant Number:	OTR-0292-A-00-7131-00
Total Project Cost:	\$3,670,000.00
Total USAID Match:	\$1,850,000.00
Total World Relief Match:	\$1,820,000.00

Submitted By: Bastian Vanderzalm
Associate Executive Director
World Relief
Date: April 27, 1989

P.O. Box WRC
Wheaton, Illinois 60189

Phone: 312-665-0235
TLX: 4971827 FAX: 312-653-8023

ANNUAL REPORT
WORLD RELIEF/AID MATCHING GRANT
JUNE 1, 1988 -- MAY 30, 1989

Table of Contents

1.0	<u>Background to Grant & Project Context</u>	
1.1	Organizational Background	Page 1
1.2	Project Context	Page 1
1.3	Project Funding	Page 2
2.0	<u>Project Methodology</u>	
2.1	Project Goals & Strategies	Page 3
2.2	Key Inputs & Outputs	Page 4
2.3	Comparison of Proposed & Actual Accomplishments	Page 5
3.0	<u>Monitoring & Evaluation</u>	
3.1	Baseline Data	Page 7
3.2	Targets	Page 7
3.3	Critical Indicators of Effectiveness	Page 7
3.4	Benchmarks of Project Progress	Page 7
3.5	Monitoring Plan	Page 8
3.6	Evaluation Plan	Page 8
3.7	Mid-Term Assessment	Page 8
4.0	<u>Country Review & Analysis</u>	
4.1	Bangladesh	Page 8
4.2	Burkina Faso	Page 12
4.3	Guatemala	Page 16
4.4	Haiti	Page 21
4.5	Philippines	Page 26
4.6	Senegal	Page 28
4.7	Sri Lanka	Page 31
4.8	Honduras	Page 34
5.0	<u>Management Review & Analysis of HQ/Support Functions</u>	
5.1	Project Planning & Mgmt Activities	Page 37
5.2	Staff Resources	Page 38
5.3	Training	Page 38
5.4	Logistical Support	Page 39
5.5	Technical Assistance	Page 39
5.6	Project Fund-Raising & Marketing	Page 40
5.7	Role of Board of Directors	Page 40
5.8	Development Education	Page 40

World Relief Matching Grant
Table of Contents
Page 2

6.0 Financial Report

6.1	Project Financial Overview	Page 40
6.2	Proposed Budget compared with Actual Expenditures	Page 40
6.3	Letter of Credit Procedures	Page 41
6.4	Fund-Raising Plans & Activities	Page 42
6.5	PVO Cost-Share	Page 42

7.0 Lessons Learned from Second Project Year

7.1	Institution Building	Page 43
7.2	Sustainability	Page 43
7.3	Women In Development	Page 45
7.4	Loan Repayment Methodologies	Page 45
7.5	Collaboration With Other Agencies	Page 45

8.0 Recommendations for Third Project Year

8.1	To Project Leadership & World Relief	Page 46
8.2	To Country & Local Leaders as well as Donors & Other Organizations Seeking Similar Impacts	Page 46

9.0 Attachments

9.1	Project Financial Overview
9.2	PVO Organizational Financial Overview
9.3	1987-1992 Revised Budgets
9.4	Country Data Sheets (9)
9.5	Original Logical Framework
9.6	Revised Logical Framework
9.7	Resume: Ken Graber
9.8	Consultants Report on Burkina Faso
9.9	Methodology, Project Strategy, Key Inputs, Key Outputs, & Target Groups as Outlined in First Annual Project Report

WORLD RELIEF MATCHING GRANT ANNUAL REPORT

Executive Summary

On June 1, 1987, World Relief implemented a five year AID/World Relief matching grant designed to improve World Relief's ability to provide technical assistance in income generation to its counterpart organizations. Activities funded under the grant included the appointment of an income generation technical specialist at the World Relief headquarters, the use of workshops and other training methodologies to develop income generation capabilities among seven specific World Relief counterparts, and support for counterpart project staff to conduct over 110 income generation projects in the field.

During the first year of the project, World Relief concentrated primarily on activities related to project start-up. The reporting, administrative, and financial systems needed to support the project were established. World Relief's counterparts appointed income generation project staff and began to develop income generation projects. World Relief also initiated a new counterpart relationship with ASIDE, a Guatemalan organization serving over 30 tribal Indian groups in Guatemala. Finally, World Relief's regional directors provided training and technical support to the seven counterparts involved in the project.

During the second year of the project, World Relief began the process of more intensive project implementation at the field level, contracted with two development consultants to provide baseline data and initial program evaluation for six of the seven countries involved, and employed an income generation specialist to work out of the World Relief headquarters office in Wheaton, Illinois. While there have been some delays in the implementation of the grant as outlined in the annual report for the first year, project activities are generally following the plan outlined in the initial proposal.

Plans for the third project year include an increased emphasis on training for field staff by the income generation specialist, the integration of income generation activities funded by this grant in World Relief child survival programs which are also funded by AID, and expansion of the grant into Honduras.

Total project expenditures for the first two years of the grant amounted to \$1,164,418. Of this amount, World Relief provided \$573,675 and AID provided \$590,743. Since World Relief had planned to spend a total of \$1,460,000 for this period, a spending variance of \$295,582 occurred. World Relief expects to increase project activity during the next two years of the grant and should reach planned spending levels by the end of year four of the grant.

1.0 BACKGROUND TO THE GRANT AND PROJECT CONTEXT

1.1 Organizational Background:

World Relief is a wholly-owned subsidiary and the international relief and development arm of the National Association of Evangelicals (NAE), a membership organization consisting of 50,000 evangelical churches representing 4 million church members from more than 70 denominations in the U.S. As a result of its relationship with the NAE, World Relief is also associated with the Evangelical Foreign Missions Association, which includes 81 member missions and over 10,000 missionaries. Finally, World Relief is related to the World Evangelical Fellowship which represents national associations of evangelical churches in 56 countries.

The purpose of World Relief is to enable evangelical churches to improve the welfare of poor and suffering people in the countries where these churches are located. The strategy used by World Relief to accomplish this purpose is to develop counterpart organizations in those countries where it supports development project activity. These counterpart organizations, which generally represent the indigenous evangelical churches located in each country, enable these local churches to implement development projects in their communities. As a result, these counterpart organizations must develop the ability to define needs, design effective projects to respond to these needs, and operate and evaluate those development projects which have been approved for funding.

World Relief implements this strategy by providing the training and technical support needed by its counterparts to carry out their work of project design, operation, and evaluation. As a result, World Relief conducts training workshops and employs staff who advise World Relief's counterparts in the establishment of effective administrative, financial, and program delivery systems.

1.2 Project Context:

World Relief has successfully used leadership training and management development techniques to establish an international network of counterpart organizations. While it will continue to use these skills to maintain and develop this network, World Relief has recognized that the nature of the assistance required by its counterparts is changing. Many World Relief counterparts now have the administrative and programmatic skills required to create, operate, and evaluate effective development projects. However, these projects often involve a variety of development methodologies and objectives, forcing World Relief's counterparts to stretch their limited resources across a number of technical areas. As a result, some projects lack a strong technical foundation and therefore are not as effective as they could be.

To address this problem, World Relief has determined that projects carried out by its counterparts should focus on specific technical areas in order to be more effective. After consultation with its counterparts and a review of various technical alternatives, World Relief selected income generation as the primary technical area which was most compatible with the goals, expertise, and current operational methodologies of its counterparts.

Since the initial matching grant proposal was written and accepted, World Relief has also received AID grants for three child survival projects. Two of these child survival projects are in Haiti and Bangladesh, countries also included in this matching grant. As a result, World Relief is also exploring ways to integrate income generation action activities into its child survival initiatives in order to strengthen the impact and benefits of both programs.

Seven countries were included in the initial grant as the focus for project activity. These countries were selected on the basis of the following criteria:

1. Presence of a socio-economic infrastructure which would contribute to the success of income generation strategies.
2. Presence of a World Relief counterpart with a mature management base and significant experience in the operation of development programs.
3. Willingness by the counterpart to cooperate in this project and commitment to the concept of income generation.
4. Potential for continuation of income generation activities beyond the life of this project.
5. Location in countries eligible for AID assistance.
6. Natural contacts with the field which would permit the rapid identification of income generation opportunities.

1.3 Project Funding:

Funds provided by the matching grant are used to improve World Relief's capability to provide technical support to its counterparts and to strengthen the ability of selected World Relief counterparts to develop income generation projects. World Relief's primary source of funds are contributions received from the private sector. While these donors support the use of World Relief's counterpart network as the delivery mechanism for the projects supported by their contributions, it has been difficult to develop an adequate amount of private funding to improve the effectiveness of these counterparts.

Matching grant funds have enabled World Relief to overcome this obstacle by providing the resources needed to improve its own development expertise as well as its ability to strengthen the capabilities of its counterpart network.

Most of the World Relief counterparts involved in this project receive private and governmental support in addition to the funds provided by World Relief. Funds provided by these sources are normally committed to specific projects and include some support for counterpart administrative expenses. Despite the increasing availability of non-World Relief funds that can be used to support project activities and administrative operations, counterparts continue to look to World Relief for assistance in improving and strengthening their institutional capabilities.

As World Relief counterparts grow in their ability to develop effective income generation projects, outside funding sources for these projects should increase. In addition, assuming an adequate repayment rate, funds provided to income generation projects will also become available for recycling to new projects.

2.0 PROJECT METHODOLOGY

2.1 Project Goals and Strategies:

The goal of this project is to improve the ability of evangelical Christian churches to respond to human need by providing significant development assistance to them so that they can provide direct assistance to the poor in their own communities.

The purpose of this project is to develop World Relief's ability to provide technical assistance primarily in the area of income generation and secondarily in the areas of agriculture and women in development to its related counterparts so that these counterparts will develop the ability to carry out effective income generation projects on their own. This purpose has expanded somewhat during the second year of the project to include the integration of income generation activities in child survival programs conducted by World Relief.

The objectives of the project as outlined in the first annual report include the following:

1. Development of World Relief's ability to provide technical assistance in income generation to its counterparts.

2. Development of the ability of seven World Relief counterparts to successfully design, implement, and evaluate income generation projects in the field.
3. Development of 184 income generation projects in seven countries. 75% of these projects will still be operating at the end of the project.

For the third year of the grant, World Relief proposes to modify these objectives as follows:

1. No change in the first objective.
2. Increase the number of counterparts involved in the grant from seven to eight by integrating income generation activities into the child survival program carried out by World Relief's counterpart in the Olancho area of Honduras.
3. No change in the third objective.

The approach to achieving these objectives involves the employment of key income generation staff located at the World Relief headquarters as well as in each counterpart program office. The income generation specialist located at the World Relief headquarters will provide training in income generation programming to the counterpart income generation staff. Funds will also be provided to counterparts to initiate income generation projects which will serve as the basis for on-site training and staff development.

The methodology for this project has not changed substantially from the detailed description presented in the first annual report which is included in the appendix to this report. The primary methods involve training, consultation, evaluation, and actual project implementation to achieve the objectives of the project.

The project strategy has not changed substantially from the detailed description presented in the first annual report which is included in the appendix to this report. The primary elements of this strategy include the identification and training of key staff, the successful implementation of income generation projects in the field, and the development of an ongoing funding base for continued project activities after this grant is concluded.

2.2 Key Inputs and Outputs:

The first annual report provided a detailed listing of key inputs, outputs, and target groups, related to the strategy outlined above. A copy of this information may be found in the appendix to this report.

During the second year of the project, World Relief has modified its understanding of these key inputs, outputs, and target groups as follows:

1. While World Relief's counterparts in Africa continue to focus on farmers as the primary target group for their income generation projects, inputs to this strategy no longer include the use of travel by project agriculturalists from one country to another. A revised strategy involves the use of regional training centers and experimental growing methods developed by outside consultants. This represents a modification of key input #2 in the first annual report.
2. Women in development staff in Burkina Faso will not travel to Senegal as planned because of a decision to reduce the scope of project activity in Senegal and because of the demands of substantial WID project expansion in Burkina Faso. This represents a change in key input #3 of the first annual report.
3. World Relief proposes an expansion of this project to the Olancho province of Honduras where it expects to implement a child survival project funded by AID. This represents an addition to the target groups and to output #2 as outlined in the first annual report.

2.3 Comparison of Proposed and Actual Accomplishments:

2.3.1 Proposed accomplishments. On the basis of the initial proposal and the additions and modifications proposed in the first year annual report, World Relief planned to achieve the following during the second year of the project:

1. Hire an income generation specialist to join World Relief's headquarters staff. This was planned for the first year of the grant but was delayed until the second year of the grant.
2. Complete the process of negotiating cooperative agreements with each counterpart involved in the grant.
3. Conduct an income generation workshop in Haiti.
4. Assist counterparts in establishing at least six new income generation projects. At least two of these projects would focus on the needs of women.
5. Assist counterparts in preparing a study of the economic environment in each country and developing strategies for income generation projects which would have the greatest economic benefit.
6. Establish contact with other U.S. voluntary organizations involved in implementing income generation projects overseas.

7. Produce manuals outlining procedures and strategies needed for the development of income generation projects by World Relief counterparts.

2.3.2 Actual accomplishments during the second year of the project:

1. An income generation specialist was employed during the last quarter of the second project year. The specialist is Ken Graber, whose resume may be found in the appendix to this report.
2. A team of two consultants was employed on a retainer basis for five months to conduct baseline studies and project reviews in all project countries except Senegal. The information prepared by the consultants will serve as the basis for an analysis of the economic environment and those income generation strategies which would have the greatest economic benefit in each country.
3. Training activities for project staff occurred in all project countries.
4. Eighty projects were implemented by World Relief counterparts during the second project year. At least 12 of these projects focused on the specific needs of women.
5. Three one-day meetings involving World Relief regional directors and consultants were held to discuss progress and issues related to the project.

2.3.3 Explanation of variances. Most accomplishments occurred as planned. However, the following significant variances require further explanation:

1. The income generation specialist was employed later than expected. This delay occurred as a result of organizational changes in the human resource function at the headquarters of World Relief and the demand placed on headquarters program staff by a number of major natural disasters which occurred during the first half of the project year. A consultant team was employed during the middle of the project year to obtain baseline data, evaluate projects, and provide informal training in income generation to field staff. In addition, regional directors were actively involved in the administration of the project. As a result, the functions of the income generation specialist were carried out by others in the organization.
2. The income generation workshop scheduled for Haiti was not held as a result of the change in training strategy described in the first annual report. Training was

provided to all counterpart income generation staff involved in the project. However, this training varied in content and duration.

3.0 MONITORING AND EVALUATION

3.1 Baseline Data: Baseline data have not changed significantly from that outlined in the proposal and the first annual report. The consulting study in process at this time should provide the remaining baseline data which has not been obtained to date.

3.2 Targets: In this annual report, World Relief proposes an expansion of the target groups described in the proposal to include two counterparts expected to implement a World Relief/AID child survival project in the Olancho Province of Honduras.

3.3 Critical Indicators of Effectiveness: Critical indicators related to project success have not changed from the following:

1. Number and type of training activities conducted.
2. Number of projects initiated by World Relief counterparts.
3. Change in income and employment status of project participants.
4. Ability of World Relief counterparts to develop income generation projects which are approved for funding by sources outside of the matching grant.
5. Loan repayment rates.
6. Number of projects which are able to continue past the first cycle of funding.
7. Number of counterparts not included in this project which receive training in income generation from World Relief staff.

3.4 Benchmarks of Project Progress:

Proposal	1st Program Year		2nd Program Year	
	Goal	Accomplished	Goal	Accomplished
Projects started:	14	18	36	80
Projects completed:	0	0	0	0
Counterparts in place:	7	7	7	7
Workshops held:	1	0	1	0
Loan repayment rates:	90%	NA	90%	NA
Add'l counterparts trained:	0	0	0	0
Projects funded by others:	0	0	0	NA
Number employed:	NA	NA	NA	NA
Increase in income:	NA	NA	NA	NA

The 80 projects started include the following: Bangladesh (4), Burkina Faso (40), Guatemala (12), Haiti (5), Philippines (7), Senegal (5), and Sri Lanka (7). Those categories listed as not available (NA), will be completed by the income generation specialist during the third project year. The data for workshops is not fully-relevant due to the change in training strategy outlined in the first annual report.

3.5 Monitoring Plan: The project has been monitored during the second project year by the three World Relief regional directors and by the World Relief associate executive director for international programs with the assistance of a consulting team which visited each of the countries except Senegal. Three meetings were held by the regional directors to discuss progress made in the grant. In addition, each counterpart received at least two site visits in the second project year.

While the existing World Relief project reporting system is providing project information as needed, the income generation specialist will establish a specific income generation reporting system which will provide the information needed to evaluate all aspects of project performance.

3.6 Evaluation Plan: Evaluation plans remain as outlined in the project proposal.

3.7 Mid-Term Assessment and Final Evaluation: A mid-term evaluation by outside consultants will be coordinated by the income generation specialist during the third project year. One of the consultants involved will be a woman. Project impact on women will be included in the scope of work for the evaluators.

4.0 REVIEW AND ANALYSIS OF PROJECT RESULTS BY COUNTRY

4.1 BANGLADESH:

The Christian Service Society (CSS) in Bangladesh has successfully conducted a variety of income generation projects for many years. Thousands of Bangladeshis in the area around Khulna, Bangladesh, are involved in cooperatives and village groups which receive loans from CSS for agricultural projects, start-up capital for small businesses, tools to improve productivity of fishermen and farmers, etc.

An important feature of the CSS income generation program involves the integration of a child survival program supported by AID into the income generation programs which CSS has operated for a number of years. This is an exciting possibility which was not anticipated in the matching grant proposal.

World Relief is exploring this integration of child survival and income generation programs for several reasons:

1. By grafting the child survival health message into an established community development program, CSS plans to increase the long-term effectiveness of the child survival program as well as its sustainability and acceptance by the communities served by CSS.
2. World Relief hopes that the use of CSS' income generation strategies and infrastructure to carry out child survival programs will produce child survival strategies which are sustainable and effective. Village health workers will receive loans and other forms of economic assistance to promote their involvement in the child survival programs. Since these loans will cycle back into the program, the possibility exists that the costs for sustaining a child survival program may be significantly reduced.

4.1.1 Outputs: 1,000 families received loans which enabled them to start or expand small businesses. These loans provided pumps for irrigation of land, seed for small farmers, boats for fishermen, and capital to purchase stock for women engaged in selling raw and finished products in the market.

4.1.2 Effects on Target Groups: CSS projects that most of those participating in its micro-enterprise projects will experience a doubling of annual incomes as a result. World Relief plans to evaluate CSS projects during the third year of the project and should have a more reliable understanding of the effects on target groups as a result of that evaluation.

4.1.3 Problems Encountered: During the second year of this project, Bangladesh suffered two severe disasters--the country-wide floods of August, 1988, and the cyclone of January, 1989. Since these disasters affected all CSS project areas, much of the energy of CSS staff was committed to assisting disaster victims. In addition, many participants in CSS small loan programs lost everything they had as a consequence of the disasters. This reduced the size of the CSS revolving fund considerably since many beneficiaries could not repay. Finally, during the second project year, CSS was involved in the start-up of a child survival project funded by AID. This project will be integrated into the income generation activities supported by this matching grant. Given the need to stabilize the child survival project before introducing income generation activities, CSS had to postpone some of its income generation activities until the next project year when the project can absorb these additional activities more successfully.

CSS addressed the problems created by the natural disasters by transitioning from its disaster response efforts to rehabilitation and long-term development as quickly as possible. Within a few weeks of both disasters, CSS had reestablished its income generation projects and was providing new loans to those in its service areas. CSS revolving loan funds, which had been depleted by the inability of its beneficiaries to repay as a result of the two disasters, were restored through substantial contributions from a number of Western relief and development organizations. Finally, CSS did not remove the unpaid loans from its books but simply rescheduled the repayments over a longer period of time as a requirement for approving new loans. As a result, CSS should emerge from this very difficult period with a stronger revolving loan fund and an increased level of micro-enterprise activity among its beneficiaries.

4.1.4 Impact on Local Institutions, Policies and People: By increasing income for thousands of families, CSS projects have also generated jobs and income for many others who are not related to the projects themselves. These people benefit from the increased purchasing power of CSS project beneficiaries because they sell goods and services to CSS beneficiaries which the beneficiaries could not afford if they had not received assistance from CSS. Furthermore, CSS purchases of supplies and equipment for project activities also stimulate other local businesses and suppliers. Finally, CSS programs provided credit to those who would otherwise be the victims of usurious credit requirements imposed on the very poor by unscrupulous land-owners and businessmen.

4.1.5 Unintended Effects: No apparent unintended effects have occurred during the second year of the project.

4.1.6 Planned Accomplishments:

1. Establish four income generation projects.
2. Provide training to income generation specialists from World Relief counterparts in other Asian countries.
3. Integrate income generation and child survival projects.

4.1.7 Actual Accomplishments:

1. Four different types of projects were established involving the sale of pumps to sharecroppers reclaiming flooded land, the construction and loan of boats to fisherman, the loan of seed to small farmers, and the loan of capital to purchase stock for women selling goods in the market. These projects involved over 1,000 families.

2. The training for Asian counterparts was not implemented.
3. Initial steps to integrate income generation and child survival projects were taken.

4.1.8 Explanation of Variances:

1. Despite the two major disasters, CSS project activity exceeded expectations for three reasons: the tremendous need for assistance among the disaster victims, the strategy of CSS to respond to disaster by increasing small loan activities, and the additional support available for CSS programs from Western donors responding to CSS' requests for disaster assistance funds.
2. The demands imposed on CSS by the two major disasters which occurred during the past year prevented World Relief from arranging visits to CSS by income generation staff from other Asian counterparts. These visits will be rescheduled for the third project year.
3. The integration of income generation projects into the CSS child survival project was delayed as a result of CSS' need to focus on the start-up of the child survival project itself. This start-up process was also impacted and delayed by the two disasters which occurred since these disasters forced all CSS staff to mobilize for several weeks of disaster response efforts and made it impossible for CSS' beneficiaries to focus on non-emergency needs.

4.1.9 Problems Which May Affect Final Project Objectives:

1. Leadership Succession: Paul Munshi, who has directed CSS since 1972, is reaching the age where he may have to retire for reasons of health or age. World Relief has discussed this potential problem with Mr. Munshi. He has identified several possible successors who are being groomed to take his place. At the same time, World Relief plans to scale back the level of its support to CSS to a point where project activity can be administered effectively by those who will eventually succeed Mr. Munshi.
2. Project Complexity: CSS continues to add to the diversity of its project activity by exploring such areas as cooperative shrimp-farming and fish pond production. These new areas involve income generation strategies which have great potential, offer the security of reducing risk by diversifying the CSS' project portfolio, and are being encouraged by the government. However, the added complexity and

technical demand of these new projects could overwhelm the ability of the CSS to maintain its momentum in some of its basic project areas. As a result, CSS should avoid new technical areas of project activity until adequate feasibility testing has been undertaken and additional staff with sufficient technical understanding and ability are recruited.

3. Additional Major Disasters: Bangladesh suffers from natural disasters each year and CSS has learned to adjust to these disasters in such a way as to minimize any disruption to its projects. However, additional disasters at the scope and level of the two which occurred during the second project year may weaken the strength and capacity of CSS to continue its projects since much of it would be forced to concentrate on disaster response and the continual rebuilding of its development project infrastructure. CSS will have to address this need by reducing its project scope so that it will not be as vulnerable to major disasters and by incorporating such "disaster proof" elements in its projects as protective dikes, elevated housing, and the support of businesses which can quickly be restored after a disaster strikes.

4.1.10 Plans for Next Project Year:

1. Maintain current level of project development.
2. Strengthen relationship with USAID mission in Dhaka.
3. Provide training to counterpart representatives from the Philippines and Sri Lanka.
4. Conduct an evaluation of CSS financial and administrative systems as well as impacts on project participants and others in the communities served by CSS.
5. Document project outcomes for projects supported by the grant in its second year of operation.
6. Initiate a process of leadership training for several CSS program staff who have been identified as possible replacements for the CSS director within the next five years.
7. Continue the process of integrating income generation and child survival programs.

4.2 BURKINA FASO:

World Relief Burkina Faso (WRBF) is an indigenous PVO with a national director and a national board of advisors. WRBF projects focus on agricultural training, women in development, water resource development, and emergency food assistance in response to the current famine emergency. During the past year,

WRBF has received over \$600,000 in contributions from European and Canadian organizations. This level of financial support demonstrates the growing capability of WRBF and the increased confidence which it has received from donors outside of World Relief.

WRBF income generation activities include a variety of projects for women, including credit programs for grain mills, community gardens, donkey cart cooperatives, and crafts such as weaving and soap-making. Two full-time trained women-in-development coordinators are assigned to these projects. WRBF conducts projects in 17 of the 30 provinces in Burkina Faso.

A key component of the WRBF income generation projects involves the use of two WRBF agricultural training centers supported by funds from other sources. These training centers are exploring various farming methods and products which could substantially increase the income of many farmers in Burkina Faso. As these methods are developed and refined, WRBF will increase its agricultural extension activities and integrate income generation training and project development into these extension efforts.

4.2.1 Outputs: During the second year of the project, WRBF implemented 40 new projects and was involved in 49 villages in projects which benefitted 9,619 people.

4.2.2 Effects on Target Groups: Most projects supported by WRBF are community-based. Effects on communities where WRBF projects are underway include the following:

1. Dissemination of Improved Growing Methods: Villagers who have completed their studies at the WRBF training center have received loans of seeds and tools to implement what they have learned in their own villages. Other villagers are beginning to copy the methods employed by the training center graduates and are experiencing an increase in income as a result.
2. Improvements in Village Life: Women involved in grain mill cooperatives established by WRBF are not using profits from the grain mills for personal use but to implement a variety of village-wide improvement schemes including community gardens, revolving credit funds, and village cultural and aesthetic improvements.

4.2.3 Problems Encountered:

1. Limitations of Current Agricultural Methodology: WRBF projects for small farmers encourage the use of improved growing methods. Unfortunately, these methods have not addressed an emerging problem involving the depletion of nutrients in the soil and require the use of expensive fertilizers and insecticides. WRBF is studying the possibility of developing a pilot training program involving changes in cultivation technology and organic composting to improve the level of nutrients in the soil as well as the retention of water used for irrigation.
2. Climatic Conditions: Unpredictable and unstable climatic conditions create continuing uncertainty for many of those participating in WRBF projects. While the past year brought an adequate level of rainfall, local flash floods did create difficulties for a number of WRBF project beneficiaries. Climatic trends indicate increasing difficulties as a result of inadequate water resources. WRBF attempts to address this trend by developing and training farmers in growing methods which retain water and minimize the need for irrigation. In addition, WRBF has planted a number of trees and continues to emphasize forestation as part of its project activities.
3. Over-Extension of Project Staff: During the past year, WRBF project activity has increased beyond expectations as a result of the success of the projects established in the first year of the project. Demand for additional projects has exceeded the capacity of the staff to respond. In some cases, it was not possible to provide the training and follow-up needed to provide adequate support to the projects. WRBF will extend its involvement with those projects which did not receive the amount of support needed last year in order to ensure that the projects succeed.

4.2.4 Impact on Local Institutions, Policies and People:
WRBF works closely with the local government authorities and utilizes government extension agents wherever possible. Graduates of WRBF training programs have obtained credit for farm implements from a local bank. WRBF staff have responded to a number of requests for assistance and advice from other voluntary organizations and local government officials.

4.2.5 Unintended Effects: No apparent unintended effects have occurred during the second year of the project.

4.2.6 Planned Accomplishments:

1. Establish 6 income generation projects.
2. Provide training in women in development to World Relief programs in Senegal.

4.2.7 Actual Accomplishments:

1. During the second year of the project, WRBF established 40 new income generation projects as outlined below:
 - a. Three New Community Gardens: WRBF is working with 34 community garden projects at this time. Most of these projects use credit as the funding source for agricultural inputs and the purchase of pumping systems for irrigation. During the second year of the project, 3 new gardens were established.
 - b. One new WID animal husbandry project: This project involves the use of credit to fund the raising of pigs and chickens.
 - c. Seven New Grain Banks: Seven villages received WRBF assistance to establish new grain banks this year. This assistance is provided on a credit basis. As the loans are repaid, new grain banks in other villages are established.
 - d. Ten New Donkey Cart Projects: During the past year, 10 villages received loans to purchase donkeys and carts for transport. These loans will be recycled to other groups as they are repaid.
 - e. Thirteen New Grain Mill Cooperatives: In the past year, WRBF has installed new grain mills in 13 villages. Funds for these mills are provided on a revolving credit basis.
 - f. Three New Small Crafts Projects: One village received credit to establish a soap-making project this year. Two weaving workshops were also created.
 - g. One Small Business: Credit was provided to enable the purchase of a freezer unit for an ice cream and cold drink production business.
 - h. Two New Oil Presses: Two mobile oil presses were purchased with non-grant funds and will be installed this year. This project will benefit 30 villages.
2. WRBF staff were unable to provide training to World Relief Senegal WID programs as planned.
3. A team of two technical consultants visited WRBF projects to develop a baseline study and evaluate current project activity. A copy of the report prepared by these consultants is included in the appendix to this report.

4.2.8 Explanation of Variances: The substantial increase in the number of projects is due to the availability of funds from other donors, the maturity and ability of WRBF project staff, and the responsiveness of the villagers involved in the projects. The failure to provide training to World Relief Senegal staff involved in WID projects is partly due to the expansion of WID programs in Burkina Faso and also to the fact that World Relief staff have concluded that programs in each country are significantly different from each other. A consultant, who was employed to evaluate the WID programs in both countries, concluded that the Senegal program staff did need further training and recommended the recruitment of a full-time WID coordinator for Senegal. Since funding for this position has not been identified, WID training has not taken place. This training will be provided during the next project year through the use of a consultant or a part-time staff person.

4.2.9 Problems Which May Affect Final Project Objectives: At this time, there are no problems which will prevent WR from achieving the final objectives of the project.

4.2.10 Plans for Next Project Year:

1. Install 5 new grain mills.
2. Provide credit for 10 new donkey cart projects.
3. Complete the implementation of the two oil press projects.
4. Establish one poultry-raising project.
5. Provide loans to at least one micro-enterprise.
6. Establish 15 new community gardens using credit for tools, seeds, and irrigation systems.
7. Establish a pilot agricultural project employing organic growing methods and cultivation techniques which will reduce the need for water and increase the level of nutrients in the soil.
8. Explore the possibility of development of processed agricultural produce for regional markets in Burkina Faso.

4.3 GUATEMALA:

World Relief's activities in Guatemala have been distinct from its activities in the other countries involved in this project. Guatemala is the only country where World Relief proposed the establishment of a counterpart relationship as part of the grant proposal. All other counterparts involved in the project had already established strong relationships with World Relief. As a result, during the first two years of this project World

Relief has concentrated on the institutional development of its counterpart rather than the development of income generation projects themselves.

World Relief's counterpart in Guatemala is ASIDE (Indigenous Evangelical Association). ASIDE has a registered membership of 3 million indigenous people in Guatemala. Among these are 100,000 orphans and 20,000 widows who are victims of the fighting which has plagued Guatemala for the past ten years. ASIDE has made substantial progress in the development of its institutional capability to carry out income generation projects. In doing so, it has formed two separate branches-- ASIDE-Commercial (AS-COM) and ASIDE-Development (AS-DEV).

AS-COM has received a loan from World Relief Guatemala (WRG) to implement three businesses which strengthen the work of ASIDE in the following ways:

1. Provide training and management experience for ASIDE as an institution.
2. Provide employment to members of the indigenous community.
3. Serve as pilot projects for further AS-COM business development.
4. Create an increased awareness of ASIDE and its programs among virtually every indigenous group in the Guatemalan highlands.
5. Provide an operational funding base for AS-DEV income generation projects.

WRG has enabled ASIDE to establish AS-DEV, the community development component of ASIDE which will implement income generation projects throughout the indigenous community in Guatemala. As part of this process, WRG has provided funds to establish an ASIDE revolving loan fund and indigenous credit system. At the present time, WRG also provides funds for AS-DEV administrative costs and supports the work of an administrator and three micro-enterprise promoters. After AS-COM repays the loan provided by WRG and after the three AS-COM businesses have operated for 2 years, World Relief expects that a sizeable percentage of AS-COM profits will be channeled to AS-DEV to cover administrative expenses. As a result, at the end of the grant, AS-DEV will not only have a viable indigenous rural credit system in plan but it will also have the experience and credibility needed to procure both locally generated and external funds for new income generation projects.

4.3.1 Outputs:

1. ASIDE has moved from a somewhat tentative position on income generation to the actual management of an income generation program in which methodology, targeting, organizational support, delivery, and implementation have been identified and are at various stages of development.
2. Substantial non-formal educational activities have been carried out on a cooperative basis between ASIDE and WRG staff. These training efforts focused on effective approaches to income generation, credit management, and general community development. As a result of these seminars, ASIDE has identified 19 possible loan fund recipients.
3. Dialogue between World Relief and IXIL/ASPIE continues. "IXIL" is the name of the language group and "ASPIE" is an acronym for "Association of Evangelical Ixil Pastors." This group has expressed a desire to pursue the possibility of extending income generation activities to its constituency but has not moved forward as quickly as ASIDE.
4. WRG has established Ka chac de Guatemala, S.R.L., an alternative market export company. This company will seek to create outlets for future income generation projects with a focus on indigenous products and commodities such as spices and handloomed items.

4.3.2 Effects on Target Groups: The three AS-COM businesses have increased employment, expanded markets, and established fair prices for a number of commodities in the communities where the businesses are located. In addition, AS-DEV has increased awareness among indigenous groups that credit/loan opportunities are available and that AS-DEV can act as a linking-agent between the indigenous community and the formal credit sector.

4.3.3 Problems Encountered:

1. AS-COM Businesses: AS-COM has had some difficulties with the establishment of the three businesses described above. As a result, it relocated one business to a more suitable area in the same town and changed the product line of another business. All three businesses are now operating at a profit. Through this process, ASIDE learned the value of feasibility studies, break-even analysis, and marketing factors involved in developing successful businesses.

2. Leadership Development: It has been difficult for AS-DEV to identify promoters from within the indigenous community. These promoters must have the dual qualities of being acceptable to the indigenous peoples and of being able to act as effective extension agents to develop and implement new ideas.
3. Entrenched Attitudes to North American Voluntary Organizations: Indigenous Guatemalan organizations such as ASIDE and IXIL/ASPIE find it difficult to set aside the traditional "donation mentality" when it comes to dealing with a North American voluntary organization. By encouraging both organizations to take a "hands-on" approach in which the organizations implement programs themselves and bear the risk of success, World Relief is changing the normal relationship between donor and donee agencies. This change requires time and patience.
4. Capacity and Over-Extension: The geographic spread and size of ASIDE's membership could over-extend AS-DEV's limited capacity at this time. WRG has encouraged AS-DEV to develop criteria that will allow specific and limited targeting as well as concrete response and implementation methods. WRG is also encouraging AS-DEV to serve as bridging agent to other sources of credit in the formal sector so that it can leverage the resources which are available to it.
5. WRG Leadership Transition: The Guatemalan staff member who was serving as the director of WRG resigned to accept a position with World Relief in El Salvador. An American expatriate couple with several years of experience with World Relief in Honduras was appointed to take the place of the staff member who resigned. This couple is working closely with ASIDE staff. While some discontinuity occurred, the current relationship is stronger and more effective than the previous one.

4.3.4 Impact on Local Institutions, Policies and People: A variety of connections have been fostered by ASIDE because of its new structure, strategy, and its bridging role between resources and needs. ASIDE draws on the expertise of local businessmen in a consulting capacity, has an enhanced relationship with its bank, and is now generating local resources to be channeled back into the indigenous community.

As a result of its contact with various Guatemalan governmental agencies, the formal business sector, and the indigenous cottage industry community, ASIDE has gained widespread recognition and increased visibility in a number of sectors of the community. These factors, when combined with matching grant funds provided through this project, will strengthen ASIDE's leadership role

within the indigenous community and further facilitate its ability to interact and implement culturally appropriate income generation projects.

4.3.5 Unintended Effects: More requests for project assistance have been presented than were expected. ASIDE must carefully select those projects which it can support without unnecessarily damaging the expectations and initiative of those whose proposals cannot be accepted at this time.

4.3.6 Planned Accomplishments:

1. Implement five new income generation projects.
2. Assist ASIDE in developing credit policies and project approval criteria.
3. Identify additional volunteer and part-time consultants who will participate in the design and implementation of ASIDE income generation projects.
4. Provide training in bookkeeping and other simple business management skills to project participants.

4.3.7 Actual Accomplishments:

1. Three businesses were established by AS-COM. One business is a hardware/building supply store started in Guatemala City. The second business is a general store started in Coban. The third business is a school supply/book store started in Huehuetenango.
2. WRG sponsored three training workshops for AS-DEV staff and beneficiaries. These workshops focused on credit criteria, credit management, project feasibility, and market studies.
3. Staff from other World Relief programs and outside consultants have provided assistance in the design and implementation of the AS-COM/DEV set-up.
4. WRG has assisted both ASIDE branches with bookkeeping and management training on a bimonthly basis.
5. AS-DEV has used its rotating fund to establish nine community-based income generation projects--three in the Coban Region, three in the Quetzaltlenango/Huehuetenango Region, and three in the Patzun/Teopan/Chichoy Region. While women are included in each of these projects, two of the projects focus specifically on women, most of whom are widows.
6. IXIL/ASPIE has developed an income generation proposal which is presently under review by WRG.
7. WRG has identified markets and suppliers for Ka chac de Guatemala, S.R.L. and initial orders have been received from two European buyers.

4.3.8 Explanation of Variances: There have been no significant variances between planned and actual accomplishments.

4.3.9 Problems Which May Affect Final Project Objectives: The strategy of developing a sustainable infrastructure for AS-DEV by initially supporting AS-COM does involve some risk if the businesses administered by AS-COM do not become profitable as expected. WRG has minimized this risk by using its funds as collateral for a direct loan between a bank and AS-COM. In addition, WRG is providing technical assistance to AS-COM to minimize the possibility that the businesses will not succeed. At the present time the businesses are turning a profit and have made all of their loan repayment obligations to date.

4.3.10 Plans for Next Project Year:

1. Facilitate 24 new income generation projects through AS-DEV.
2. Assist both AS-COM and AS-DEV through regular visits to project sites, periodic training seminars, and management, accounting, logistics, and evaluation support.
3. Engage a consultant to review and evaluate the entire WRG program in Guatemala.
4. Continue to develop the relationship with IXIL/ASPIE and develop a plan for establishing income generation projects in the IXIL Triangle in Guatemala.
5. Complete the establishment of Ka chac de Guatemala, S.R.L., contact additional indigenous producers (including some of the AS-DEV rotating loan fund recipients), and attain a sales level totalling \$25,000.

4.4 HAITI:

World Relief cooperates with the Committee on Development and Planning (CODEPLA) in Haiti. Several years ago, CODEPLA committed itself to change its focus from general development to a concentration on income generation projects. Since that time, CODEPLA has implemented small scale income generation projects among village cooperatives. These cooperatives market their products to larger enterprises which process and add value to raw products and return the profits to the cooperatives. This in turn filters down to the farmers who grew and processed the products.

World Relief proposes to expand matching grant activity in Haiti to projects supported by Integrated Rural Development (IRD), a subsidiary of Mission Evangelique Baptiste Sud d' Haiti (MEBSH). World Relief has entered an agreement with IRD and MEBSH to implement a child survival program which is jointly funded by AID and World Relief. By integrating income generation activities into the child survival program, World Relief hopes to increase the sustainability of the child survival program as well as increasing its impact and effectiveness.

Initial World Relief/MEBSH income generation activities will combine child survival and matching grant funds to develop small businesses such as hardware stores or a brick-making company. These small businesses will receive loans from the formal credit system while World Relief uses its funds as collateral for the loans. The businesses will be located where the child survival program has established rally posts. As a result, a synergistic effect should take place in that more people will be attracted to visit the rally post and those who come will receive increased benefit from the opportunity to purchase needed items which would otherwise require a long trip to obtain.

This particular aspect of World Relief's involvement in Haiti is presently at the feasibility stage. As soon as the child survival program completes its start-up stage, World Relief will begin to support income generation activities which will focus on the same group of people involved in the child survival program.

4.4.1 Outputs:

1. Ten community groups have received regular monthly training in small enterprise development. These groups have averaged about 20 members. While most of the group members are men, each group averages a total of 2-3 women members. CODEPLA is encouraging an increase in the number of women participating in the groups. Each group has elected its own officers. After completing the training process, CODEPLA plans to help the groups develop proposals and apply for funding from the formal credit sector as well as other funding agencies in Haiti and overseas.
2. CODEPLA also facilitated the establishment of one grain mill and four small grain storage banks.

4.4.2 Effects on Target Groups: Ten community groups have learned how to identify needs in their communities and how to develop projects to meet these needs. Twenty families received a loan for a grain mill and have had no difficulty in

meeting the repayment requirements. CODEPLA plans to establish a grain bank at the same location as the grain mill which should result in a doubling of business and may enable the group to purchase a second grain mill. The four grain bank projects have enabled about 400 farmers to sell their grain at a more stable and attractive market price rather than at exploitive prices when the market is saturated and prices are depressed.

4.4.3 Problems Encountered:

1. Pig Repopulation Projects: While not supported by the matching grant, CODEPLA's pig repopulation projects provided the project infrastructure through which CODEPLA could carry out a variety of other income generation project activity. During the past four years, CODEPLA provided over 1,000 pigs to Haitian farmers and conducted a successful training and extension program. Unfortunately, the farmers involved in this program have not realized any gain in income because the Haitian pork market is flooded with low-grade, low-cost imports which were to be used to satisfy public demand until the country's pig repopulation efforts could succeed. Since the Haitian government now will not take any action to reduce the flow of low-cost pork imports, the farmers participating in CODEPLA programs have had to abandon pig production because it has proven to be unprofitable. As a result, CODEPLA has learned that income generation projects must take government policies into consideration at the feasibility stage. In addition, CODEPLA has had to restructure its network of project partners as well as its own project and administrative staff.
2. Reforestation Projects: CODEPLA has used income generation strategies to implement a number of reforestation projects. Its strategy in these projects has been to train farmers in tree production and cultivation methods which involves pruning and planned tree replacement techniques. CODEPLA has also provided assistance in enabling farmers to process trees into charcoal and other products for sale. However, political instability in the country has delayed the transfer of funds from Canadian and other sources. As a result, these reforestation projects are not moving forward at this time.
3. Political Uncertainties: Since the collapse of the Duvalier government, Haiti has encountered a period of political turbulence and uncertainty which has made it difficult to conduct development project activity. At times the project participants have been distracted by

- political developments. At other times, security considerations have made it difficult to travel and to provide the training and supervision required. As a result, CODEPLA has had to consolidate the areas where it is working and to focus its efforts on projects which do not require a great deal of technical support.
4. Cashew Processing Project: The cashew processing project involves the production of high grade cashews for sale in the upper income Haitian market in Port au Prince. Profits from the sales would be returned to cooperatives of cashew farmers involved in the project. This project has been underway for several years and has experienced a number of setbacks due to political instability and financial problems. While CODEPLA believes that it has created a sufficient demand for the cashew project, it has determined that it cannot produce an adequate profit unless it expands production. In order to expand production, CODEPLA has received a grant from a British organization which will enable it to plant 150,000 cashew trees over three years. Until these trees begin to produce fruit, CODEPLA plans to tightly manage this project to maintain a break-even status.

One of the complications which has resulted from this cashew project is that it has absorbed a considerable amount of CODEPLA's energy and resources. Given the size of the project and the amount invested by various funding groups over the past four years, CODEPLA finds itself in a position where it must continue to invest funds and energy to ensure that this project will succeed. As a result, CODEPLA has not been able to focus on many other areas of the country or to establish the number of new income generation projects which had been anticipated.

4.4.4 Impact on Local Institutions, Policies and People: At the present time there are no impacts on local institutions, policies, or people which can be identified as significant.

4.4.5 Unintended Effects: No apparent unintended effects have occurred during the second year of the project.

4.4.6 Planned Accomplishments:

1. Conduct feasibility studies to replicate the cashew marketing concept in other project areas.
2. Establish three new projects with matching grant funds.
3. Continue to monitor existing project activity.
4. Provide training and technical assistance to counterpart staff from other countries.

5. Continue to focus on the selection and development of effective leaders for CODEPLA projects.
6. Closely monitor political developments to minimize disruption to existing projects and to maintain an appropriate level of new project activity.

4.4.7 Actual Accomplishments:

1. CODEPLA has established four new income generation projects with matching grant funds.
2. The cashew processing project, while it remains viable, has determined that it will not be adequately profitable until the supply of available cashew fruit increases. As a result, CODEPLA has not undertaken any study of how to replicate what has been learned in the cashew project at this time.
3. The World Relief Latin America regional director and World Relief Guatemala (WRG) director visited CODEPLA projects to provide training to both CODEPLA and WRG staff.
4. Leadership selection and development efforts did not move forward substantially during the past year.
5. CODEPLA and World Relief were able to adjust program implementation strategies and activities to minimize disruption by the political development which did occur in Haiti during the past year.

4.4.8 Explanation of Variances: The only significant variances between planned accomplishments and actual accomplishments occurred in the following areas:

1. Cashew Processing Project: This variance is explained in section 4.4.3.4 above.
2. Leadership Development: Given the cultural attitudes towards leadership succession in Haiti, the reduction in scope of CODEPLA's pig repopulation and reforestation projects, and the limited time available to the World Relief Latin America regional director due to a series of major natural disasters in the region, it was not possible to address the issue of leadership succession and development in CODEPLA. Since Paul Thomas, the director of CODEPLA, remains actively involved at this time, it is possible to address this issue in the third year of the project without any major negative impact to the project.

4.4.9 Problems Which May Affect Final Project Objectives: Please see discussion of problems related to political uncertainty (section 4.4.3.3) and leadership development (section 4.4.8.2) above.

4.4.10 Plans for Next Project Year:

1. A micro-enterprise/development consultant will visit both MEBSH and CODEPLA projects to develop a baseline study and evaluate project effectiveness.
2. CODEPLA will establish at least 4 new income generation projects.
3. MEBSH will establish at least two new income generation projects.
4. CODEPLA's cashew processing project will achieve break-even status.
5. A review of CODEPLA middle management staff capabilities and potential will result in a plan for leadership development and management succession.

4.5 PHILIPPINES:

World Relief's involvement in the Philippines is channeled through Philippines Relief and Development Services (PHILRADS), the relief and development arm of the Philippines Council of Evangelical Churches. PHILRADS supports projects throughout the Philippines, although it has focused project activity in the southern part of the country.

4.5.1 Outputs: During the second project year, PHILRADS implemented seven income generation projects involving at least 305 families.

4.5.2 Effects on Target Groups: Effects on target groups included the following: increased income, increases in the amount of food available for families through reduction in spoilage from food processing, increased access to markets for 50 farmers, and employment for 15 individuals.

4.5.3 Problems Encountered:

1. Revolving fund balances are not being restored as expected. An improved statement and enforcement of credit policies will improve repayment rates. In some cases, natural disasters made it impossible for loan repayment to take place as planned.
2. Technical problems delayed project progress in the Bamaco Hauling Project. However, these problems are not expected to result in any permanent difficulty.
3. Political uncertainties continue in the Philippines and PHILRADS staff have occasionally had to limit travel which reduces the level of supervision available to the projects.

4.5.4 Impact on Local Institutions, Policies and People: Given the complex political situation in the Philippines today, PHILRADS projects are contributing to the stability of a number of communities which might otherwise join in support of the New Peoples Army or other movements designed to destabilize the current national government.

4.5.5 Unintended Effects: No apparent unintended effects have occurred during the second year of the project.

4.5.6 Planned Accomplishments:

1. The World Relief regional director for Asia will visit PHILRADS projects and provide consultation in income generation during a visit to the Philippines in July.
2. Establish 4 additional income generation projects.
3. Continue to monitor and refine the income generation projects established in the first project year.
4. Provide training to at least two PHILRADS staff in the area of income generation project development.
5. Document credit policies, project selection criteria, and loan repayment procedures for PHILRADS income generation projects.

4.5.7 Actual Accomplishments:

1. The World Relief regional director for Asia visited the Philippines in July 1988, February 1989, and May 1989.
2. PHILRADS has established seven income generation projects during the past year.
3. Income generation projects established in the first project year continue to receive PHILRADS supervision and support.
4. PHILRADS staff have not received explicit training in income generation from outside sources.
5. Policies governing credit, project selection, and loan repayment procedures for PHILRADS projects may have been documented internally but these documents have not been shared with World Relief.

4.5.8 Explanation of Variances: While most actual accomplishments met the plans established at the end of the first project year, the following two accomplishments varied from plan:

1. PHILRADS staff did not receive explicit training in income generation methods from outside sources as had been planned. This is primarily due to delays in hiring an income generation specialist. Training will

- be provided by two consultants during a visit to the Philippines in June and by the income generation specialist who will visit the Philippines this summer.
2. The visits by the consultants and the income generation specialist will determine the extent to which PHILRADS has developed documentation for credit, project selection, and loan repayment policies. The visit by the income generation this summer will begin the process of training in any areas where documentation is deficient.

4.5.9 Problems Which May Affect Final Project Objectives: At this time, there are no problems which could affect final project objectives.

4.5.10 Plans for Next Project Year:

1. Implement six new income generation projects.
2. Improve revolving loan repayment rates to 75%.
3. Provide explicit training in income generation to PHILRADS staff who are responsible for income generation projects. Include a site visit to CSS projects in Bangladesh if feasible.
4. Evaluate level of documentation developed for policies related to effective income generation projects and assist PHILRADS staff in addressing any deficiencies.

4.6 SENEGAL:

World Relief Senegal (WRS) is located in Dakar and oversees programs throughout Senegal. A staff of four people consult with an advisory board and receive supervision from the World Relief deputy director for Africa. All staff are Senegalese nationals. Several WRS projects involve loans to women's cooperatives to purchase and operate grain mills. Women have also been formed into working groups and are excited about the income generation concept.

World Relief has decided to move its West Africa regional office from Dakar, Senegal, to Ouagadougou, Burkina Faso, for financial and strategic reasons. As a result, staff supervision for World Relief projects in Senegal will be reduced. In addition, World Relief has determined that its objectives for Senegal exceeded the capacity of its church-related partners, given the timeframes of the matching grant. As a result, while World Relief plans to continue its matching grant activities in Senegal, it plans to reduce the level of project activity during the next three years to a level which is appropriate for the level of ability and understanding of its project partners.

4.6.1 Outputs:

1. Literacy Training: Literacy and numeracy training is a critical element in the development of successful income generation projects in Senegal. Seven female WID leaders have been trained in literacy and are now serving as instructors for others. These leaders are meeting on a monthly basis to increase their reading levels and to share information about such subjects as family health, sanitation, basic management techniques, hygiene, and the construction of improved clay cook stoves.
2. WID Training Center: A WID training center is nearing completion at Njis. Construction of the facilities is almost complete. Once the construction phase has been completed, WRS will undertake an expansion of WID training at the center.
3. Income Generation Projects: Four income generation projects were established.

4.6.2 Effects on Target Groups: The overall impact of WRS programs have been limited because they have been small in scope. However, it has been reported that urban migration by young people living in villages where WRS projects are located has been significantly reduced due to the new opportunity to earn a living locally.

4.6.3 Problems Encountered:

1. World Relief has concluded that it cannot carry out the original objectives of the grant under the timeframes outlined in the original proposal. The local church structure is too small and underdeveloped to implement the initial project goals. Objectives must be reduced to reflect more realistic conditions.
2. Projects have been plagued by a lack of organization and unity which has further limited the impact of the projects. The director of WRS, who is Senegalese with a high level of professional training, has been unable to motivate or organize the project holders to improve their ability to carry out the projects. By reducing project scope, WRS plans to identify those leaders who can effectively organize projects and work with them until it can develop or identify other community leaders who could undertake the implementation of additional projects.
3. The cooperative concept has not worked well in practice in Senegal. It is difficult to form mutual interest groups which remain cohesive. As a result, WRS will focus more on natural family and village groupings.

4.6.4 Impact on Local Institutions, Policies and People: WRS has developed a good relationship with local government authorities and has worked well in networking with local resources. In terms of impact, the projects have been too small to have a significant impact on local institutions, policies, or people.

4.6.5 Unintended Effects: No apparent unintended effects have occurred during the second year of the project.

4.6.6 Planned Accomplishments:

1. Establish six income generation projects with matching grant funds. These projects will include three grain mills and one mobile thresher mounted on a donkey cart.
2. Implement literacy programs to help those women involved in the income generation program.

4.6.7 Actual Accomplishments:

1. Grain Mills: Two new grain mills were installed to benefit womens' cooperatives in two different villages.
2. Grain Thresher: One grain thresher was installed on a donkey cart and moved from village to village.
3. Sewing Machines: Four sewing machines have been provided and training in sewing has been initiated for those women who are participating in this income generation project.
4. Literacy Programs: Seven WID leaders have been trained in literacy. While they continue to meet to improve their own abilities, they are also conducting training programs for other women. These literacy training programs also include training in numeracy, family health, sanitation, hygiene, and management techniques.
5. Small Loans Program: Funds were provided to families to establish a vegetable marketing business, a donkey cart transport business, and a water cistern.

4.6.8 Explanation of Variances: All planned accomplishments were achieved except that four rather than six income generation projects were established. Given that another grain mill was initiated but not completed, the actual accomplishment was nearer to the number planned than may be initially apparent. The reason that other projects were not established is due to the inability of the church-based infrastructure in Senegal to absorb and additional project activity at this time.

4.6.9 Problems Which May Affect Final Project Objectives: Please see discussion in sections 4.6.3.1 and 4.6.8 above. The absorptive capacity of the church structure in Senegal will prevent World Relief from achieving the project objectives outlined in the initial proposal. However, by reducing the scope and timeframes for the implementation of these objectives, World Relief expects to achieve a majority of the final project objectives by the end of the project.

4.6.10 Plans for Next Project Year:

1. Continue to provide training and facilitation assistance to World Relief's church-based partners in the Djourbel area of Senegal. Provide funding for a program coordinator who will be responsible for WID training and program management.
2. Install one grain mill.
3. Conduct a workshop on development and income generation for DIPROS, another WR church-based partner in Senegal.
4. Fund one income generation project through DIPROS.
5. Explore the possibility of an urban-based income generation project in Dakar.

4.7 SRI LANKA

World Relief's counterpart in Sri Lanka is Lanka Evangelical Alliance Development Services (LEADS) which is the relief and development arm of the Evangelical Alliance of Sri Lanka (EASL).

4.7.1 Outputs: One hundred and thirty-one families have benefitted from 7 different projects carried out in three locations throughout Sri Lanka.

4.7.2 Effects on Target Groups: Effects on target groups included increased income, improved diets due to poultry projects, increased self-esteem, improved community cooperation, and the development of marketable skills in sewing for 60 women.

4.7.3 Problems Encountered:

1. Political Uncertainties: Internal conflict continues in Sri Lanka. This conflict makes it difficult to travel to provide training and supervision to project holders. In addition, the instability which results increases the uncertainties which face small businessmen as markets are disrupted and unstable. Finally, many of those living in Sri Lanka have been forced to move to flee the fighting taking place. As a result, organizations such as LEADS find themselves faced with the need to conduct relief and

rehabilitation projects rather than long-term community development projects. Income generation projects must be developed in the context of these realities.

2. Loan Repayments: At this point, only about 25% of the loans issued by LEADS are being repaid. This can be attributed partially to the consequences of the unstable political situation, partially to the mentality of the participants who have been conditioned to "relief" and "hand-outs" from voluntary agencies, and partially to the fact that LEADS has not established and maintained a consistent and clear credit policy. By establishing such a policy and enforcing it by not extending credit to others related to the loan recipient, LEADS should see an improvement in the loan repayment rate. At the same time, repayment rates should also improve as beneficiaries have longer timeframes for repayment which will enable them to overcome the difficulties caused by the political instability in the country.
3. Over-Extension: LEADS staff in Colombo have approved funds for 14 different types of income generation projects. In doing so, the staff members have over-extended their ability to provide technical support and oversight. World Relief's Asia regional director has suggested that project types be reduced to a manageable level of 3-6 different project categories.

4.7.4 Impact on Local Institutions, Policies and People: LEADS has concentrated its project focus on victims of the current civil unrest in Sri Lanka. To the degree that its projects succeed, the negative effects of the violence and civil unrest will be reduced.

4.7.5 Unintended Effects: As a result of LEADS' efforts in Colombo, the level of awareness of the needs of the poor has increased in the communities where LEADS is working. People who are not related to LEADS have contributed housing or assisted in the construction of housing for some of the participants in the LEADS' projects. Government groups are also responding to requests for assistance by LEADS' staff because of the support in the community for what LEADS is doing.

4.7.6 Planned Accomplishments:

1. Implement 4 income generation projects.
2. LEADS staff to visit CSS in Bangladesh for field training.
3. Develop credit policies and loan repayment procedures.
4. Integrate income generation strategies into rehabilitation programs targeted at victims of the current ethnic struggle in Sri Lanka.

4.7.7 Actual Accomplishments:

1. LEADS implemented 7 income generation projects involving 131 families. These projects involve small loans for poultry-raising, sewing, food production/sales, and retail sales in the markets. These projects were implemented in three major areas of the country in cooperation with local implementing partners.
2. LEADS staff were not able to visit CSS projects in Bangladesh due to the two major natural disasters which occurred in Bangladesh and the priority CSS gave to the start-up of a child survival project. However, the Asia regional director visited LEADS twice during the past year to review projects and provide training and consultation to LEADS staff.
3. LEADS has integrated a number of its income generation strategies into its rehabilitation projects targeted at victims of the civil unrest in Sri Lanka.
4. LEADS has not formulated clear and consistent credit policies or loan repayment procedures.

4.7.8 Explanation of Variances: Most accomplishments during the past year met or exceeded the plans for the year. The only significant variance involves LEADS' inability to develop clear and effective credit policies and loan repayment procedures. There are two reasons for this variance. First, LEADS had to address the confusion about its role in the minds of some of the beneficiaries who perceived it as a "relief" organization providing grants rather than a development organization involved in providing loans which would have to be repaid. Second, given the national elections which took place and the civil unrest in the country, LEADS staff were unable to provide the level of supervision needed by the projects and had to focus on the critical areas of project development rather than loan repayment. Finally, civil unrest and some delays in project start-up resulted in delays in repayment. Despite these delays, LEADS still expects that most loans will be repaid and has extended the repayment period in cases where external factors were legitimate considerations. During the next project year, the income generation specialist will visit LEADS and provide assistance in developing credit policies and procedures.

4.7.9 Problems Which May Affect Final Project Objectives: While civil unrest continues to disrupt the ability of LEADS' staff to travel to some of the project sites, there are no signs of serious problems which would affect the final objectives of the project funded by the matching grant.

4.7.10 Plans for Next Project Year:

1. Implement 6 new income generation projects.
2. Formulate, document, and implement new credit policies and loan repayment procedures.
3. A development consultant and the Asia regional director will each visit Sri Lanka to evaluate projects and provide additional training in income generation.
4. LEADS staff will visit CSS in Bangladesh to observe CSS income generation projects and receive training in the methodology employed by CSS to carry out its projects.

4.8 HONDURAS:

For the third year of this project, World Relief proposes an expansion of the project to Honduras for the following reasons:

1. Integration With Child Survival Program: AID has given its initial approval to the implementation of a World Relief child survival program in the Olancho province of Honduras. A key element of the child survival program is the use of loans and other income generation strategies to ensure the sustainability of the program. By integrating its child survival and income generation activities, World Relief hopes that both programs will benefit. Costs of administering a joint program should be reduced as infrastructure expenses are shared. Program impact should increase as participants are motivated to participate for several reasons and as participants in one program find it easier to trust and participate in another. Finally, the development of an effective and ongoing income generation strategy should reduce operational costs associated with the child survival program and increase the possibility that both programs can be sustained after the grant expires. World Relief is following a similar strategy in both Bangladesh and Haiti.
2. Reduction in Scope of Senegal Program: Given the planned reduction in the scope of World Relief's project activities in Senegal, savings from this planned reduction could be available for expanded activity in another country. Furthermore, delays in project start-up have also made some funds available for use in Honduras. As a result, this expansion should not require any increase in the total budget for this project.

4.8.1 Description of Proposed Activities: With technical assistance from World Relief, El Buen Pastor and Alfalit Honduras will implement a child survival program which employs area promoters and village health guardians. This child survival program will ensure that the four child survival activities of immunization, training in oral rehydration therapy, growth monitoring, and training in family spacing will be provided through the network outlined above. World Relief will also provide \$300 loans to those who volunteer to serve as health guardians in a village. These loans must be repaid in two years and can be used to establish an income generation project which will increase the income of the health guardian and her/his family.

World Relief will cooperate with established credit institutions in the area to provide collateral for other loans which would be issued to those who have been screened and trained by the community organizations related to the child survival program. World Relief will provide technical assistance in the development of credit programs and in the design of effective income generation projects. As the child survival program completes the start-up phase and stabilizes, World Relief's two partners will begin to extend income generation and credit activities throughout the child survival project infrastructure to provide another input which can be used by beneficiaries to improve their living conditions.

4.8.2 Beneficiaries: The total population in the service area is 136,000. All families in the service area will be eligible to participate in the project, although priority will be given to health guardians and families involved in the child survival program. A primary target group will be the Pech Indians who live in the province.

4.8.3 Implementation Plan: El Buen Pastor and Alfalit Honduras are already established in the Olancho Province of Honduras and are operating community health centers and literacy programs. These two organizations will focus on different geographical locations in the Olancho province and begin the process of establishing the child survival program as proposed by World Relief to AID. In the course of this process, World Relief will assist these two organizations in developing the credit mechanisms needed to establish a revolving loan fund for the health guardians involved in the child survival project. As the child survival project completes the initial start-up stage, World Relief will work with both organizations to expand credit opportunities and income generation project activities for project participants.

4.8.4 Sustainability: There are three important factors which will have a critical impact on the sustainability of this project. These factors are as follows:

1. Leadership Training: One of the primary objectives of this project is to develop trained and capable community leaders who will be able to organize their communities and access local resources for their communities. The development of these leaders will enable the process of community development to continue long after World Relief has withdrawn its financial support.
2. Revolving Loan Funds: World Relief plans to invest its income generation funds as collateral for revolving loan funds. With proper training and initial support to ensure that these revolving loan funds are effectively managed, the funds invested as a result of this project should continue to be available for new income generation projects after World Relief has concluded its support.
3. Use Of An Existing Organizational Structure: Both Alfalit Honduras and El Buen Pastor are established organizations which will not require substantial infusions of additional funds for infrastructural development. Once start-up costs are absorbed, both of these organizations, which are committed to the purpose of the integrated income generation/child survival project, should be able to sustain these program initiatives at minimal cost. Since revolving loan funds are an essential part of this project, even the minimal costs of ongoing program operation should be reduced.
4. Establishment Of Relationships With Formal Credit System: World Relief plans to commit the balance of its income generation project funds to an established credit institution which will then grant loans to project beneficiaries. As banks realize that those participating in the project are reasonable credit risks, World Relief will be able to increase the amount of loans leveraged by its funds. In addition, other organizations will begin to provide grants and loans to increase the revolving credit fund. The results of this approach will be to make credit available on a permanent basis to many project participants who were not able to obtain credit before.
5. Use Of Loans As An Incentive for Involvement of Child Survival Promoters: In order to reduce the expense of ongoing project activity after the conclusion of the World Relief/AID child survival grant, World Relief will establish a revolving loan fund which will be made available to those who volunteer to participate in the

child survival program as village promoters for the program. As the loans are repaid, new promoters will be selected to receive the loans from the revolving credit fund. This fund may provide some incentives such as interest rate reductions or longer repayment periods in order to compete with funds which may be available from established credit sources.

4.8.5 Relationship to Other AID Funding: This project will be integrated into a child survival project which has recently received initial approval from AID. The child survival project includes \$60,000 for a revolving loan fund which will be made available to health guardians as a motivational and development tool. The income generation program supported by this project can provide technical support, training in credit management and marketing, access to the formal credit sector, and additional funds for loans to project beneficiaries. The result of this integration should be a more efficient use of funds for both projects as well as a more effective strategy towards achieving both project objectives.

5.0 MANAGEMENT REVIEW AND ANALYSIS OF HQ/SUPPORT FUNCTION

The second year of the grant focused on the implementation of income generation projects, the selection and training of income generation staff by World Relief counterparts, and the institutional development of several of the counterparts.

5.1 Project Planning and Management Activities:

Regional directors held three meetings with the Associate Executive Director/International Ministries and with several consultants to discuss project progress, review problems, and revise project implementation plans. During the last quarter of the project year, Ken Graber was hired as the income generation specialist for the project. Mr. Graber has extensive experience and training in income generation as a result of many years of association with Mennonite Economic Development Associates and personal field experience in Bolivia and Latin America. Mr. Graber completed an orientation to World Relief and the matching grant during the last month of the project year. Two consultants provided assistance to World Relief during the last five months of the project year. One of the consultants has extensive experience in development and income generation. The other served as an associate executive director for international operations with World Relief several years ago and knows many of the counterparts as well as World Relief's development objectives and strategies. These two consultants will visit all of the counterparts by the end of June and

prepare a baseline study of counterpart activity, an analysis of the projects which have been undertaken to date, and an analysis of the economic environment and economic opportunities which should be explored by the counterparts as they plan to refine and expand their income generation activity. Please refer to the appendix for a copy of the report prepared by the consultants after their trip to Burkina Faso.

Delays in the appointment of an income generation specialist did not result in delays in the implementation of projects in the field. However, in some cases the quality of the projects could have been improved by interaction with an income generation specialist. In addition, issues related to credit management, project selection, marketing, and project reporting have not been resolved as was planned due to delays in hiring the income generation specialist. The involvement of the consultants, special attention by some of the regional directors, and a priority focus by the new income generation specialist should enable the project to return to schedule.

5.2 Staff Resources: Despite unexpected delays, an income generation specialist was hired for the project during the second project year. Other staff at headquarters and the field level were hired and in place as planned. The problems of delays in staff recruitment should not prevent the project from meeting its final objectives.

5.3 Training: Training was conducted by regional directors and consultants who visited all of the World Relief counterparts. Both male and female staff participated in the training. The specific needs of female beneficiaries were considered in all training activities. Counterpart staff in turn trained many families and individuals in effective income generation techniques. In most cases, female beneficiaries were active participants in this training process.

During the third year of the project, World Relief will focus its training activities on the development of appropriate and effective credit policies, loan repayment methodologies, how to conduct project feasibility studies, marketing methodologies and issues, cooperative development issues, and alternative income generation methodologies.

Training visits by World Relief staff and consultants to counterparts involved in the project included the following:

Bangladesh-- Asia Regional Director (1 visit)
Burkina Faso--Africa Regional Director (1 visit)
 West Africa Regional Director (3 visits)
 Consultants (1 visit)

Guatemala--	Latin America Regional Director (multiple visits) Consultant (1 visit)
Haiti--	Latin America Regional Director (2 visits) Consultant (1 visit)
Philippines--	Asia Regional Director (2 visits) Consultants (1 visit)
Senegal--	Africa Regional Director (1 visit) West Africa Regional Director (multiple visits) Consultant (multiple visits)
Sri Lanka--	Asia Regional Director (2 visits) Consultant (1 visit)

In addition to the visits outlined above, the director of World Relief Guatemala accompanied the Latin America regional director on one of his visits to Haiti for the purpose of observation and training.

5.4 Logistical Support: An adequate level of logistical support was provided to the project. No specific problems or difficulties have developed in this area. Plans for the third year of the grant involve a level of logistical support at current levels.

5.5 Technical Assistance: Technical assistance during the second year of the grant focused on two areas. One area involved the continuing development of the counterpart itself. This was particularly true in Sri Lanka, which received assistance in a management reorganization which strengthened the authority of the executive director, and in Guatemala, where an existing organization began the process of adding a community development and income generation component. Technical assistance to World Relief's counterpart in Guatemala included support in establishing appropriate financial and administrative systems, staff recruitment and training, and a feasibility study of several potential income generating businesses.

The other area of technical assistance provided to the counterparts involved assistance in the development and operation of income generation projects. In this regard, assistance included a review of the various strategies employed by the counterparts, suggestions as to how to focus and strengthen these strategies, an analysis of those projects which had been implemented, a review of the macro-economic and political environment within which the counterpart was conducting its projects, and trouble-shooting support for problems encountered in specific projects.

5.6 Project Fund-Raising and Marketing:

Private funds needed to match AID funds provided to the project were raised through normal World Relief fund-raising efforts. During the third year of the project, the income generation specialist will begin to establish contacts with U.S. businessmen who might be interested in supporting the concept of income generation among the poor overseas. These contacts will increase during subsequent project years in order to develop a permanent funding base for ongoing income generation activities after the grant is completed. In Burkina Faso and Bangladesh, projects related to the matching grant received designated matching grant support from donors in Europe as well as in the U.S.

5.7 Role of Board of Directors: The World Relief board of directors reviewed and approved the second year project budget and in principal has also reviewed the budget for the remainder of the project. One member of the board of directors reviewed matching grant projects in Burkina Faso. Several directors will visit other project sites during the next project year.

5.8 Development Education: Preliminary discussions have been held with several other development organizations regarding a conference for denominational leaders, executives of development organizations, and field staff on the subject of income generation. The purpose of the conference would be to share information, create awareness of the positive aspects of income generation programs overseas, and develop a stronger constituency for these programs in the U.S. This conference may occur during the third year of the project.

6.0 FINANCIAL REVIEW

6.1 Project Financial Overview: A Project Financial Overview and a PVO Organizational Financial Overview may be found in the Appendix.

6.2 Proposed Budget Compared with Actual Expenditures: The Financial Profile for the Project is included in the Appendix. In this profile, the proposed budget as formulated in the proposal and as revised in the first annual report is compared with actual expenses for the year. Specific explanations of significant variances are as follows:

1. Actual spending for counterpart programs exceeded the budget by approximately \$150,000. This over-spending can be largely attributed to project start-up costs in Guatemala and added project activity in response to the

- natural disasters in Bangladesh. This variance will be resolved by reallocating headquarters costs which were underspent, by reducing operational costs in the next three years of the grant, and by expanding the project to Honduras.
2. Actual spending for program management was under the annual budgeted amount by approximately \$70,000. This under-spending occurred because an income generation specialist was not employed until late in the project year and a change of strategy in Africa resulted in a decrease in spending for women-in-development and agriculturalist staff members as had been anticipated.
 3. Spending for workshops was under the annual budgeted amount by approximately \$22,000. This under-spending occurred because of the change in training strategy and methodology and because of delays in the employment of an income generation specialist. Additional spending for training will occur within the next three project years to adjust for most of this variance. The balance will be committed to the implementation of income generation projects at the field level.

Updated budgets for remaining project years can be found in the Appendix. These budgets reflect adjustments made to the original program budget for the following reasons:

1. Spending variances as explained above have increased the funds available for project and counterpart development in the last three years of the grant.
2. Expansion to Honduras will enable World Relief to integrate this grant with its child survival activities in Honduras, Haiti, and Bangladesh.
3. As explained in the first annual report, the automatic increase of all budget items by 2.5% each year as an adjustment for inflation as presented in the initial proposal has been eliminated from the budget.

6.3 Letter-of-Credit Procedures:

Approved Letter of Credit (Year 1):	\$365,000.00
Draw-downs to date:	
10/30/87	\$ 75,300.00
11/02/87	8,919.00
	(84,219.00)

Approved Letter of Credit (Year 2):	365,000.00
Draw-downs to date:	
6/03/88	59,000.00
7/01/88	19,624.00
7/05/88	28,000.00
9/16/88	23,000.00
11/13/88	43,000.00
12/09/88	138,793.86
May draw-downs	195,106.14
	(506,524.00)
Remaining Letter of Credit:	\$139,257.00

At the beginning of each month, World Relief draws from the letter-of-credit based on anticipated expenditures for that month. Variances between anticipated and actual expenses are included in the next month's draw-down.

World Relief anticipates a significant increase in draw-downs in the months of April and May to meet the revised second year budget.

6.4 Fund-Raising Plans and Activities: World Relief includes fund-raising for its share of matching grant costs as part of its normal fundraising strategy, including appeals to individual donors, special campaigns focused on church groups, and presentations to foundations and other funding organizations. Fund-raising plans for the next project year will not change significantly from activities during the current year.

As the project continues, World Relief will attempt to develop a donor constituency committed to supporting income generation projects overseas. The target group for this donor constituency will primarily include businessmen in the U.S. who would be receptive to the income generation project model and support the concept of revolving credit loans. Efforts to approach this target group will occur during the last three years of the project, after World Relief has had an opportunity to establish credibility in this area.

6.5 PVO Cost-Share: World Relief was able to satisfy its cost-sharing responsibilities without difficulty during the second project year. No problems are anticipated in meeting World Relief's cost-share commitment during the third project year or the total project.

7.0 LESSONS LEARNED FROM THE SECOND PROJECT YEAR

Although the the project is approaching the end of its second year, it is still too early to draw many lessons at this point.

However, some lessons were learned during the second year which will be of value to World Relief and may be of value to others. These lessons include the following:

7.1 Institution Building: From its experience in Senegal, World Relief has learned that it is easy to over-estimate the capacity of a national partner. In the assessment of the capacity of an organization, both the funding partner and the implementing partner are tempted to agree on unrealistic expectations. The national partner is often naive about the effort involved or the consequences of some of the expected activities on its structure and members. In addition, the national partner often has high expectations and objectives, particularly in view of the need it perceives in the communities it serves. On the other hand, the funding partner also has high expectations and a desire to see the implementing partner grow and develop.

Given the strong desire by both organizations to see the project succeed, it is difficult to develop a realistic assessment of the impact of the project on the national partner and the effort which will be required to make the project succeed. World Relief has learned that it must realistically assess the abilities of the partners' leaders and the size and scope of the partners constituency and infrastructure. Furthermore, it must judge the compatibility of the project with the partner's primary objectives and the ability of the partner to assume responsibility for additional project activity at this time. Despite a strong desire to cooperate and a commitment to institution-building, an objective analysis of the capacity of the national partner must be undertaken before the funding partner expands its involvement with the national partner.

7.2 Sustainability: From its experience in Guatemala, World Relief has learned several lessons about sustainability. These lessons are as follows:

7.2.1 Commercial Sources of Income for Development Projects: In Guatemala, World Relief's first course of action in working with ASIDE, its national partner, was to enable ASIDE to establish a commercial branch which started three small businesses. These businesses not only provided ASIDE with valuable experience in income generation issues, World Relief also expects that these businesses will generate a profit within 24 months and that this profit will be used to underwrite expenses related to the administration and continued funding of ASIDE income generation projects.

By focusing on commercial sources of income as part of the process of forming a development branch of the same organization, World Relief also eliminated any misconceptions that its assistance was a part of the normal grant process which characterizes the work of many voluntary organizations in Guatemala. In addition, ASIDE had to realize immediately that it had a stake in the success of these businesses in order to ensure the ongoing success of its income generation activities.

There are dangers in the approach which World Relief has taken in Guatemala. In the first place, the commercial ventures could demand management attention which would distract ASIDE from its primary purpose. Secondly, if the businesses fail, ASIDE will lose the ability to sustain its income generation projects. Finally, careful guarantees must be established to ensure that business profits are used for development purposes and not other organizational purposes. World Relief has worked closely with ASIDE in this stage of its development to provide the assistance and support needed to ensure that the commercial projects succeed. World Relief and ASIDE have also agreed to structure the various ASIDE branches in such a way that profits from the commercial branch must be committed to the development branch.

While there are risks involved, by adding a commercial component to its development of ASIDE, World Relief has increased the learning which is taking place by ASIDE staff and has ensured a more stable source of income for ASIDE development projects after World Relief support is removed.

7.2.2 Use of the Formal Credit Sector: World Relief's objective in Guatemala is to increase the long-term sustainability of the project by integrating ASIDE and its project beneficiaries into the formal credit sector. World Relief has done this by using its project funds as collateral in a local bank which then extends loans to project holders who have been screened and trained by ASIDE. Through this arrangement, World Relief hopes to achieve several objectives:

1. Develop permanent linkages between the project holders and the formal credit sector so that these project holders are not dependent on World Relief.
2. Leverage World Relief's funds by increasing the amount of money loaned out by the formal credit sector in comparison to the World Relief collateral on hand.

World Relief will continue to support the extension and training work carried out by ASIDE until its commercial businesses make a profit. At that time, ASIDE can continue to provide this assistance to the project holders who will be able to obtain funds from the formal credit system once they have successfully completed the ASIDE training and screening process.

7.3 Women in Development: From its experience in Senegal, World Relief has learned that it is not possible to simply transfer lessons learned in women-in-development programs in one country to another. World Relief had assumed that its success with women-in-development programs in Burkina Faso could be easily transferred to Senegal, since both were West African countries. However, the cultural and social patterns in Senegal are significantly different from Burkina Faso and have resulted in failed programs where World Relief has attempted to simply duplicate the Burkina Faso model. Programs in Senegal can benefit from the Burkina Faso model but must consider the dispersed nature of living patterns in the area where World Relief is working. These dispersed living patterns demand much more creativity in program planning and development if "village groups" are to be the model for project implementation as they are in Burkina Faso. The lack of concentrated villages threatens the viability of using women's groups as a means to establish income generation activity.

7.4 Loan Repayment Methodologies: The repayment of revolving fund loans is critical to the ongoing success of the revolving fund. From its experience in Bangladesh, World Relief has learned that the best incentive to encourage the repayment of revolving fund loans is community pressure. In Bangladesh, community groups are formed and must complete a training process as a condition for receiving a loan. When the group has completed the training process, several members are given loans. These members must repay their loans in order for other members of the group to receive loans. In some cases, loans are withheld from entire villages in order to ensure that outstanding loans are repaid. This approach has resulted in a repayment rate of over 90% in CSS projects and appears to be a much more effective and positive way to ensure repayment than the use of other enforcement methods.

7.5 Collaboration With Other Agencies: There are many voluntary agencies at work in the countries included in this project. By identifying the unique strengths and abilities of these agencies and involving them in World Relief projects, costs are reduced, effectiveness is increased, and the project has a greater likelihood of being sustainable. From its experience in Honduras, World Relief has learned that it can work effectively with a medical organization which is interested in establishing a health outreach to those in its service area. Rather than establishing a program itself, World Relief can take advantage of the effort which has already been invested in developing a structure which can carry out the health activities required. Furthermore, World Relief has also held discussions with small loan fund agencies which are interested in providing training and credit to project beneficiaries. In some ways,

World Relief becomes a broker of needs and services with the objective of linking established organizations together to meet the need it has identified. This reduces the technical and programmatic demand on World Relief and dramatically increases the resources available to the project beneficiaries without any substantial increase in cost.

8.0 RECOMMENDATIONS FOR THE THIRD PROJECT YEAR

8.1 To Project Leadership and PVO:

1. Given World Relief's long-term program strategy, explore creative ways to develop replicable income generation projects in urban areas.
2. Continue to explore ways to integrate income generation programs into other areas of community development, particularly in the area of child survival, women in development, and agriculture.
3. Explore alternative more environmentally sound agricultural methods which would reduce the need for irrigation and increase crops without depleting nutrients in the soil.
4. During the third project year, focus on the documentation of credit policies, approaches to loan repayment and collection, and project approval criteria.
5. Address the issue of recycling loans which may be repaid to income generation projects after the first project year is completed.
6. Develop specific linkages between World Relief income generation projects and other organizations at U.S., regional and national levels.
7. Explore possible links between World Relief income generation projects and funding from the World Bank, IFAD, and other bi-lateral funding organizations.
8. Explore possibility of using monetization feature of AID commodity program to support World Relief income generation projects.

8.2 To Country and Local Leaders as well as Donors and Other Organizations Seeking Similar Impacts:

Given the fact that the project has only completed the second year of operations, no recommendations can be made to other groups at this time. However, see section 7.0 for lessons learned and long-term program implications for areas which may be recommended to other organizations in the future.

9.0 ATTACHMENTS

- 9.1 Project Financial Overview
- 9.2 PVO Organizational Financial Overview
- 9.3 1987-1992 Revised Budgets
- 9.4 Country Data Sheets (9)
- 9.5 Original logical framework
- 9.6 Revised logical framework
- 9.7 Resume: Ken Graber
- 9.8 Consultants Report on Burkina Faso
- 9.9 Methodology, Project Strategy, Key Inputs, Key Outputs, and Target Groups as Outlined in First Annual Project Report

WORLD RELIEF
 FINANCIAL PROFILE OF THE PROJECT
 AID INCOME GENERATION MATCHING GRANT
 GRANT NO. OTR-0292-A-00-7131-00
 Projected Actual Compared To Budget
 For The First Year Ended May 31, 1988

PART A - BUDGET VERSUS ACTUAL	AID		WRC	
	BUDGET	ACTUAL	BUDGET	ACTUAL
WORKSHOPS	\$1,000	\$0	\$1,000	\$0
COUNTERPART PROGRAMS	167,645	102,199	257,099	131,481
PROGRAM MANAGEMENT	46,262	9,453	50,263	9,308
EVALUATION	0	0	0	0
INTERNAL AUDIT-PROGRAM/FINANCE	0	0	4,759	0
INDIRECT COSTS	98,214	46,954	0	0
GRAND TOTALS	\$313,121	\$158,606	\$313,121	\$140,789
PERCENTAGE OVER (UNDER) BUDGET	(49%)		(54%)	

PART B - SOURCES OF FUNDS BY YEAR	YEAR 1	YEAR 2	YEAR 3-5
	87/88	88/89	89/92
A.I.D. MATCHING GRANT - Vouchered To Date	\$158,606		
A.I.D. MATCHING GRANT - To Be Vouchered	0		
WORLD RELIEF - Private Cash	158,606		
	140,789		
	\$299,395		

WORLD RELIEF
FINANCIAL PROFILE OF THE PROJECT
AID INCOME GENERATION MATCHING GRANT
GRANT NO. OTR-0292-A-00-7131-00
Projected Actual Compared To Budget
For The Second Year Ended May 31, 1989

PART A - BUDGET VERSUS ACTUAL	AID		MRC	
	BUDGET	ACTUAL	BUDGET	ACTUAL
WORKSHOPS	\$18,062	\$7,184	\$18,063	\$7,184
COUNTERPART PROGRAMS	193,266	271,030	314,646	385,480
PROGRAM MANAGEMENT	69,671	33,326	74,170	40,222
EVALUATION	5,122	0	5,122	0
INTERNAL AUDIT-PROGRAM/FINANCE	0	0	4,878	0
INDIRECT COSTS	130,758	120,597	0	0
GRAND TOTALS	\$416,879	\$432,137	\$416,879	\$432,886
PERCENTAGE OVER (UNDER) BUDGET	4%		4%	

PART B - SOURCES OF FUNDS BY YEAR	YEAR 1 87/88	YEAR 2 88/89	YEAR 3-5 89/92
A.I.D. MATCHING GRANT - Vouchered To Date	\$158,606	\$237,031	
A.I.D. MATCHING GRANT - To Be Vouchered	0	195,106	
WORLD RELIEF - Private Cash	158,606	432,137	
	140,789	432,886	
	\$299,395	\$865,023	

WORLD RELIEF CORPORATION

FINANCIAL PROFILE

(in thousands)

For the years ending September 30,

	1987	1988	1989	1990	1991	1992
	----	----	----	----	----	----
Program Expenditures:						

Program Management	1,651	1,633	1,578	1,450	1,129	1,293
US Resettlement Services	2,954	3,004	2,706	2,706	2,706	2,706
Overseas Program Services	9,560	11,675	11,814	10,253	6,648	7,176
Education-Donor Public	472	632	695	765	841	925
Fund Promotion Costs	1,408	1,275	1,403	1,543	1,697	1,867
General & Admin Costs	742	852	823	756	589	628
	-----	-----	-----	-----	-----	-----
TOTAL WORLDWIDE PROGRAM	16,787	19,071	19,018	17,473	13,610	14,505
	=====	=====	=====	=====	=====	=====
Source of Funds:						

A.I.D. Matching Grant	159	242	378	378	379	314
Other A.I.D.	1,324	5,637	7,261	4,937	218	236
Private Cash	7,522	7,074	7,781	8,560	9,415	10,357
Private In-Kind	1,626	885	500	500	500	500
Host and Other Gov't	3,048	2,221	392	392	392	392
Other U.S. Government	2,954	3,625	2,706	2,706	2,706	2,706
	-----	-----	-----	-----	-----	-----
TOTAL	16,633	19,684	19,018	17,473	13,610	14,505
	=====	=====	=====	=====	=====	=====
Other A.I.D.						

El Salvador - Displaced Persons Program	944	4,971	4,120	1,030		
El Salvador - Housing Reconstruction Program	0	325	2,712	3,166		
Child Survival Program	294	159	429	741	218	236
Indonesia - Block Grant	56	54				
Indonesia - SAKIJ	30	128				
	-----	-----	-----	-----	-----	-----
TOTAL	1,324	5,637	7,261	4,937	218	236
	=====	=====	=====	=====	=====	=====

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT - WORLD RELIEF CORPORATION MATCHING GRANT

Period: First Grant Year June 1, 1987 - May 31, 1988

Revised: April 24, 1989 rev87-6b

PART I. TOTAL PROGRAM COSTS

COUNTRIES: FUNDING AGENCIES:	UNITED STATES		BURKINA FASO		SENEGAL		PHILIPPINES		BANGLADESH		SRI LANKA		HAITI		GUATEMALA		TOTAL USAID	TOTAL WRC	TOTAL YEAR	
	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC						
WORKSHOPS																				
- TRAVEL	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- ROOM & BOARD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
- CONSULTANT	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
COUNTERPART PROGRAMS																				
- PROJECT FUNDS	\$0	\$0	\$7,954	\$14,859	\$866	\$0	\$21,323	\$21,323	\$0	\$0	\$3,436	\$3,436	\$15,963	\$25,673	\$5,000	\$5,000	\$54,592	\$70,301	\$124,893	
- COORDINATION	\$0	\$0	\$1,522	\$5,053	\$1,436	\$0	\$10,960	\$13,361	\$5,551	\$10,996	\$8,134	\$8,134	\$12,391	\$15,239	\$7,633	\$8,397	\$47,607	\$61,180	\$108,787	
PROGRAM MANAGEMENT																				
- INCOME GENERATION SPECIALIS	\$8,822	\$8,778															\$8,822	\$8,778	\$17,600	
- IG PROGRAM SECRETARY	\$0	\$0															\$0	\$0	\$0	
- MID COORDINATOR	\$0	\$0															\$0	\$0	\$0	
- AGRICULTURALIST	\$0	\$0															\$0	\$0	\$0	
- TRAVEL	\$101	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$530	\$530	\$0	\$0	\$631	\$530	\$1,161		
- RELOCATION	\$0	\$0															\$0	\$0	\$0	
- COMPUTER	\$0	\$0															\$0	\$0	\$0	
EVALUATION	\$0	\$0															\$0	\$0	\$0	
INTERNAL AUDIT-PROGRAM/FINANCE	\$0	\$0															\$0	\$0	\$0	
TOTAL DIRECT COSTS	\$8,923	\$8,778	\$9,516	\$19,912	\$2,302	\$0	\$32,293	\$34,674	\$5,551	\$10,996	\$11,570	\$11,570	\$28,884	\$41,442	\$12,633	\$13,397	\$111,652	\$140,789	\$252,441	
INDIRECT COSTS (18.6 % DC)	\$3,292	\$0	\$5,474	\$0	\$428	\$0	\$12,460	\$0	\$2,074	\$0	\$4,304	\$0	\$13,081	\$0	\$4,842	\$0	\$46,954	\$0	\$46,954	
TOTAL MS PROGRAM	\$12,215	\$8,778	\$14,990	\$19,912	\$2,730	\$0	\$44,753	\$34,674	\$8,625	\$10,996	\$15,874	\$11,570	\$41,965	\$41,442	\$17,475	\$13,397	\$158,606	\$140,789	\$299,395	
TOTAL COUNTRY	\$20,993		\$24,902		\$2,730		\$79,447		\$19,691		\$27,444		\$83,407		\$30,872				\$299,395	

PART II. SOURCE OF FUNDS

AID MATCHING GRANT	\$158,606
WORLD RELIEF MATCH	\$140,789
TOTAL YEAR	\$299,395

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT - WORLD RELIEF CORPORATION MATCHING GRANT

Period: Third Grant Year June 1, 1989 - May 31, 1990

Revised: April 24, 1989 rev89-00

PART I. TOTAL PROGRAM COSTS

COUNTRIES: FUNDING AGENCIES:	UNITED STATES		BURKINA FASO		SENEGAL		PHILIPPINES		BANGLADESH		SRI LANKA		HAITI		GUATEMALA		HONDURAS		TOTAL	TOTAL	TOTAL
	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	YEAR
WORKSHOPS																					
- TRAVEL	\$1,500	\$1,500	\$850	\$850	\$750	\$750	\$500	\$500	\$0	\$0	\$500	\$500	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$7,100	\$7,100	\$14,200
- ROOM & BOARD	\$1,575	\$1,575	\$787	\$788	\$788	\$787	\$787	\$787	\$1,575	\$1,575	\$788	\$787	\$787	\$788	\$788	\$787	\$788	\$787	\$8,663	\$8,662	\$17,325
- CONSULTANT	\$6,537	\$6,538	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$6,537	\$6,538	\$13,075
COUNTERPART PROGRAMS																					
- PROJECT FUNDS	\$0	\$0	\$38,052	\$38,407	\$6,020	\$6,022	\$33,950	\$28,593	\$1,550	\$0	\$12,455	\$14,393	\$18,899	\$13,198	\$8,570	\$9,520	\$6,700	\$29,430	\$126,196	\$139,613	\$265,809
- COORDINATION	\$0	\$0	\$7,042	\$29,751	\$680	\$9,399	\$5,001	\$27,792	\$0	\$18,704	\$4,985	\$25,465	\$342	\$20,460	\$3,143	\$30,573	\$3,350	\$20,100	\$24,543	\$171,244	\$195,787
PROGRAM MANAGEMENT																					
- INCOME GENERATION SPECIALIS	\$20,500	\$20,500																	\$20,500	\$20,500	\$41,000
- IG PROGRAM SECRETARY	\$7,500	\$7,500																	\$7,500	\$7,500	\$15,000
- MID COORDINATOR	\$0	\$0																			
- AGRICULTURALIST	\$0	\$0																			
- TRAVEL	\$8,353	\$8,353	\$2,250	\$2,250	\$2,625	\$2,625	\$2,250	\$2,250	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,500	\$1,300	\$1,300	\$0	\$0	\$21,278	\$21,278	\$42,556
- RELOCATION	\$0	\$4,500																	\$0	\$4,500	\$4,500
- COMPUTER	\$0	\$4,000																	\$0	\$4,000	\$4,000
EVALUATION	\$15,372	\$15,372																	\$15,372	\$15,372	\$30,744
INTERNAL AUDIT-PROGRAM/FINANCE		\$14,637																	\$0	\$14,637	\$14,637
DIRECT COST	\$61,337	\$84,475	\$48,981	\$63,046	\$10,863	\$19,583	\$42,488	\$59,923	\$4,625	\$19,779	\$20,228	\$42,645	\$22,528	\$36,946	\$14,801	\$43,180	\$11,838	\$51,367	\$237,689	\$420,944	\$658,633
INDIRECT COSTS (16.2 % DC)	\$23,622	\$0	\$18,148	\$0	\$4,932	\$0	\$16,591	\$0	\$3,955	\$0	\$10,185	\$0	\$9,635	\$0	\$9,393	\$0	\$10,239	\$0	\$106,699	\$0	\$106,699
TOTAL MG PROGRAM	\$84,959	\$84,475	\$67,129	\$63,046	\$15,795	\$19,583	\$59,079	\$59,923	\$8,578	\$19,779	\$30,413	\$42,645	\$32,163	\$36,946	\$24,194	\$43,180	\$22,077	\$51,367	\$344,388	\$420,944	\$765,332
TOTAL COUNTRY	\$169,434		\$130,175		\$35,378		\$119,002		\$28,357		\$73,058		\$69,109		\$67,374		\$73,444				\$765,332

PART II. SOURCE OF FUNDS

AID MATCHING GRANT	\$344,388
WORLD RELIEF MATCH	\$420,944
TOTAL YEAR	\$765,332

-54-

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT - WORLD RELIEF CORPORATION MATCHING GRANT

Period: Fourth Grant Year June 1, 1990 - May 31, 1991

Revised: April 24, 1989 rev90-1b

PART I. TOTAL PROGRAM COSTS

COUNTRIES: FUNDING AGENCIES:	UNITED STATES		BURKINA FASO		SENEGAL		PHILIPPINES		BANGLADESH		SRI LANKA		HAITI		GUATEMALA		HONDURAS		TOTAL	TOTAL	TOTAL
	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	USAID	MRC	YEAR
WORKSHOPS																					
- TRAVEL	\$1,537	\$1,538	\$2,872	\$1,871	\$769	\$769	\$512	\$513	\$0	\$0	\$513	\$512	\$1,025	\$1,025	\$1,025	\$1,025	\$1,025	\$1,025	\$9,278	\$8,278	\$17,556
- ROOM & BOARD	\$1,614	\$1,615	\$2,030	\$967	\$807	\$807	\$807	\$807	\$0	\$0	\$807	\$807	\$807	\$807	\$807	\$807	\$807	\$807	\$8,486	\$7,424	\$15,910
- CONSULTANT	\$4,651	\$4,651																	\$4,651	\$4,651	\$9,302
COUNTERPART PROGRAMS																					
- PROJECT FUNDS			\$47,717	\$39,992	\$11,601	\$10,000	\$50,743	\$36,719	\$3,018	\$0	\$19,982	\$16,876	\$24,644	\$17,120	\$21,248	\$25,401	\$29,855	\$20,192	\$208,808	\$178,294	\$387,102
- COORDINATION			\$4,082	\$22,177	\$2,027	\$5,000	\$0	\$23,474	\$0	\$15,768	\$4,636	\$18,884	\$4,363	\$23,074	\$0	\$0	\$5,000	\$30,000	\$20,048	\$138,377	\$158,425
PROGRAM MANAGEMENT																					
- INCOME GENERATION SPECIALIS	\$21,012	\$21,013																	\$21,012	\$21,013	\$42,025
- IG PROGRAM SECRETARY	\$7,688	\$7,687																	\$7,688	\$7,687	\$15,375
- IIG COORDINATOR	\$15,375	\$15,375																	\$15,375	\$15,375	\$30,750
- AGRICULTURALIST	\$10,250	\$10,250																	\$10,250	\$10,250	\$20,500
- TRAVEL	\$5,650	\$5,650	\$2,306	\$2,307	\$2,691	\$2,690	\$2,366	\$2,307	\$1,538	\$1,537	\$1,537	\$1,538	\$1,538	\$1,537	\$1,332	\$1,331	\$0	\$0	\$18,898	\$18,897	\$37,795
- RELOCATION		\$0																	\$0	\$0	\$0
- COMPUTER		\$0																	\$0	\$0	\$0
EVALUATION	\$0	\$0																	\$0	\$0	\$0
INTERNAL AUDIT-PROGRAM/FINANCE		\$0																	\$0	\$0	\$0
TOTAL DIRECT COSTS	\$67,777	\$67,779	\$59,007	\$67,314	\$17,695	\$19,266	\$54,368	\$63,826	\$4,556	\$17,305	\$27,475	\$28,611	\$32,317	\$45,563	\$24,412	\$28,564	\$36,687	\$62,024	\$324,494	\$410,246	\$734,740
INDIRECT COSTS (16.2 + DC)	\$21,960		\$20,464		\$6,020		\$19,146		\$3,541		\$10,706		\$12,617		\$8,582		\$15,991		\$119,027		\$119,027
TOTAL IG PROGRAM	\$89,737	\$67,779	\$79,471	\$67,314	\$23,915	\$19,266	\$73,514	\$63,826	\$8,097	\$17,305	\$38,181	\$38,611	\$44,934	\$45,563	\$32,994	\$28,564	\$52,678	\$62,024	\$443,521	\$410,246	\$853,767
TOTAL COUNTRY	\$157,516		\$146,785		\$43,181		\$137,334		\$25,402		\$76,792		\$90,477		\$61,558		\$114,702				\$853,767

PART II. SOURCE OF FUNDS

AID MATCHING GRANT	\$443,521
WORLD RELIEF MATCH	\$410,246
TOTAL YEAR	\$853,767

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT - WORLD RELIEF CORPORATION MATCHING GRANT

Period: Fifth Grant Year June 1, 1991 - May 31, 1992

Revised: April 24, 1989 rev91-2b

PART I. TOTAL PROGRAM COSTS

COUNTRIES: FUNDING AGENCIES:	UNITED STATES		BURKINA FASO		SENEGAL		PHILIPPINES		BANGLADESH		SRI LANKA		HAITI		GUATEMALA		HONDURAS		TOTAL	TOTAL	TOTAL	
	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	YEAR	
WORKSHOPS																						
- TRAVEL	\$1,576	\$1,576	\$253	\$893	\$768	\$798	\$525	\$526	\$0	\$0	\$526	\$525	\$1,051	\$1,050	\$1,050	\$1,051	\$1,050	\$1,051	\$7,459	\$7,460	\$14,919	
- ROOM & BOARD	\$1,654	\$1,655	\$828	\$827	\$827	\$828	\$828	\$827	\$0	\$0	\$828	\$827	\$827	\$828	\$828	\$827	\$828	\$827	\$7,448	\$7,446	\$14,894	
- CONSULTANT	\$4,767	\$4,767																	\$4,767	\$4,767	\$9,534	
COUNTERPART PROGRAMS																						
- PROJECT FUNDS			\$47,128	\$55,740	\$11,601	\$10,600	\$50,619	\$35,629	\$7,662	\$0	\$20,345	\$16,266	\$25,131	\$19,639	\$21,242	\$25,092	\$29,496	\$29,688	\$208,624	\$172,254	\$380,878	
- COORDINATION			\$4,208	\$22,692	\$2,027	\$5,000	\$0	\$23,996	\$3,384	\$16,811	\$4,756	\$19,277	\$4,202	\$22,595	\$0	\$7,518	\$5,000	\$30,000	\$23,577	\$147,889	\$171,466	
PROGRAM MANAGEMENT																						
- INCOME GENERATION SPECIALIS	\$21,538	\$21,538																	\$21,538	\$21,538	\$43,076	
- IG PROGRAM SECRETARY	\$7,879	\$7,880																	\$7,879	\$7,880	\$15,759	
- MID COORDINATOR	\$15,760	\$15,759																	\$15,760	\$15,759	\$31,519	
- AGRICULTURALIST	\$5,507	\$5,506																	\$5,507	\$5,506	\$11,013	
- TRAVEL	\$5,804	\$5,804	\$2,364	\$2,364	\$2,758	\$2,758	\$2,364	\$2,364	\$1,576	\$1,576	\$1,576	\$1,576	\$1,576	\$1,576	\$1,365	\$1,365	\$0	\$0	\$19,383	\$19,383	\$38,766	
- RELOCATION		\$0																	\$0	\$0	\$0	
- COMPUTER		\$0																	\$0	\$0	\$0	
EVALUATION	\$0	\$0																				
INTERNAL AUDIT-PROGRAM/FINANCE		\$5,253																	\$0	\$0	\$5,253	
TOTAL DIRECT COSTS	\$64,485	\$69,738	\$55,421	\$62,516	\$18,001	\$19,374	\$54,336	\$63,342	\$8,022	\$18,387	\$28,031	\$38,471	\$32,787	\$45,888	\$24,485	\$35,853	\$36,374	\$61,566	\$321,942	\$415,135	\$737,477	
INDIRECT COSTS (16.2 % GC)	\$21,744		\$19,106		\$6,055		\$19,064		\$4,276		\$10,773		\$12,745		\$9,775		\$15,866		\$119,406		\$119,406	
AID FUNDED EVALUATION	\$30,000																		\$30,000		\$30,000	
TOTAL NG PROGRAM	\$116,229	\$69,738	\$74,527	\$62,516	\$24,056	\$19,374	\$73,400	\$63,342	\$12,298	\$18,387	\$38,804	\$38,471	\$45,532	\$45,888	\$34,260	\$35,853	\$52,240	\$61,566	\$471,348	\$415,135	\$886,483	
TOTAL COUNTRY	\$185,967		\$137,043		\$43,430		\$136,742		\$30,687		\$77,275		\$91,420		\$70,113		\$113,806				\$886,483	

PART II. SOURCE OF FUNDS

AID MATCHING GRANT	\$471,348
WORLD RELIEF MATCH	\$415,135
TOTAL YEAR	\$886,483

-25-

UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT - WORLD RELIEF CORPORATION MATCHING GRANT

Period: First through Fifth Grant Years June 1, 1987 - May 31, 1992

Revised: April 24, 1989 rev87-2b

PART I. TOTAL PROGRAM COSTS

COUNTRIES: FUNDING AGENCIES:	UNITED STATES		BURKINA FASO		SENEGAL		PHILIPPINES		BANGLADESH		SRI LANKA		HAITI		GUATEMALA		HONDURAS		TOTAL	TOTAL	TOTAL	
	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	USAID	WRC	YEAR	
WORKSHOPS																						
- TRAVEL	\$4,613	\$4,614	\$5,175	\$4,174	\$2,801	\$2,801	\$1,867	\$1,869	\$0	\$0	\$1,869	\$1,867	\$3,735	\$3,734	\$3,734	\$3,735	\$3,075	\$3,076	\$26,869	\$25,870	\$52,739	
- ROOM & BOARD	\$4,843	\$4,845	\$4,164	\$3,101	\$2,941	\$2,941	\$2,941	\$2,941	\$2,613	\$2,613	\$2,942	\$2,940	\$2,940	\$2,942	\$2,942	\$2,940	\$2,423	\$2,421	\$28,749	\$27,684	\$56,433	
- CONSULTANT	\$15,955	\$15,956																	\$15,955	\$15,956	\$31,911	
COUNTERPART PROGRAMS																						
- PROJECT FUNDS			\$183,058	\$185,646	\$37,018	\$56,131	\$201,725	\$175,742	\$12,789	\$33,278	\$73,891	\$68,628	\$117,358	\$106,733	\$93,560	\$102,513	\$66,051	\$89,360	\$784,740	\$818,031	\$1,602,771	
- COORDINATION			\$41,654	\$86,423	\$17,661	\$30,305	\$29,671	\$107,741	\$22,029	\$80,032	\$22,511	\$80,272	\$24,870	\$101,187	\$28,519	\$80,541	\$13,350	\$80,100	\$200,285	\$646,601	\$846,886	
PROGRAM MANAGEMENT																						
- INCOME GENERATION SPECIALIS	\$81,872	\$81,829																	\$81,872	\$81,829	\$163,701	
- IG PROGRAM SECRETARY	\$28,668	\$28,644																	\$28,668	\$28,644	\$57,312	
- WID COORDINATOR	\$31,135	\$31,134																	\$31,135	\$31,134	\$62,269	
- AGRICULTURALIST	\$15,757	\$15,756																	\$15,757	\$15,756	\$31,513	
- TRAVEL	\$26,828	\$26,727	\$11,209	\$11,211	\$12,610	\$12,610	\$6,920	\$9,886	\$4,614	\$6,590	\$4,613	\$6,591	\$6,133	\$6,131	\$4,988	\$4,987	\$0	\$0	\$77,915	\$84,733	\$162,648	
- RELOCATION		\$4,500																	\$0	\$4,500	\$4,500	
- COMPUTER		\$4,000																	\$0	\$4,000	\$4,000	
EVALUATION	\$15,372	\$15,372																	\$15,372	\$15,372	\$30,744	
INTERNAL AUDIT-PROGRAM/FINANCE		\$19,890																	\$0	\$19,890	\$19,890	
TOTAL DIRECT COSTS	\$225,043	\$253,267	\$245,260	\$290,555	\$73,031	\$104,788	\$242,424	\$298,179	\$42,045	\$122,513	\$105,816	\$160,298	\$155,056	\$220,727	\$133,743	\$194,716	\$84,899	\$174,957	\$1,307,317	\$1,820,000	\$3,127,317	
INDIRECT COSTS (16.2 * DC)	\$77,911		\$87,509		\$28,862		\$89,186		\$27,054		\$43,664		\$62,565		\$53,836		\$42,096		\$512,683		\$512,683	
AID FUNDED EVALUATION	\$30,000																		\$30,000		\$30,000	
TOTAL MS PROGRAM	\$332,954	\$253,267	\$332,769	\$290,555	\$101,893	\$104,788	\$331,610	\$298,179	\$69,099	\$122,513	\$149,480	\$160,298	\$217,621	\$220,727	\$187,579	\$194,716	\$126,995	\$174,957	\$1,850,000	\$1,820,000	\$3,670,000	
TOTAL COUNTRY	\$586,221		\$623,324		\$206,681		\$629,789		\$191,612		\$309,778		\$438,348		\$382,295		\$301,952				\$3,670,000	

PART II. SOURCE OF FUNDS

AID MATCHING GRANT	\$1,850,000
WORLD RELIEF MATCH	\$1,820,000
TOTAL YEAR	\$3,670,000

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 1

FOR OFFICIAL USE ONLY

PVO Type	Project Number		
Appropriation	Level		
Country Code	Fund Type	Technical Code	
Project Officer	Key 1	Key 2	

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Margarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP

Activity Description During the second project year, the Christian Service Society (CSS), World Relief's counterpart in Bangladesh, focused primarily on responding to two major natural disasters and the start-up of an AID-funded child survival project. While CSS did conduct a number of relief programs during this period, it quickly transitioned these relief programs to a recovery and rehabilitation stage where it could resume its small loan and micro-enterprise development activities. While the disasters made it impossible for many people to repay loans to CSS as promised, CSS did receive substantial contributions from outside donors which enabled it to replenish its loan fund, issue new loans, and extend the repayment timeframes for old loans.

During the second project year, 1,000 families participated in projects funded by the matching grant. These projects included the sale of pumps to sharecroppers reclaiming flooded land, the construction and loan of boats to fishermen, the loan of seed to small farmers, and the loan of capital to purchase stock for women selling goods in the market.

Status At the present time, CSS is still recovering from the demands of mounting major responses to the natural disasters which occurred in Bangladesh during the past year. However, programs and administrative operations seem to be functioning normally. CSS plans to integrate its child survival program with its income generation activities in order to improve the sustainability and effectiveness of the child survival program. A mid-term evaluation of the child survival program will occur in May and an evaluation of CSS financial and administrative systems will occur during the summer. Other than a continuing concern over leadership succession, the status of CSS appears to be good.

COUNTRY INFORMATION (SECONDARY)

Country BANGLADESH	Location in Country (Region, District, Village) Khulna, Dacope, Kotalipara, Gopalganj, Kaligram, Rupsha, Batiaghata, Noakhali
PVO Representative's Name Paul Munshi	Local Counterpart/Host Country Agency Christain Service Society

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	8,605	31,519	8,578	8,097	12,300
PVO \$	10,996	56,046	19,779	17,305	18,387
INKIND					
LOCAL					
TOTAL	19,601	87,565	28,357	25,402	30,687

51'

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89

Attachment 9.4 Page 2

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Marguarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP

Activity Description

During the second year of the project, World Relief Burkina Faso (WRBF) implemented 40 new projects which benefitted 9,619 people in 49 villages. These projects included three new community gardens which used credit to finance the seeds, tools, and irrigation systems needed to establish the garden, an animal husbandry project involving credit to raise pigs and chickens, seven new grain banks which provide profits to participating farmers by purchasing grain when prices are low and selling the grain when prices are high, thirteen new grain mill cooperatives for women, and several other small craft and small business projects.

Status

WRBF staff are functioning effectively and showing good progress in the establishment of income generation projects. The Poundou Training Center, an agricultural training and extension center operated by WRBF, is considering the development of a pilot project which will use organic growing techniques and improved manual cultivation methods to decrease the loss of water used to irrigate plants and to increase the nutrient level of the soil. If these methods succeed, WRBF expects to see major improvements in the income levels of farmers who will adopt these techniques.

COUNTRY INFORMATION (SECONDARY)

Country BURKINA FASO	Location in Country (Region, District, Village) Poundou, Ouahigouya, Bagou, Boulegala Dalo, Lon, Yoro, Meteo, San, Sagalo
PVO Representative's Name Edouard Nanema	Local Counterpart/Host Country Agency World Relief Burkina Faso

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	14,990	96,652	67,129	79,471	74,527
PVO \$	19,912	77,767	63,046	67,314	62,516
INKIND					
LOCAL					
TOTAL	34,902	174,419	130,175	146,785	137,043

(See Instructions & OMB Statement on request)

50

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 3

FOR OFFICIAL USE ONLY		
PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)		
Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Margarite Potee

AID OBLIGATION BY AID-FY (\$000)			
FY	AMOUNT	FY	AMOUNT

LOP Activity Description

During the second project year, World Relief has worked closely with its counterpart, the Indigenous Evangelical Association (ASIDE), and formed two ASIDE branch operations. One of the branch operations is ASIDE-Commercial (AS-COM) which operates three businesses and intends to direct the profits of these businesses into support for administrative expenses of ASIDE-Development (AS-DEV) the other ASIDE branch operation. AS-DEV is the development and income generation arm of ASIDE and has implemented nine income generation projects this year. Next year, AS-DEV expects to establish 24 new income generation projects. Within 24 months, ASIDE expects to support the administrative expenses of AS-DEV through profits from businesses operated by AS-COM.

Status

Since World Relief's relationship with ASIDE was a new one, the first two project years have involved a significant commitment to the development of a good relationship between both organizations and the strengthening of ASIDE's capacity in the area of income generation. At this point, ASIDE has made substantial progress. Jim Oehrig has replaced Salvador Gonzalez as the World Relief Guatemala support person for both ASIDE and IXIL/ASPIE, the other counterpart organization with which World Relief is working in Guatemala. World Relief expects to conduct an evaluation of ASIDE's operations and projects and to provide additional training in credit policies, small loans management, and effective project design and selection techniques over the coming year.

COUNTRY INFORMATION (SECONDARY)	
Country Guatemala	Location in Country (Region, District, Village) Guatemala City, Coban, Huehuetenango, Ixil triangle
PVO Representative's Name Jim Oehrig	Local Counterpart/Host Country Agency ASIDE, IXIL/ASPIE

COUNTRY FUNDING INFORMATION (\$000)					
YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	17,475	78,656	24,194	32,994	34,260
PVO \$	13,397	73,722	43,180	28,564	35,853
INKIND					
LOCAL					
TOTAL	30,872	152,378	67,374	61,558	70,113

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMS No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 4

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Marguarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT
LOP			

Activity Description

World Relief's national partner in Haiti is the Committee on Development and Planning (CODEPLA) of the Council of Evangelical Churches in Haiti. During the past year, CODEPLA established five new projects and is in the process of working with an additional five communities to establish additional projects in the coming project year.

In addition to its continuing involvement with CODEPLA, World Relief intends to expand its involvement in Haiti to include the Mission Baptiste Sud d'Haiti (MEBSH) and its development organization, Integrated Rural Development (IRD). These two organizations are actively involved in a child survival program which is jointly funded by AID and World Relief. World Relief expects that the integration of its child survival and income generation programs should promote the effectiveness and sustainability of both programs if the strategies are carefully developed.

Status

CODEPLA has reduced its program scope as a result of the termination of its reforestation and pig repopulation projects. In addition, World Relief has encouraged CODEPLA to redirect its focus away from a concentration on one major project (cashew processing/sales) to a wider variety of smaller projects. CODEPLA has accepted this advice and is presently developing an integrated income generation development model built on the use of grain mills as the entry point into a community. While somewhat reduced in scope and vulnerable to any changes in leadership, CODEPLA continues to function well.

COUNTRY INFORMATION (SECONDARY)

Country Haiti	Location in Country (Region, District, Village) St. Jean du Sud, Maillard, Laporte, Petit-Goave, Marmelade, Cul-de-Sac Valley, Les Cayes
PVO Representative's Name Paul Thomas, Chavannes Jeune	Local Counterpart/Host Country Agency Integrated Rural Development, Committee on Development and Planning

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	41,965	53,027	32,163	44,934	45,532
PVO \$	41,442	50,888	36,946	45,563	45,888
INKIND					
LOCAL					
TOTAL	83,407	103,915	69,109	90,497	91,420

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 5

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Margarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP **Activity Description**

World Relief proposes an expansion of its matching grant activities to support its involvement with El Buen Pastor (EBP) and Alfolit Honduras (AH) its two national partners in Honduras. These two organizations have agreed to participate in a child survival program which has recently received initial approval for funding from AID. The purpose of this expansion is to improve the sustainability and effectiveness of both the child survival and the income generation programs.

Status

Both EBP and AH are established organizations which have developed relationships of confidence and understanding with those living in the target communities. Both organizations have the organizational capability and commitment to effectively implement an integrated child survival/income generation program. Furthermore, World Relief Honduras director Roberto Ruiz has many years of experience in community development and planning which will enable him to provide the consultation and supervision required.

COUNTRY INFORMATION (SECONDARY)

Country Honduras	Location in Country (Region, District, Village) Olancho province
PVO Representative's Name Roberto Ruiz	Local Counterpart/Host Country Agency El Buen Pastor Alfolit/Honduras

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	0	22,077	52,678
PVO \$	0	51,367	62,024
INKIND			
LOCAL			
TOTAL	0	73,444	114,702

AID 1550-11 (R.991)

(See Instructions & OMB Statement on manual)

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 6

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Margarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP

Activity Description

World Relief's national partner in the Philippines is Philippines Relief and Development Services (PHILRADS) which is related to the Philippines Council of Evangelical Churches. During the second project year, PHILRADS established seven income generation projects which involved at least 305 families. Some of these income generation projects involved improvements in transport of agricultural products to market. Other projects involved loans to micro-entrepreneurs in the marketplaces of Manila and other urban areas in the Philippines.

Status

PHILRADS is one among the most mature of the national counterparts related to World Relief. PHILRADS staff are well-trained in community development and management and highly motivated. However, additional training in effective income generation methods is needed since recovery of revolving loan funds is not at the desired levels. Furthermore, PHILRADS may undergo a leadership transition within the next two years as the director may take a leave of absence or accept another position. Planning for a smooth transition is underway at this time and candidate for leadership positions in PHILRADS have been identified.

COUNTRY INFORMATION (SECONDARY)

Country Philippines	Location in Country (Region, District, Village) Throughout the Philippines
PVO Representative's Name Augustin Vencer	Local Counterpart/Host Country Agency Philippine Relief and Development Services

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	44,753	80,864	59,079	73,514	73,400
PVO \$	34,694	76,400	59,923	63,820	63,342
INKIND					
LOCAL					
TOTAL	79,447	157,264	119,002	137,334	136,742

66'

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 7

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/30/92	AID Project Officer's Name Marguarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP ██████████

Activity Description

During the second project year, World Relief Senegal has implemented five new income generation projects and also continued its work in literacy and numeracy training for women who are candidates for future income generation project support.

Status

World Relief has decided to reduce the scope of its involvement in Senegal because it is planning to relocate its West Africa director from Dakar to Ouagadougou, Burkina Faso, and because it has determined that its church partners lack the size and maturity needed to meet the project objectives as outlined in the initial grant proposal. While it will reduce the scope of its project operations in Senegal, World Relief will continue to provide training and to support income generation projects at a level which can be absorbed by its partners.

COUNTRY INFORMATION (SECONDARY)

Country Senegal	Location in Country (Region, District, Village) Djourbel Region Dakar
PVO Representative's Name Moise Napon	Local Counterpart/Host Country Agency World Relief Senegal, DIPROS

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/30/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	2,730	35,397	15,795	23,915	24,056
PVO \$	0	46,565	19,583	19,266	19,374
INKIND					
LOCAL					
TOTAL	2,730	81,962	35,378	43,181	43,430

AID 1550-11 (2-88)

(See Instructions & OMB Statement of material)

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89
Attachment 9.4 Page 8

FOR OFFICIAL USE ONLY

PVO Type	Project Number	
Appropriation	Level	
Country Code	Fund Type	Technical Code
Project Officer	Key 1	Key 2

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Marguarite Potee

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP

Activity Description

World Relief's national partner in Sri Lanka is Lanka Evangelical Alliance Development Services (LEADS) of the Evangelical Alliance of Sri Lanka. During the second project year, LEADS implemented seven different project types involving 131 families living in three distinct geographical areas. These projects involved small loans for poultry-raising, sewing, food production/sales, and retail sales in local markets. A number of LEADS income generation projects have been integrated into its rehabilitation assistance programs for victims of the civil unrest in Sri Lanka.

Status

LEADS has completed its organizational restructuring and has now provided adequate authority to its director to enable the staff to work effectively. The civil unrest, while it flared up during the recent national elections, has generally moderated in scope and intensity, allowing LEADS to actively visit and interact with the projects it has chosen to support. LEADS staff generally reflect a high level of ability and motivation, although some problems do exist. At this point, LEADS is functioning well and should not experience any difficulties in achieving its plans for the third project year.

COUNTRY INFORMATION (SECONDARY)

Country Sri Lanka	Location in Country (Region, District, Village) Colombo, Augustawatta (Kandy), Pandugama, Madampe, Batticaloa, Dehiyagatha, Kudagama
PVO Representative's Name Reg Ebenezer	Local Counterpart/Host Country Agency LEADS

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	15,874	26,209	30,413	38,181	38,804
PVO \$	11,570	29,001	42,645	38,611	38,471
INKIND					
LOCAL					
TOTAL	27,444	55,210	73,058	76,792	77,275

14

**PVO PROJECT REPORTING INFORMATION
ON AID SUPPORTED PVO PROJECTS**

OMB No. 0412-0530
Expiration Date: 03/31/89

Attachment 9.4 Page 9

FOR OFFICIAL USE ONLY

PVO Type		Project Number	
Appropriation		Level	
Country Code	Fund Type	Technical Code	
Project Officer	Key 1	Key 2	

PROJECT INFORMATION (PRIMARY)

Name of Organization WORLD RELIEF CORPORATION		Grant/Contract Number OTR-0292-A-00-7131-00	
Start Date (MM/DD/YY) 6/1/87	End Date (MM/DD/YY) 5/31/92	AID Project Officer's Name Margarite Potee	

AID OBLIGATION BY AID-FY (\$000)

FY	AMOUNT	FY	AMOUNT

LOP

Activity Description

Project activities conducted by the World Relief office in the U.S. included three project review meetings attended by World Relief regional staff and consultant, the employment of an income generation specialist, the employment of two consultants to conduct baseline studies and an analysis of the macro-economic environment, and at least two training and evaluation visits to each counterpart by a regional director or consultant.

World Relief headquarters staff provided technical assistance to counterparts in income generation. In Sri Lanka and Guatemala, specific assistance was also provided in the strengthening of the administrative structure of the counterparts involved in those two countries.

Status

Financial systems and administrative systems are in place. Reporting systems need improvements which should occur as a result of the attention of the newly-hired income generation specialist. Regional directors have a clear understanding of the grant and are involved in its operation. Headquarters and regional administration structures are stable and actively engaged in the grant.

COUNTRY INFORMATION (SECONDARY)

Country U.S.A.	Location in Country (Region, District, Village) Wheaton, Illinois, U.S.A.
PVO Representative's Name Bastian Vanderzalm	Local Counterpart/Host Country Agency

COUNTRY FUNDING INFORMATION (\$000)

YEAR	6/1/87-5/31/88	6/1/88-5/31/89	6/1/89-5/31/90	6/1/90-5/31/91	6/1/91-5/31/92
AID \$	12,215	29,814	84,959	89,737	116,229
PVO \$	8,778	22,497	84,475	67,779	69,738
INKIND					
LOCAL					
TOTAL	20,993	52,311	169,434	157,516	185,967

AID 1550-11 (R,92)

(See Instructions & OMB Statement on request)

LOGICAL FRAMEWORK FOR WORLD RELIEF MATCHING GRANT CONCEPT PAPER
ORIGINAL

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS																				
<p>GOAL To improve the ability of evangelical Christian churches to respond to needs by providing significant development assistance to them, so that they can provide assistance to the impoverished around the world.</p>	<p>MEASURES OF GOAL ACHIEVEMENT Evangelical funds world wide delivered more efficiently, effectively and appropriately through local evangelical churches to the impoverished around the world regardless of race or creed.</p>	<p>SOB A. World Relief is able to maintain an overhead rate of below 10% as a result of being able to deliver services through an effective counterpart system. B. Additional funds attracted to 25 counterparts at increase of 10% per year. C. Decisions of projects supported by counterparts increases 10% per year.</p>	<p>SOB A. Evangelicals will continue to feel the need of sharing in the development of the impoverished. B. Political stability in the countries of the participating counterparts. C. Ongoing favorable climate for evangelical activity in the participating countries. D. Continued cooperation of the local evangelical churches on which the counterparts depend.</p>																				
<p>PURPOSE Develop the ability of World Relief to provide technical assistance in the areas of income generation, agriculture, and women in development to its related counterparts, so that World Relief's network of national counterparts will have the ability to carry out these projects on their own.</p>	<p>END OF PROJECT STATUS 1--World Relief income generation specialist on staff and providing regular technical assistance to World Relief counterparts. 2--Less developed counterparts taking advantage of the more developed World Relief counterparts through regular correspondence and visits to income generation projects (Burkina Faso and Bangladesh), women in development projects (Burkina Faso and Bangladesh), and training centers (Burkina Faso and Bangladesh). 3--Local AID agencies operating on no more than 25% outside funding for administrative purposes, other funds locally raised or provided for from percentage of funds raised for projects by 1977. 4--AID projects researched and designed at the grassroots level with the assistance of local counterpart agencies. 5--AID projects funded by monies received by the local AID counterparts. 6--AID projects implemented and monitored by local counterparts. 7--Progress reports on local projects provided to donors by local counterparts. 8--Projects evaluated by local counterparts. 9--Local counterparts providing critical analysis of project proposals presented to funding agencies for cultural and technical appropriateness and appropriateness.</p>	<p>PURPOSE 1--Independent audits of counterpart agencies. 2--Regional Directors for World Relief make random site visits to project locations to confirm participant input in project design and provide written reports and photos to headquarters. 3--Regional Directors visit counterparts three to four times each year to review progress and budgets and provide written reports to headquarters. 4--Progress reports received regularly by World Relief from counterparts for projects implemented by them and receiving World Relief funding. 5--Evaluations received by World Relief for projects implemented by counterparts and receiving World Relief funding. 6--Consultation with World Relief technical personnel on design of projects presented for funding to World Relief and other proposals as requested.</p>	<p>PURPOSE A. Qualified personnel available for the technical assignments projected. B. Counterparts will continue to have an interest in the sectors of income generation and/or women in development and/or agricultural production through the life of the project and beyond. C. Qualified staff are developed within the counterparts enabling them to continue to develop and support themselves after the project terminates.</p>																				
<p>OUTPUTS A. World Relief will develop the capacity to provide its counterparts with competent technical assistance in the area of income generation. B. The five to seven counterparts participating strictly as learners will have the capability to design and implement income generation projects without significant outside support from World Relief. C. The two counterparts participating as resources for demonstration and training will benefit from improved effectiveness and creativity in the design and implementation of income generation projects. D. The creation of 65 to 90 income generation projects (depending on the level of funding) for an average of 15 in each country. Three-fourths of these projects will continue to operate after the proposed program concludes as a result of the recycling of funds used to start-up the projects.</p>	<p>MAGNITUDE OF OUTPUTS 1--Trained development staff existing either as an independent structure (Burkina Faso model) or as an office within an established counterpart (Philippines model) in eight countries. Staff in cost centers would include a director, clerical, accounting and technical staff. 2--Office facilities obtained for all eight counterparts. 3--Contacts established between counterparts, local USAID missions and other evangelical funding agencies (sister agencies to WR). 4--Banking transfer procedures established for counterparts. 5--Effective accounting and financial controls system in place capable of meeting the reporting needs of funding agencies. (Regular external audits performed.) 6--Development projects operational in each of the eight countries under the auspices of these counterparts. 7--Annual budget of local counterparts to be no less than \$500,000 by 1979. 8--An average of 15 projects related to one or more of the sectors (income generation, women in development or agricultural production) implemented by each of the eight counterparts over the life of the project.</p>	<p>OUTPUTS 1--Regular visits (three to four times per year) by Regional Directors and World Relief technical staff to counterparts including office visits and project site visits and written reports provided to headquarters. 2--Discussions with World Relief sister agencies to determine whether or not other evangelical agencies and churches are using the counterpart for assistance within the country. 3--Visits by World Relief Regional Directors to local AID missions to determine feasibility of AID with the local counterpart. 4--Transfer of funds to counterparts accomplished effectively and efficiently without delay. 5--Annual report and external audit of counterparts sent to World Relief.</p>	<p>OUTPUTS A. Qualified personnel available for the technical assignments projected. B. U. S. C. 1--Ability of counterparts to tap funding sources other than WR both for program and coordination funds. 2--Counterparts continue to be able to operate within their countries as relief and development agencies. 3--World Relief and counterpart goals continue to be compatible. D. 1--Economic environment conducive to income generation projects. 2--Sufficient funding will be available to fund up to 90 income generation projects. 3--A minimum of 90 fundable quality project proposals will be received and/or developed by the counterparts.</p>																				
<p>IMPACTS A. Adding specific expertise in the area of income generation to WR's central staff. B. Extending the impact of agricultural expertise available within the WR counterpart network by making the expertise available to other WR counterparts. C. Using women in development staff in Burkina Faso as resources for other WR counterparts. D. Using women in development projects in Burkina Faso as pilot projects to test and develop replicable income generation projects which serve women as the primary beneficiaries. E. Conducting workshops in countries where WR counterparts have developed successful and distinctive income generation projects. F. Using counterpart staff with expertise in income generation to train staff from other counterparts. G. Providing technical resources and consultation to those counterparts participating in the project. H. Providing funds to support the creation of specific income generation projects in each country to provide opportunities for experimentation and learning and to also provide a direct benefit to those communities which participate.</p>	<p>IMPLEMENTATION TARGET</p> <table border="1"> <thead> <tr> <th></th> <th>BIBLIUM FUNDING LEVEL</th> </tr> </thead> <tbody> <tr> <td>YEAR 1</td> <td>\$122,417</td> </tr> <tr> <td>YEAR 2</td> <td>111,969</td> </tr> <tr> <td>YEAR 3</td> <td>132,778</td> </tr> <tr> <td>TOTAL</td> <td>\$367,164</td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th></th> <th>FULL FUNDING LEVEL</th> </tr> </thead> <tbody> <tr> <td>YEAR 1</td> <td>\$702,212</td> </tr> <tr> <td>YEAR 2</td> <td>943,210</td> </tr> <tr> <td>YEAR 3</td> <td>873,442</td> </tr> <tr> <td>YEAR 4</td> <td>\$1,818,864</td> </tr> </tbody> </table> <p align="center">*SEE ATTACHED BUDGET FOR DETAILS*</p>		BIBLIUM FUNDING LEVEL	YEAR 1	\$122,417	YEAR 2	111,969	YEAR 3	132,778	TOTAL	\$367,164		FULL FUNDING LEVEL	YEAR 1	\$702,212	YEAR 2	943,210	YEAR 3	873,442	YEAR 4	\$1,818,864	<p>IMPACTS World Relief requires quarterly financial reports from all institutions and/or projects which receive funding from World Relief. These combined with annual statements and external audits of the counterparts will provide necessary documentation and means of verification for impact.</p>	<p>IMPACTS That impact will be available at the proper time and in sufficient quantity throughout the life of the project.</p>
	BIBLIUM FUNDING LEVEL																						
YEAR 1	\$122,417																						
YEAR 2	111,969																						
YEAR 3	132,778																						
TOTAL	\$367,164																						
	FULL FUNDING LEVEL																						
YEAR 1	\$702,212																						
YEAR 2	943,210																						
YEAR 3	873,442																						
YEAR 4	\$1,818,864																						

**LOGICAL FRAMEWORK FOR WORLD RELIEF MATCHING GRANT CONCEPT PAPER
REVISED**

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS												
<p>GOAL To improve the ability of evangelical Christian churches to respond to needs by providing significant development assistance to them, so that they can provide assistance to the impoverished around the world.</p>	<p>MEASURES OF GOAL ACHIEVEMENT Evangelical funds world wide delivered more efficiently, effectively and appropriately through local evangelical churches to the impoverished around the world regardless of race or creed.</p>	<p>GOAL A. World Relief is able to maintain an overhead rate of below 10% as a result of being able to deliver services through an effective counterpart system. B. Additional funds attracted to 10 counterparts at increase of 10% per year. C. Beneficiaries of projects supported by counterparts increases 10% per year.</p>	<p>GOAL A. Evangelicals will continue to feel the need of sharing in the development of the impoverished. B. Political stability in the countries of the participating counterparts. C. Ongoing favorable climate for evangelical activity in the participating countries. D. Continued cooperation of the local evangelical churches on which the counterparts depend.</p>												
<p>PURPOSE Develop the ability of World Relief to provide technical assistance in the areas of income generation, agriculture, and women in development to its related counterparts, so that World Relief's network of national counterparts will have the ability to carry out these projects on their own.</p>	<p>END OF PROJECT STATUS 1--World Relief income generation specialist on staff and providing regular technical assistance to World Relief counterparts. 2--Less developed counterparts taking advantage of the more developed World Relief counterparts through regular correspondence and visits to income generation projects (Burkina Faso and Bangladesh), women in development projects (Burkina Faso and Bangladesh), and training centers (Burkina Faso and Bangladesh). 3--Local AIB agencies operating on no more than 25% outside funding for administrative purposes, other funds locally raised or provided for free percentage of funds raised for program by 1979. 4--AIB projects researched and designed at the grassroots level with the assistance of local counterpart agencies. 5--AIB projects funded by monies raised by the local AIB counterparts. 6--AIB projects implemented and monitored by local counterparts. 7--Progress reports on local projects provided to donors by local counterparts. 8--Projects evaluated by local counterparts. 9--Local counterparts providing critical analysis of project proposals presented to funding agencies for cultural and technical appropriateness and appropriateness.</p>	<p>PURPOSE 1--Independent audits of counterpart agencies. 2--Regional Directors for World Relief make random site visits to project locations to confirm participant input in project design and provide written reports and photos to headquarters. 3--Regional Directors visit counterparts three to four times each year to review programs and budgets and provide written reports to headquarters. 4--Progress reports received regularly by World Relief from counterparts for projects implemented by them and receiving World Relief funding. 5--Evaluations received by World Relief for projects implemented by counterparts and receiving World Relief funding. 6--Consultation with World Relief technical personnel on design of projects presented for funding to World Relief and other proposals as requested.</p>	<p>PURPOSE A. Qualified personnel available for the technical assignments projected. B. Counterparts will continue to have an interest in the sectors of income generation and/or women in development and/or agricultural production through the life of the project and beyond. C. Qualified staff are developed within the counterparts enabling them to continue to develop and support themselves after the project terminates.</p>												
<p>OUTPUTS A. World Relief will develop the capacity to provide its counterparts with competent technical assistance in the area of income generation. B. The six counterparts participating strictly as learners will have the capability to design and implement income generation projects without significant outside support from World Relief. C. The two counterparts participating as resources for demonstration and training will benefit from improved effectiveness and creativity in the design and implementation of income generation projects. D. The creation of 104 income generation projects for an average of 22 in each country. Three-fourths of these projects will continue to operate after the proposed program concludes as a result of the recycling of funds used to start-up the projects.</p>	<p>MAGNITUDE OF OUTPUTS 1--Trained development staff existing either as an independent structure (Burkina Faso model) or as an office within an established counterpart (Philippines model) in eight countries. Staff in most cases would include a director, clerical, accounting and technical staff. 2--Office facilities obtained for all eight counterparts. 3--Contacts established between counterparts, local USAID missions and other evangelical funding agencies (institutor agencies to WR). 4--Banking transfer procedures established for counterparts. 5--Effective accounting and financial controls system in place capable of meeting the reporting needs of funding agencies. (Regular external audits performed.) 6--Development projects operational in each of the eight countries under the auspices of these counterparts. 7--Annual budget of local counterparts to be no less than \$500,000 by FY1979. 8--An average of 13 projects related to one or more of the sectors (income generation, women in development or agricultural production) implemented by each of the eight counterparts over the life of the project.</p>	<p>OUTPUTS 1--Director visits (three to four times per year) by Regional Directors and World Relief technical staff to counterparts including office visits and project site visits and written reports provided to headquarters. 2--Discussions with World Relief sister agencies to determine whether or not other evangelical agencies and churches are using the counterpart for assistance within the country. 3--Visits by World Relief Regional Directors to local AIB missions to determine feasibility of AIB with the local counterpart. 4--Transfer of funds to counterparts accomplished effectively and efficiently without delay. 5--Annual report and external audit of counterparts sent to World Relief.</p>	<p>OUTPUTS A. Qualified personnel available for the technical assignments projected. B. I. C. 1--Ability of counterparts to tap funding sources other than WR both for program and maintenance funds. 2--Counterparts continue to be able to operate within their countries as relief and development agencies. 3--World Relief and counterpart goals continue to be compatible. D. 1--Economic environment conducive to income generation projects. 2--Sufficient funding will be available to fund up to 104 income generation projects. 3--A minimum of 104 fundable quality project proposals will be received and/or developed by the counterparts.</p>												
<p>INPUTS A. Adding specific expertise in the area of income generation to WR's central staff. B. Extending the impact of agricultural expertise available within the WR counterpart network by making the expertise available to other WR counterparts. C. Using women in development staff in Burkina Faso as resources for other WR counterparts. D. Using women in development projects in Burkina Faso as pilot projects to test and develop replicable income generation projects which serve women as the primary beneficiaries. E. Conducting workshops in countries where WR counterparts have developed successful and distinctive income generation projects. F. Using counterpart staff with expertise in income generation to train staff from other counterparts. G. Providing technical resources and consultation to those counterparts participating in the project. H. Providing funds to support the creation of specific income generation projects in each country to provide opportunities for experimentation and learning and to also provide a direct benefit to those communities which participate.</p>	<p>IMPLEMENTATION TABLE</p> <table border="1"> <tr> <td>YEAR 1</td> <td>\$295,395</td> </tr> <tr> <td>YEAR 2</td> <td>865,023</td> </tr> <tr> <td>YEAR 3</td> <td>765,327</td> </tr> <tr> <td>YEAR 4</td> <td>852,747</td> </tr> <tr> <td>YEAR 5</td> <td>896,483</td> </tr> <tr> <td>TOTAL</td> <td>\$3,675,000</td> </tr> </table>	YEAR 1	\$295,395	YEAR 2	865,023	YEAR 3	765,327	YEAR 4	852,747	YEAR 5	896,483	TOTAL	\$3,675,000	<p>INPUTS World Relief requires quarterly financial reports from all institutions and/or projects which receive funding from World Relief. These combined with annual statements and external audits of the counterparts will provide necessary documentation and means of verification for inputs.</p>	<p>INPUTS That inputs will be available at the proper time and in sufficient quantity throughout the life of the project.</p>
YEAR 1	\$295,395														
YEAR 2	865,023														
YEAR 3	765,327														
YEAR 4	852,747														
YEAR 5	896,483														
TOTAL	\$3,675,000														

KENNETH L. GRABER

125 Bomberger Road
Akron, PA 17501

717/859-2876 (Home)
717/738-3715 (Office)

Objective: Business Manager or Program Director position desiring to utilize my analytical team-oriented skills in the strengthening of a small to medium size organization emphasizing customer service.

Experience: **MENNONITE ECONOMIC DEVELOPMENT ASSOCIATES (1976 - Present)**
Ephrata, PA

Associate International Division Coordinator

- Responsible for development, administration and financial control of the Latin American programs, involving four countries.
- Job duties include regular trips to each of the program sites.
- Serve as a consultant to several agencies doing development projects in Portugal, Honduras, Columbia and Bolivia.
- Operate as a liaison to various government and non-government developmental agencies.
- Developed a personnel policy manual and a manual to guide the establishment of future Small Business Development Programs for MEDA.
- Work with an annual budget of \$1.8 million.

International Program Manager

- Supervised programs in six Latin American and Caribbean countries.
- Administered the U.S. office of MEDA.
- Responsible for budgeting, accounting and administration of policy.
- Supervised three country managers.
- Worked with an annual budget of \$1.2 million.

Bolivia Country Director

- Carried full responsibility for the development and execution of the Bolivia program.
- Helped develop three small farmer credit programs serving the needs of over 8,000 farmers.
- Served as a consultant to more than 12 development agencies, assisting in regional planning, economic analysis and program evaluation.
- Trained Cooperative leaders in administration and financial management, and taught farm management techniques.

BOARD OF GLOBAL MINISTRIES (1969 - 1976)

United Methodist Church

Missionary

- Directed rural development programs in various areas of Bolivia.
- Developed and conducted a socio-economic survey of 10 rural communities to assess their current situation and needs.

68

MENNONITE CENTRAL COMMITTEE (1963 - 1965)
Akron, PA

Agricultural Extensionist

- Extensionist and supervisor for the Bolivian Methodist Church's Eastern District Rural Program.

SELF-EMPLOYED (1959 - 1963)

Northwest Ohio

Operated a mixed crop and livestock operation.

Education/
Training:

Purdue University (1975)
M.S. degree in Agricultural Economics.

Purdue University (1969)
B.S. degree in Agricultural Economics.

Spanish - read, write and speak fluently.

Computer skills with programming and applications.

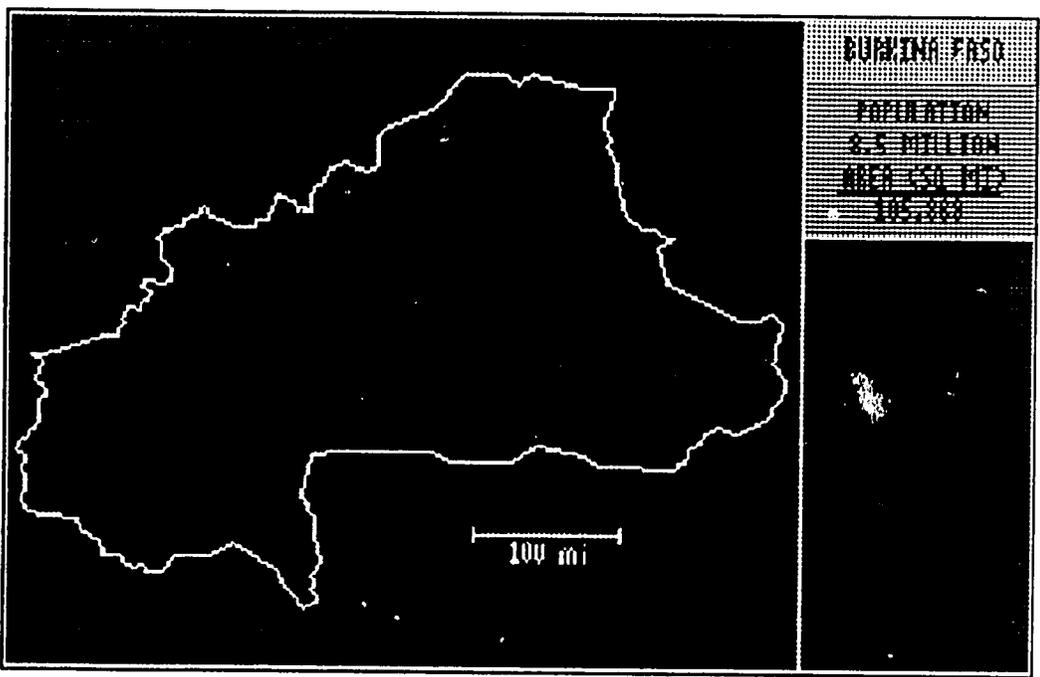
Personal:

Married
Two Children
Excellent Health

References:

Excellent references available upon request.

The Burkina Faso Report



70'

**A Report
on the
Implementation of the USAID
Matching Grant to World Relief
for
Income Generating Activities
in Burkina Faso**

**John McMillin and Dave Chambers
Land and Water Resources International
16832 69th Place West
Lynnwood, WA 98037**

April 12, 1989

71'

Executive Summary

The international attention focused upon Africa over the past ten years has brought mixed results. But one felicitous result has been the beginning of a stream of maturing research casting useful light upon the issues and problems of Africa. Increasing analysis disputes the popular wisdom that Africa lacks water and suffers overpopulation.

Africa loses more water by evaporation than any other continent, but it does possess more than 4,000 billion cubic meters of water. Of that amount, less than 2% per cent is utilized throughout the continent for any food production. Burkina Faso utilizes less than 1.5% of its water resources for food production. Africa cultivates about 24% of the land available for cultivation and arable.

To the other continents, Africa is eclipsed only marginally by South American in its lack of utilization of land and water for food production. When large agricultural projects in Africa finally reach the point of turning the first shovel of dirt, it is only one of eight projects originally announced which have survived to that point. This compares to one in four in Latin America and one in two in Asia. Africa also suffers from quixotic counterpoints of overbuilding on one theme or industry to the unreasoned neglect of other fruitful lines of endeavor.

It is within this context that we have assessed the agricultural and income-generating activities of World Relief Burkina Faso as part of a U.S. Agency for International Development matching grant. Our assessment found examples of good and a few not-so-good projects. None could be rated as poor. To tighten the definition in this summary, many efforts have and are achieving and exceeding their goals; probably a majority, certainly a pleasant percentage. A number need revisions and explicit attention, which follow in the main report. Finally, a few projects stand poised for possibly extraordinary performance, awaiting newly awakened attention by management, and small additional investment.

To gain your interest in reading the following report, the prime example of the last category is the Poundou Training Center. It is successful, effective, and reasonably efficient, but poised at the brink of an abyss. To travel in one direction counts short term success, easy efforts, and long term disaster. The other option invites exchange of modest investment and careful management decision making for spectacular, regional exemplification of the best in conservative, precise, and concerned agricultural practice. We recommend the latter approach.

**World Relief
Burkina Faso Assessment**

Executive Summary

1.0 Introduction

2.0 Descriptive Analysis of Projects

- 2.1 Poundou Training Center Baseline Data
- 2.2 Agricultural Products and Marketing Baseline Data
- 2.3 Women in Development Baseline Data

3.0 Descriptive Analysis of World Relief Burkina Faso

- 3.1 Organizational Structure and Legal Status
- 3.2 Project Planning & Management Capabilities of Staff
- 3.3 Technical Capabilities of Staff

4.0 Descriptive Analysis of Local Environment

- 4.1 Relationship with Local Church
- 4.2 Relationship with National and Local Government
- 4.3 Economic Conditions
- 4.4 Ecological Conditions
- 4.5 Technical Assistance Alternatives
- 4.6 Project Financing Alternatives

5.0 Recommendations

- 5.1 Poundou Training Center
- 5.2 Agricultural Products and Marketing and Women in Development
- 5.3 Staff Training
- 5.4 Unfinished Business

1.0 Introduction

From March 3 to March 10, 1989, John McMillin and Dave Chambers visited Burkina Faso as part of World Relief's income generation program, which is funded in part by a matching grant from the U.S. Agency for International Development.

The purpose of this report is to identify baseline data and draft a descriptive assessment of World Relief income-generating projects in Burkina Faso to provide data for World Relief in developing a prescriptive course of action. Additionally, the assessment is to assist World Relief in charting diagnostically and evaluating summatively the goal achievement of activity related to a matching grant for income generation from the U.S. Agency for International Development.

Data for this report was gathered by John McMillin and Dave Chambers from Land and Water Resources International with the assistance of Moise Napon, Edward Nanema, Benjamin Kalmogo, and Henk van der Giessen during a visit to Burkina Faso from March 3 to March 10, 1989, and various resource centers in Africa, Europe, and America.

The report provides first a descriptive analysis with baseline data of primary World Relief projects in Burkina Faso. A descriptive analysis of World Relief Burkina Faso and the Burkinabe context are found in the next two sections. The final section of this report deals with our recommendations. Project planning documents, ongoing reports, and financial documentation for each of the projects may be found in World Relief files, but are not reiterated in this report.

2.0 Descriptive Analysis of Projects

2.1 Poundou Training Center Baseline Data

Within sight of the village of Poundou in northwestern Burkina Faso, World Relief has established the Poundou Training Center "to teach gardening." The altitude is about 300 meters, with warm season daily temperature rising to 45 to 50 degrees centigrade not unusual. Rainfall averages 750 to 800 millimeters annually. Poundou is in the drainage basin of the Mouhoun River which drains into the Mossi plain upon which the capital city of Ouagadougou sits. The rainfall at Ouagadougou is a little less, about 650 millimeters.

The slope of the land around Poundou is to the south, at about .5% to 2% slope, characteristic of most of Burkina Faso. Weather patterns produce three distinct seasons, to which farmer agricultural practices are directly, often rigidly affixed. In general, the wettest season runs from June through September, followed by a cool, dry season, from October through February, and culminating in a hot and dry season from March through June. Rains are virtually non-existent in the seven months of November through May.

Poundou Training Center is laid out in a campus form, with principal residences and dormitories for a dozen families scattered around an irregular circle. A well, pump, and storage sheds complete the central area. A few hundred meters to the south, the test and student gardens occupy a fenced section of some five hectares, of which three hectares are under cultivation. A remaining five hectares of the 12-13 hectare Center are devoted to dry season crops including cotton, millet, and maize. The students tend to focus their efforts on vegetables and grains with greatest economic potential, while the Center's managers include more non-traditional crops in their efforts. In general, the student efforts generate an average of about 1,000 kilograms of saleable vegetables per hectare. The Center averages about 10% less production per hectare. Agricultural practice is standard row planting in plots approximately one meter by five meters, flood irrigated in the Center plots, and hand watered with sprinkler cans and hoses in the student plots. Water consumption is quite high, with substantial loss through evaporation and percolation.

Soil characteristics at Poundou mirror conditions generally found across Burkina Faso and much of Francophone Africa. Subsaharan sands dominate, with outcroppings of sandstone, limestone and occasional volcanic tufts. Clay occurs often enough to figure in land utilization schemes. Year-round water in flowing rivers are rare, with a generalization of 100 kilometers between each sustaining river. Otherwise, infrequent rushes of rapidly falling rain form short-lived ponds and short stream flooding. The sandy matrix results in crop-wilt within two millimeters of water source.

Flood irrigation results in a 90% water use inefficiency with slight improvement only when hand-sprinkled. In the Center, lack of humus, compost, or manure applications assure soil depletion, desiccation, and rapid expiration of soil fertility. Few efforts are expended to teach or demonstrate soil regeneration. Examples of compost are rudimentary and utilization of manure mirrors usual practice in the larger community. In the surrounding community, crop prices are predictable and follow laws of supply and demand. The typical village market reflects current crop production, with few instances of produce being withheld from the market to take advantage of higher off-season prices. Crop storage is difficult due to lack of facility, credit, and capital. Fish is consumed readily if available. Availability of fish is nil in the bush, and usually available in cities and larger towns. Poundou Training Center neither practices aquaculture nor currently plans to do so.

The Poundou Training Center is expected to either become cost-effective within the next two to three years, or cost-neutral in support of agricultural productivity. Attending students are expected to learn from viewing Center practice. Formal instruction is minimal. A typical student residence is for 12 months, with one afternoon a week in the classroom, and all of the remaining time in the field. The Center has a curriculum embracing 21 subjects, divided in three sections by season. Each household--married couple--is paired with another couple from the same village. Each pair of households receives six hectares of land while they reside at the Center to farm in the following manner:

- 3.0 hectares for cereals (sorghum, corn, millet)
- 0.5 hectares for arachids (peanuts)
- 2.0 hectares for cotton
- 0.3 hectares for sesame
- 0.2 hectares for vegetables

Each household receives one complete plow, a mechanical weeder, a mounding machine, a pair of oxen, and harness. These become the farmer's property through a loan from the agriculture bank, guaranteed by the Center. The first payment on this loan is made from the excess of their production while at the Center and not consumed and sold. The second year's payment is deferred to permit the student to get established back at his home village. Each family has use of land upon which to raise chickens and guinea fowls, but goats are excluded.

The following table compares agricultural plot production for the Poundou Training Center test plots and the student plots:

Poundou Training Center
Agricultural Plot Production
1988-1989 Growing Season

Crops	TEST PLOTS		STUDENT PLOTS	
	Ha	Kg/Ha	Ha	Kg/Ha
Cotton	2	1,500	2	1,640
Sorghum	3	1,300	3	1,836
Maize	2	2,000	2	2,856
Millet	1	NA	1	1,076
Arachids	NA	NA	1	465
Sesame	0.5	50	1	128
Beans	1	200	0.5	240
===== Total	9.5	5,050	10.5	8,241
Aver Kg/Ha		594		785

Photograph A on the following page displays the agricultural prowess of a Poundou Training Center graduate. The garden in photograph B was produced in the same village by a villager mimicking the graduate's garden.

The Poundou Training Center graduate's plots are orderly, neatly rowed, and carefully tended. The problems include unraised beds, fecal bearing surface water washing against blossoms and crops, lack of compost as indicated by the tint of green, and excessive weed growth.

Crops in the mimicked garden are withering from lack of water, even though the soil is waterlogged by overwatering. The utter lack of humus, mounding, and soil loosening results in gardens operating at 10% of potential, whatever the marginal improvement over village practice.

In all gardens, runoff of water bearing E. coli bacteria is endemic. Vegetable mass analysis by standard chemical procedures suggests vegetable material yielding low levels of critical nutrients. Soil nitrogen failed to register at all, whereas nitrogen levels should be high in well-managed gardens.

77



Photograph A: Village Garden
of Poundou Training Center Graduate

Photograph B: Village Garden
Mimicking Poundou Graduate's Garden



2.2 Agricultural Products and Marketing Baseline

World Relief serves about 16 of the 30 provinces in Burkina Faso. A number of different programs characterize the thrust of World Relief activity in Burkina Faso. Of them, we are concerned most with projects incorporating agricultural components, women in development, and income generating activities. These occur in most of the 16 provinces, but particularly in Yatenga, Oubritenga, Sissili, Bougouriba, and Passore provinces.

Although the agricultural practices and products vary from province to province, and village to village, environmental constraints impose a relatively high degree of uniformity of agricultural practice and products. Markets from one region largely mimic those of its neighboring region. The northern provinces are generally dryer, the western rainier. Moving from northeast to southwest, the terrain rises slightly, the major drainage line running more southerly. The rainfall is least in the north and northeast, around 650 mm annually, with the heaviest rainfall of a meter or so in the southwest. The southwest is considered the "granary" of the country.

The soils exhibit classic subsaharan sandy characteristics in the north, gradually incorporating more humus, clay, and various intrusions as one travels south. Most fruits, grains, and almost all export crops come from the southern provinces.

World Relief projects tend to reach out to the less well off peoples in the central and northern provinces. Thus, the following observations about agricultural products and marketing reflect the provinces of interest, and less the country as a whole. It may serve to note that differences between the northeast and southwest are not incremental, but of lesser scale. Given worst and best extremes, the difference in cereal production per hectare may be 500 kg in the north and 2000 kg in the southwest.

In the provinces of our concern, we have generalized the data. A typical family derives its income from the sale of agricultural product, primarily cotton. Also sold are small animals, excess food crops, and some small amount of cottage industry products. The average farmer generates perhaps 90,000 CFA (\$300) per year.

The family devotes about 60% of its tillable land to food crops, of which a little more than half will be in cereals. About 25% is devoted to cotton as a cash crop, 8% to arachids, 5% to sesame, and the remainder to vegetables. Women sometimes raise small crops of their own on separate land, most often of vegetables.

Between the various ethnics groups, there are wide variations of activity in agriculture by women. Mossi women may often own their own land and work it separately from the family allotment.

The Bwabas breed small animals such as goats, sheep, and poultry, and they turn over their cattle to the Peuli tribe for tending when they finish plowing. By the time the cattle are returned to farm the soil again, the cattle are emaciated, and the Bwabas have gone without the benefit of livestock dung. The oxen are often too weak to plow the resistant and rocky soil.

If the women have extra cash, it often comes from brewing "dolo", millet beer. About 17% of the women sell groundnuts and about 10% sell or trade artcraft, poultry, and vegetables. When spending cash income, the greatest number of purchases as well as the largest amount of money is spent on medicines. The second largest expenditure is for clothing. Women list medicines, clothing, and organizational fees as their top three expenditures. About 40% of the men save some amount of money through different village organizations, as do 20% of the women. It is felt that women tend to understate their savings activity. About half of the women say they buy food for the family. Women are not responsible for building or maintaining the home, paying their dowry, or giving gifts. More than half of the women belong to village organizations as well as health groups.

Each village tends to have its own marketing system, in which about 25% is barter and the remainder cash. In general, a weekly market combines a set of villages and most sales are cash. Large quantities of grain may infrequently be accepted in return for on-the-hoof animals.

When spending cash, men undertake 93% of all transactions which deal with farm animals or equipment; an even higher percentage when purchasing or selling agricultural inputs. Food products involve both men and women, with men involved in just slightly more than 60% of transactions. Actual consumed foods are purchased by women slightly more than 50% of transactions. Men purchase more than 75% of the medicines consumed by the family, and actually make savings deposits in excess of the sum of deposits by women, even though women make the majority of deposit transactions.

Educationally, Burkina Faso is at the lowest levels in most indices. What little professional educating does exist seldom extends into the daily life of villagers, either in impact of the technology or awareness of what little opportunity might exist. The country tends to look to the Ivory Coast and Senegal for advanced education and to France beyond that. About 10% of the women and about 25% of the men complete elementary school. Completion of elementary school may mean four years of school more often than six or even eight.

Fewer than ten per cent of women obtain any training in farming, small business affairs, or simple bookkeeping. About a third of farmers will say they have received training which directly helps them in any endeavor they undertake.

Most farmers are illiterate, although the illiteracy rates quoted are unreliable. Nearly 100% of the men and 80% of the women questioned by this writer, and confirmed by other studies, cite their interest in more training. The interest level appears not to waver when the matter of modest costs are attached to the training. When time commitments are added, most state that up to eight hours a week can be readily accommodated.

The curricula desired are:

<u>Subject Matter</u>	<u>Men (%)</u>	<u>Women (%)</u>
Farming techniques	89	79
Soils	80	NA
Farm management	75	65
Amendments/inputs	70	67
Crops	70	65
Farmer's organizations	67	37
Animal traction	60	50
Self-managed marketing	40	NA
Credit	40	30

Most are able to recognize issues involving soil nutrition and crop choices, and most feel that there exist better strategies in farming, but they don't know where or how to access those strategies. The apparent disinterest in farm credit may be due to the fundamental persuasion that if they could learn better farming methodology, the need for credit would lessen.

Women express strongly a desire for training in personal and family health (95%), water purification (90%), prenatal, natal and postnatal care (90%), and hygiene (80%). Domestic skills requested are soapmaking (90%), weaving (80%), cooking, sewing, and oils (75%), and pottery and wicker-work (45%).

From other studies combined, we estimate that one out of ten households of parents to the age of 30 would devote at least one whole day a week in away-from-home training within two hours walking distance. One family in fifteen would devote a week a month, and one family in five would devote a concentrated year in full-time training if modestly subsidized.

2.3 Women in Development Baseline Data

Internal reporting of women in development programs of World Relief Burkina Faso appears, in blind sampling, accurate and faithful. Since this visiting team could not entertain the ambition to visit each women in development project, we selected two out of more than 20 currently active projects for review. We might have chosen any two from the historical total of nearly 40 projects. Of the completed projects, the state of completion should be interpreted to mean that funding advanced by World Relief Burkina Faso has been

81

repaid, in all but one instance, and that the project continues but no longer requires sustaining cash grants. One or two women in development projects out of the total have ended for logical reasons, largely pertaining to changing needs, rather than due to collapse of working relationships or fiscal malfeasance.

The typical women in development projects are largely those elements of women's primary focus, as broadly described in earlier sections of this report. The largest category by funding amount and number of contacts was grain mills. The following table illustrates the categories of women in development projects, financial inputs from World Relief Burkina Faso, and level of reimbursement from project beneficiaries to World Relief Burkina Faso. It is pertinent to note that the clarity and intensity of reimbursement requirements to each project varied greatly.

Women in Development Projects

Project Categories	World Relief Inputs (CFA)	Estimated Rate of Reimbursement
Grain mills	13,000,000	50%
Gardening	9,000,000	NA
Animal husbandry	2,500,000	3%
Donkey carts	1,500,000	40%
Grain banks	1,300,000	NA
Soap production	600,000	NA
Revolving credit	500,000	NA
Weaving	300,000	NA
===== Total	===== 28,700,000	===== 25%

If we assume the not available categories to be nil, the reimbursement rate is about 25% to date. Most projects were initiated in 1986 with fewer projects in 1987 and 1988.

The primary objectives stated by World Relief in initiating women in development projects were to "...improve and change (family) food habits through introducing fresh vegetables in the daily diet," and "...raise monetary revenue through selling the food surplus in the local market." Given these two core objectives, World Relief Burkina Faso is achieving its goals.

Nearly 80% of funding made available to projects in women in development focus directly upon these issues of food variety, seasonality, availability, and quantity. The remaining 20% focus upon projects which have direct impact upon the tools and means of obtaining the desired results. It requires a stretch of credibility to suggest that the use and sales of donkey carts and soap might not contribute directly to food requirements and cash income. In actuality, these two categories, transportation and hygiene, figure prominently in the categories of cash outgo by families studied.

We see little cause for concern regarding the level of apparent slow replacement of borrowed capital for the women in development projects. A return of more than seven million CFA of a loaned 28 million in less than three years from an impoverished base and in economic hard times is not cause for alarm. The earliest projects may have been weak in thoroughly alerting participants to the expectation that the capitalization was only a short term loan. From sampled examinations of project documentation, we conjecture that the payback will probably not exceed 60% by the fifth year of all projects.

At risk then is a little over ten million CFA or \$33,000. That is an acceptable risk given the encouraging results, number of beneficiaries, and actual goal achievements. The senior managers of World Relief Burkina Faso hope for and expect a higher capital replacement.

Grain mills take on a profoundly pervasive role in rural Burkina Faso. The amount of labor expended by women in grinding their supply of grain averages about four hours with much heavy manual labor. The mill reduces the time to less than ten minutes of actual milling time, and requires no labor for the consumers. The actual cost of milling by machine is actually significantly less than what the revenue a woman will achieve with the same amount of time, and less labor, in weaving, gardening, or selling excess food production.

Each grain mill cooperative of women charge themselves about 100 CFA to mill a bag of grain, and 200 CFA for non-members. We witnessed a mill operating about four hours a working day, which generated a bookkeeping surplus capital of 100,000 CFA after repaying the total costs of mill purchase, setup, operation, repair and replacement set asides, all within the first two years of operation. The women were keeping one man employed to generate the mill, and were considering a series of village-wide improvement schemes for funding. None of the women were taking profits for themselves. Examples were found in which millage fees had paid for donkey carts to improve transport of produce. Other mills funded new garden efforts, soap making, revolving credit funds, and village cultural and aesthetic improvements.

As one may expect, the projects in gardening, grain banks, and animal husbandry generated great interest and produced well. The one or two less than successful efforts resulted, with one flagrant exception, largely from problems of inadequate animators either in number or level of training. The one notable exception was the mischief caused by the larcenous tendency of a former pump repairman. He was apprehended after some villagers were bilked, but before the program suffered serious impact.

In all respects, the women in development program has achieved, or is achieving, its goals. Our recommendations regarding this component will be found in Section 5.

3.0 Descriptive Analysis of World Relief Burkina Faso

3.1 Organizational Structure and Legal Status

World Relief is registered as a non-profit organization with the Burkina Faso government for the purpose of providing humanitarian assistance in Burkina Faso. World Relief's charter with the government will enable World Relief to implement for-profit activities. However, the scope of for-profit activities and the distribution of profits may subject World Relief to government control and/or taxation related to the profit-making activities.

World Relief Burkina Faso is the country office of World Relief of NAE and is based in the capital city of Ouagadougou. The director of World Relief Burkina Faso reports to the World Relief Deputy Director for Africa based in Dakar, Senegal, who in turn reports to the World Relief Regional Director for Africa based in Wheaton, IL.

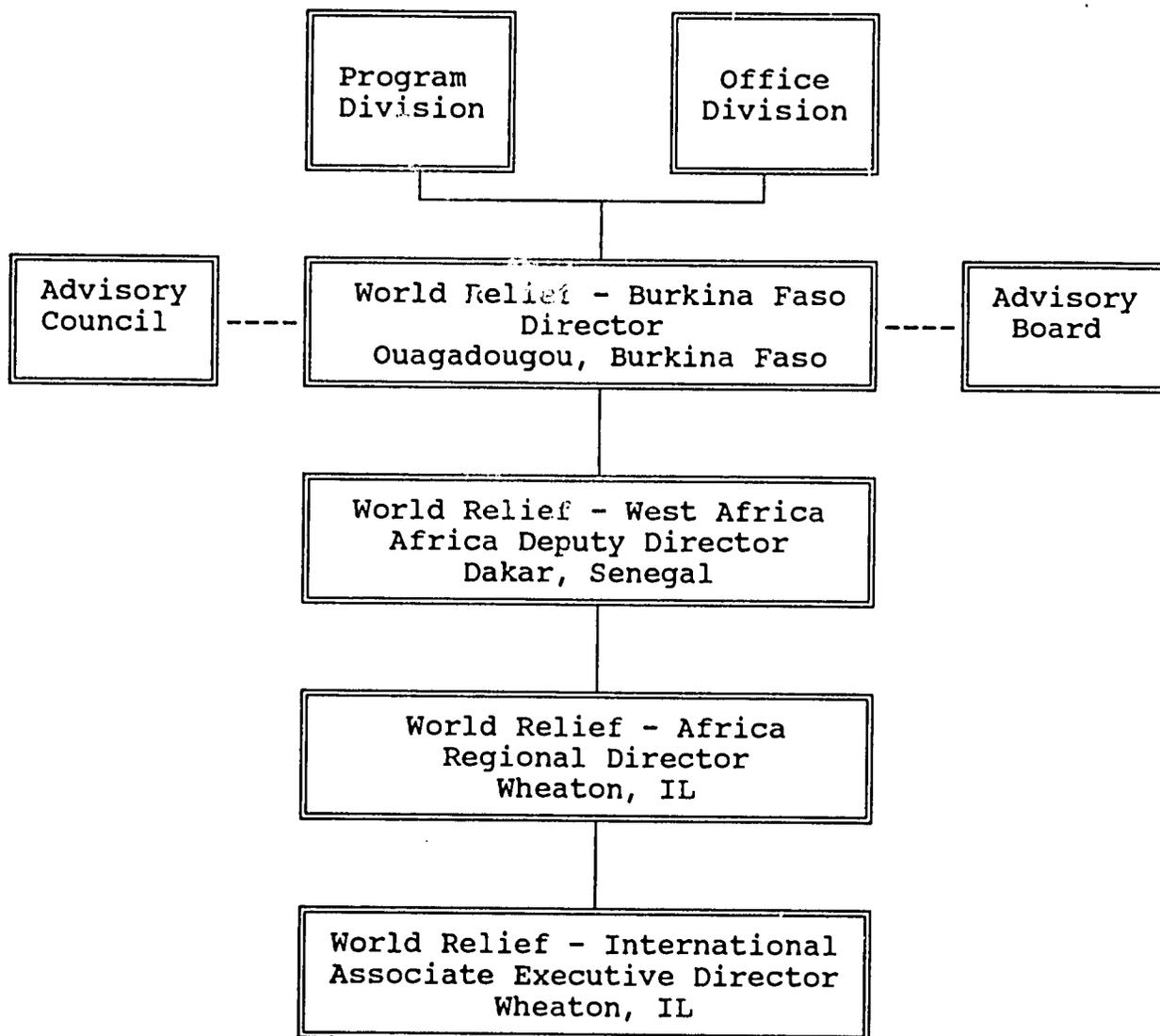
There are two divisions within World Relief Burkina Faso: support and program. The support division includes eight persons: the director, accountant, two typists, messenger, driver, and two warehouse workers. The program division includes seven persons in the Ouagadougou office: program director, three project coordinators for women in development, water resource, and food production coordinator, and driver. The program field staff includes three extension workers for women in development, food production, and water resources, about 20 staff at the Poundou Training Center, and about 15 staff at the nutrition center. There are more than 50 people employed by World Relief Burkina Faso.

Salaries and benefits for office staff are furnished by the World Relief International budget. Salaries and benefits for program staff are furnished by World Relief International and program grants from other organizations.

World Relief Burkina Faso has appointed a technical advisory board which meets twice a year to assist with project planning and implementation. The advisory board is composed of ten members: two women, six men, and two ex-officio staff with expertise in social work, education, finance, agriculture, government, and development. The group includes the president of the local Red Cross and the executive director of another PVO in Burkina Faso.

A council of denomination and mission leaders has also been appointed to assist World Relief in maintaining good relations with churches and missions. There are ten members on the council which meets annually to review World Relief activities.

The structure and relationship of these divisions and boards are shown in the following diagram:



3.2 Project Planning & Management Capabilities of Staff

The overall capability of the World Relief Burkina Faso staff is very good. Indicators of this capability are as follows:

1. The project staff at the Poundou training Center have developed and maintained thorough baseline data and project documentation.
2. There is no evidence of the mismanagement of personnel, finances, or other resources in the Ouagadougou office or any project site visited.

3. The women running the grain mill at Ouarkoye have been adequately trained in project management and accounting.
4. Project documentation files maintained in Ouagadougou appear to be thorough and complete, with the exception of the oxen credit program.

3.3 Technical Capabilities of Staff

The following are the key technical staff for World Relief Burkina Faso:

Program director-Benjamin Kalmogo: BA and MA in English at University of Ouagadougou; five years with World Relief; English teacher prior to World Relief; expertise in food aid and water resources.

Women in development coordinator-Adele Nissao: Nursing and midwifery training in Belgium and France; five years with World Relief; worked in Belgium and France prior to World Relief; expertise in health and women in development.

Water resources coordinator-Bationon Toussaint: Fada Technical School training in construction; four years with World Relief; worked with government hydrology program before World Relief; expertise in well construction.

Food production coordinator-vacant

Poundou agronomist-Henk van der Giessen: Dutch agronomy degree; two years with World Relief; farmed in Holland; expertise in agronomy.

Poundou trainer-Levi Simpore: Schoolmaster by profession; four years with World Relief; prior to World Relief was a young agriculturalist educator; expertise in training.

Poundou animal husbandry coordinator-vacant:

Poundou reforestation coordinator-vacant:

Kayero doctor-Lassara Zaala: MD with pediatric specialty; trained in France; currently government employee assisting World Relief; worked last two years at Ouahigouya nutritional center.

Kayero nurses: two Canadian nurses funded by another organization.

Kayero health workers-vacant:

Additional extension workers are villagers trained by World Relief to sensitize and train women's groups and villagers concerning women in development, food production, water resources, and health.

4.0 Descriptive Analysis of Local Environment

4.1 Relationship with Local Church

World Relief benefits from good relationships with Burkinabe church groups and their counterpart NAE-affiliated mission groups. Indicators of these good relationships are as follows:

1. World Relief Burkina Faso has established a council, which is composed of representatives from five local church groups and their corresponding U.S. missions which have NAE-related counterparts. The council meets annually for updates on World Relief activities.
2. The staff of World Relief Burkina Faso is respected among the Burkinabe churches. Staff members are frequently asked to participate in and speak at church conferences and other church events.
3. Aside from one technical position, the entire World Relief Burkina Faso staff is Burkinabe. The staff is responsive to Burkinabe initiatives and has been asked to assist in numerous projects.
4. World Relief has been working in Burkina Faso for nearly ten years and has established a track record of reliability in both relief and development efforts.
5. World Relief works in conjunction with local churches. Local pastors help World Relief to identify target groups and individuals, but World Relief activity is not controlled by the local church.
6. World Relief Burkina Faso has received many letters of appreciation from church and mission leaders as well as local pastors, community groups, and district officials. Local pastors frequently consult with World Relief staff concerning village-level concerns.
7. The largest church group in Burkina Faso, the Assemblies of God cited World Relief's work in its annual report to its membership of about 120,000.

4.2 Relationship with National and Local Government

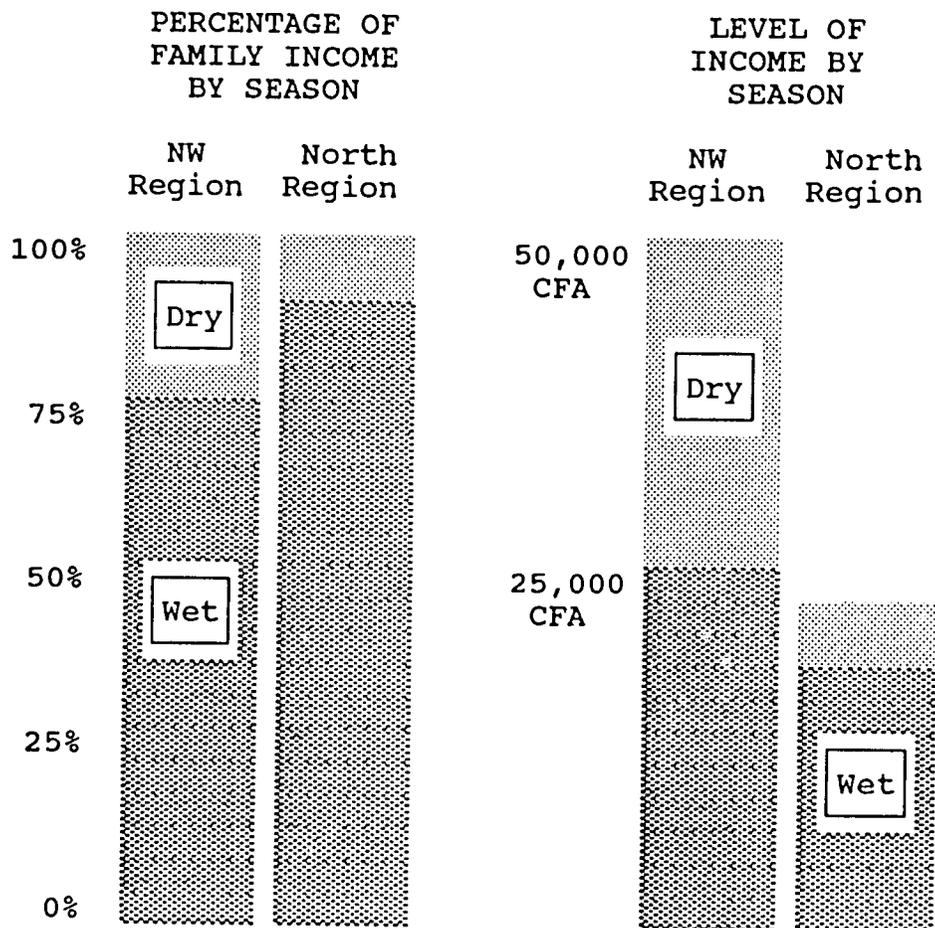
World Relief Burkina Faso is a government-registered PVO which enjoys a good relationship with the Burkinabe government at both national and local levels.

Indicators of these good relationships are:

1. World Relief has operated within Burkina Faso for nearly ten years without incident or conflict with the government. The government has fully cooperated with all activities initiated by World Relief and provided training support, technical support, land for projects, and equipment on loan. The government has also granted World Relief tax-free status for the import of needed materials.
2. World Relief's director, Edward Nanema, is a former provincial governor in three areas and has many contacts from his time in governmental service which has benefitted World Relief.
3. World Relief has the freedom to operate throughout the country and has enjoyed the support of local officials for all World Relief activities.
4. During famine relief projects, World Relief coordinates relief efforts with the national and local government.
5. World Relief objectives and activities coincide with government objectives. World Relief submits projects for government approval when required.

4.3 Economic Conditions

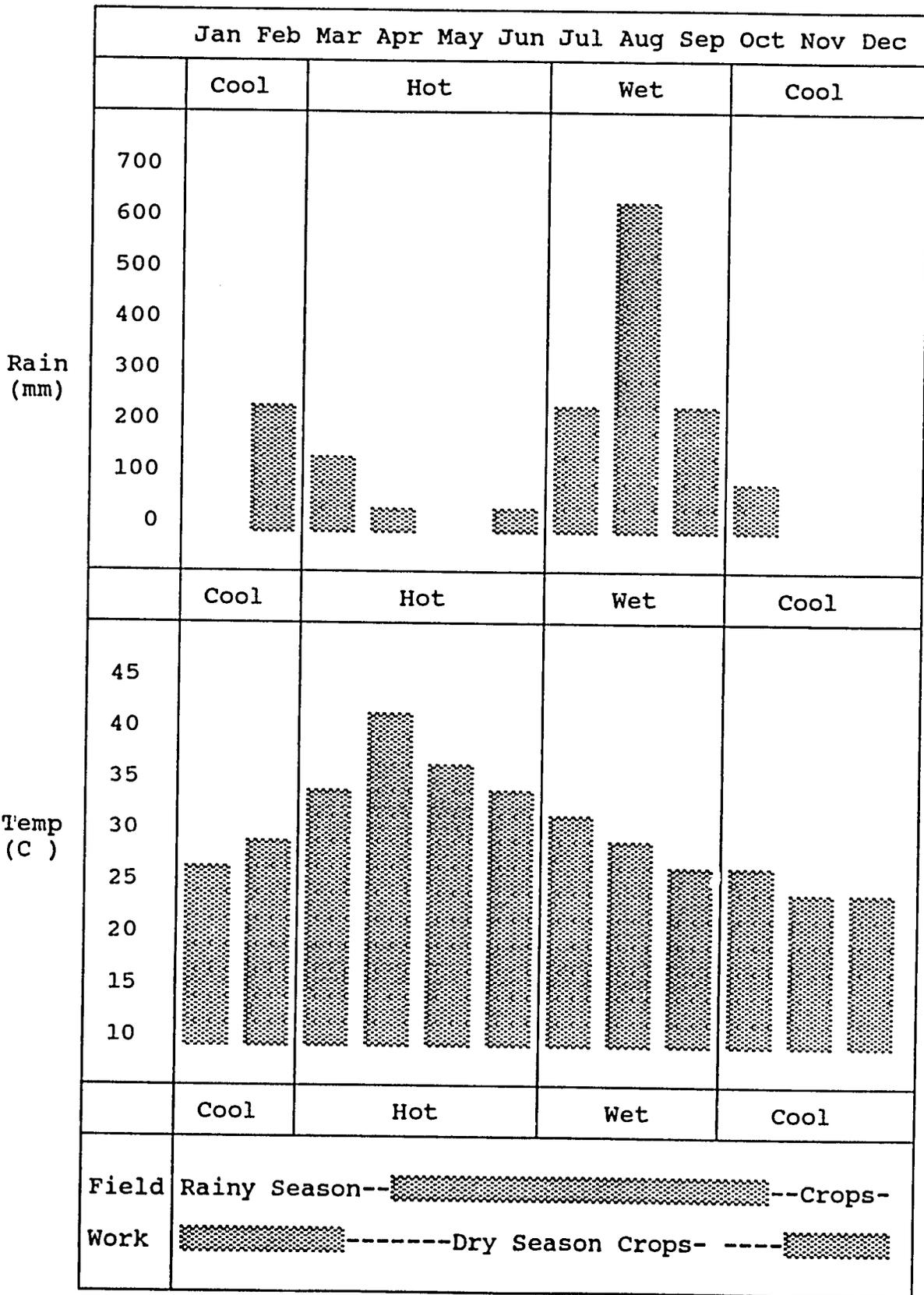
The following chart shows the proportional effort required by season to produce the family food and income for the northwestern and northern regions of Burkina Faso. Wet season crops are twice as productive as dry season crops for the same amount of effort.



4.4 Ecological Conditions

The following table shows the average monthly rainfall, average monthly high temperature, and crop planting cycle in the Poundou area.

10/1



90

Ouagadougou has about 10% less rainfall, while the southern area has twice as much, and more. Surface humidity follows the same pattern. Thus, a strategic consideration is to substitute almost any other tree for eucalyptus, which World Relief Burkina Faso tends to plant freely. Eucalyptus tends to reduce rather than contribute to surface humidity. Its leaves require nearly 25 times the water to decompose, and when decomposition finally occurs, it usually leaves a water soluble toxin to other vegetable and grain crops. Eucalyptus also scavenges any nitrogen in the soil, and in the nitrogen depleted soils of Africa, that is cruel irony at best.

4.5 Technical Assistance Alternatives

The government of Burkina Faso maintains the fullest array of governmental ministries and agencies. World Relief Burkina Faso appears to have established crucial linkages to key agencies within the government to agreeable levels. If World Relief Burkina Faso was to take more leadership roles at the Poudou Training Center, the government of Burkina Faso would probably rely on World Relief Burkina Faso and the Poudou Training Center to provide services on a fee basis at a substantially increased level.

Within Ouagadougou, the telephone book listed four agencies able to deliver specialized training services. A telephone discussion with office staff of one agency, and principles of a second, led to the conclusion that resources for training in management, accounting, systems, computers, transportation, and banking exist. Their actual competencies were not assessed. The continent-wide African Management Association also could provide many services.

The United States Agency for International Development services to Burkina Faso, and World Relief Burkina Faso in particular, are in a state of transition. Six months from now the Agency for International Development position will have jelled sufficiently to identify long range projects of interest.

4.6 Project Financing Alternatives

According to World Relief Burkina Faso records, the agency has received funding from varied sources in recent years. Among the North American sources are \$300,000 from a Canadian agency, \$50,000 from LiveAid, and more than \$250,000+ from USA for Africa. Additional funds have been received from Europe, most notably the continued significant funding from the Dutch agency Word and Deed for the Poudou Training Center.

The small scale of most World Relief Burkina Faso projects prevent their consideration by regional developmental funds. On the behalf of World Relief Burkina Faso projects, their basic content was discussed with three regional development funds for Africa.

The Africa Project Development Facility (APDF), headquartered in Nairobi, does not consider financial assistance unless local entrepreneurs are equity participants in profit-seeking ventures. Joint ventures with western partners are preferred for funding. The rationale being that the western partner, usually the partner contributing finances, would be the best judge of the business and marketing plans. The APDF considers projects from \$5,000 to \$250,000.

The APDF process consists of:

- * project formulation
- * identification of partners, inputs, and capital details
- * preparation of feasibility study
- * writing of business plan
- * writing of marketing plan
- * proposal to ADPF
- * guarantee issued to financial bank
- * repayment of loan however planned

The African Development Bank, headquartered in Lagos, considers agricultural, industrial, economic, and infrastructure projects designated by member nationals as highest priorities. They usually will not consider a project as small as \$5,000,000. The preference is for projects previously identified by national governments, even though the fund is not bound bilaterally.

The lesser known Agricultural and Industrial Development Bank of Burkina Faso is just now being formed, and their procedures have not been stipulated or published.

The projects presently configured by World Relief Burkina Faso do not readily match any of the regional development funds requirements. By so stating, we do not suggest revision or efforts to reformat projects to enable conformity. Regional development funds carry two shibboleths, to foster entrepreneurial, nongovernment, for-profit business, and to support national annual development goals. Most plans, such as Burkina Faso's most recent five year plan, tend to focus large block grants at key industries, in this case export crops. Whether or not that is the highest self-interest of Burkina Faso is not under discussion, but export crops are not primary to World Relief priorities. Thus, at this point in World Relief's plan for the projects it will support in Burkina Faso, conformity to the requirements of the major development banks is not likely. The two streams of projects which could most easily undergo modifications necessary for candidate status with the APDF and the ADF are agriculture and entrepreneurship capable of being implemented by the Poudou Training Center and grain mills. The entire thrust may be amenable to a management and marketing organizing plan which could drive down costs to the consumer, generate equity, and pay profits to investors.

5.0 RECOMMENDATIONS

5.1 Poundou Training Center

The Poundou Training Center is ideally situated in geography, time, and need. It is fulfilling its mandates, on schedule within all limits acceptably. The Poundou Training Center serves its originally envisioned beneficiaries and will continue to do so. Thus, to this point in time, Poundou Training Center is the best tool to achieve income generation for the greatest possible number of beneficiaries, and utilizing the resources least impacted by political vagaries and environmental capriciousness: land, water, and sunlight.

That felicitous situation will continue for two or three, perhaps four more years, assuming unflagging zeal and finance. But the total commitment of zeal and money will soon be insufficient to overcome the increasingly stripped soils at the Poundou Training Center. Managers have already noticed a slight decline in production in plots that have been used regularly since opening the Center. The instruction being received by students does not address the most crucial question of all agricultural concerns: How does the farmer keep his garden in full production and yet regenerate the soil? Continual food production clearly strips away the thin and fragile soil of West Africa, and Burkina Faso in particular. Students are taught to continue their time honored way of gardening, but in an intensified manner. Row crops are carefully planted in rows that mimic western practice. World Relief Burkina Faso is introducing chemical fertilizers and herbicides into bush farming, just as western agriculture is beginning to choke on its own agricultural chemical fumes. Whereas the body-burden of pesticides and organic compounds in present Burkinabes approaches zero, the Poundou Training Center will be one of the first to teach the Burkinabe farmer to buy and use organic inputs. This is a sad and fully reversible policy. The Poundou Training Center should lead the way out of the vicious cycle of dependence upon oil-based organic inputs which require precious hard currency.

If the Poundou Training Center were to embark on soil regeneration strategies as it teaches and exemplifies agricultural practice, it would have the added benefit of minimally halving water consumption. In other applications in Africa, water consumption has been reduced by 80%. It is an axiom of soil regenerative gardening that water consumption drops dramatically, reliance upon organic inputs is terminated, production doubles minimally, and the amount of energy expended in the incrementalized production is much less than prior requirements. Furthermore, when regenerative soil agriculture is integrated with aquaculture, a new source of protein becomes available at the rate of two to five metric tons per hectare and more, while the net consumption of water is reduced from the baseline consumption rate.

We recommend that the Poundou Training Center consider, minimally,

the following strategies for incorporation into, and the revision of, the Poundou Training Center teaching and modeling curricula:

1. Composting and inoculation
2. Biointensive (French) gardening
3. "Jeavons" gardening strategies including double-dig and plant triangulation
4. Bed-crop distribution
5. Platform farming
6. Integrated agriculture, small animal husbandry, poultry, and fish

We also recommend that World Relief Burkina Faso consider training its animators, in all projects, at Poundou Training Center to orient them to improved agricultural practices if any three of the above strategies are included into the Poundou Training Center curricula.

We also recommend that an expatriate be assigned to lead the agricultural methodology utilized at the Poundou Training Center, providing that person is trained or willing to be trained in, and practice, the soil regenerative strategies nominated above.

5.2 Agricultural Products and Marketing and Women in Development

Considering the potentials for the Poundou Training Center coupled to the outcomes of other World Relief Burkina Faso projects, a general picture of agricultural energy and accomplishment emerges. If, in addition, the Poundou Training Center undertook major addition to its repertoire of skills recommended earlier, there would, in short time emerge visible centers of agricultural and gardening excellence. Each would share a common bedrock of philosophy and technical competence. All would be guided by a common commitment to beneficiary welfare and reinvestment.

Thus we recommend that the three major growing regions occupying the greater portion of World Relief Burkina Faso attention be assessed for inter- and intra-regional commonalities in agricultural product, service, and marketing. Look for opportunities to adopt a common logo, packaging, or marketing device. Begin to view each project as a stitch in the fabric of social improvement, rather than a single, time-restricted phenomenon. At the risk of overstressing examples, a suggestion might be to market all head vegetable crops with a singular binder or plastic bag, or always use a ultraviolet limiting plastic bag for tomatoes, beans, or grain.

As wells at Poundou Training Center or elsewhere come off stream in the usual planting cycles, and particularly if Poundou Training Center inaugurates the water-conserving agricultural practices recommended, the Poundou Training Center may wish to consider marketing a pure form of bottled water for national distribution. Labeling should be very carefully and thoughtfully designed to

enhance acceptability and market penetration while promoting regionalized products and logos.

A regionalized viewpoint will then open hosts of opportunities for marketing products from women in development projects. Weaving could be adaptable to market demands in Ouagadougou and the Ivory Coast. There would be increased demand, thus prices, for the products of women's cooperatives in small animal husbandry, soap, spices, fruits, and vegetables.

Similarly, there is a potential industry in the production, marketing, maintenance, and repair of donkey carts. Carts are presently part of the women in development program, but not as an income-generating component. World Relief Burkina Faso staff can be looking for the appropriate woman to spearhead such a project. The carts should be lightweight, but capable of carrying a heavy load. Developments such as a low center of gravity for stability and a flexible hitch or harness for towing by motorbikes would be innovative and help assure market share.

The focus upon grain mills should be enlarged and improved. The number of grain mills could be doubled each year for the next two years, with minimal additions in staffing and management. Program improvement should focus on improving the quality of the animators. At least two experienced women who had run one of the earlier successful village mills should be recruited as specialist animators.

Credit policies should be codified and widely distributed. Soon thereafter more credit should be made available, particularly to proven villages. As each village matures in its ability to manage its improved gardens, grain mills, and other projects, it should be challenged to take on neighboring villages as trainees. Thus, World Relief Burkina Faso projects should be spaced appropriately.

The current credit structures are adequate given the payback rates experienced to date. It is likely that World Relief Burkina Faso could triple the amount of credit extended without difficulty. If World Relief finds this approach problematic, staff could reexamine procedures to ensure that borrowers understand expectations in regard to terms and repayment of loans.

If a credit structure apart from World Relief Burkina Faso is deemed necessary, one alternative would be to organize mills into a credit corporation. Each mill would be owned and operated by members of the credit corporation. The credit corporation would be controlled by a board of directors selected from local entrepreneurs respected for their integrity and business acumen. The board would be responsible for hiring and directing a manager, who would most likely rely on a temporary technical adviser to set up credit policies, procedures, and operations. Credit would be extended to mills for their own operational requirements, such as the off-season purchase of grain, as well as channeled to other village efforts through the mills,

which would then serve as local agents of the credit corporation.

We recommend that World Relief provide a means for World Relief Burkina Faso to undertake a careful marketing analysis of two or three focused regions in which it operates. The process of this analysis should include an enlargement of the previous compilation by Idrissa Napon entitled "Poundou Training Center" and published in November, 1986. The assessment should collect key demographic, economic, and products tracking indicators, which, when analyzed with government, International Monetary Fund/World Bank, and recognized trends, provide the context for income projections and plans for project implementation.

The study should provide present and future trends in capital formation, sources, and expenditure levels. It should quantify present and future markets at the village, province, region, national, and export levels. The study should then delineate the returns-on-investment associated with each market segment, the cost of entry, the level of employment, and the correlated skills list.

World Relief Burkina Faso would then create highly specific projects and project proposals for each market segment of interest. At this point, we can only conjecture, but for illustrative purposes, we suspect that the study would find enormous opportunities in unit sales of vegetables, fruits, and simple processed food products such as peanut butter, fruit jams, compote, candies, and savories. Other segments that would probably surface may be found in small tools manufacturing, credit management, fast foods, product transportation, repair, small engine maintenance, labor and organization management, and cottage industry formation and marketing.

We project the study would require two man-months of on-site collection and analysis, and one man-month of report writing for professionally prepared analysis.

5.3 Staff Training

At the risk of repeating time-honored advice, World Relief Burkina Faso must soon accomplish the broadening of the ability of the second level of managers to manage throughout projects in Burkina Faso. The missing critical components include:

- * The preparation of sets of critical objectives
- * Deriving work plans, performance standards, reporting standards and appropriate bench marks from sets of relevant and complete critical objectives
- * Awareness of the broader world context, including Burkina Faso's relationship to West Africa, the African continent, the third world, and the whole world
- * Marketing concepts, tools, products, means of production, transportation, credit, planning

We recommend that World Relief undertake the creation of a self-conscious, applied, training program which becomes a crucial component of every field office similar to Burkina Faso. This should be a part of the regular interactions between regional supervisors and their clients, and on across the institutional fabric.

Throughout all of our recommendations, staff training enhancement figures prominently, if not specifically cited. To add the crucial components required to the Poundou Training Center, World Relief will need to find an expatriate or national able to practice and teach the newer approaches.

Credit clarification and management requires more training applied to the people directly managing credit funds. Grain mills, added at double and triple current levels, will require additionally trained animators. The training program at the Poundou Training Center could be enlarged to care for the training of mill and small engine repairmen.

5.4 Unfinished Business

There are two items of unfinished business pertaining to this assessment of World Relief's income generation activities in Burkina Faso. The first is the oxen credit program which was established earlier this decade, and the second is the oil press project.

There is an utter lack of documentation for the oxen credit program in the World Relief Burkina Faso office. Staff were not able to locate any original project proposals, subsequent updates, progress reports, or financial accounting of loans and repayment. While it is believed that some documentation exists in Dakar and/or Wheaton, this has not been located.

In the case of the oil presses, there is conflicting information at the field level. It is apparent that there are difficulties with the project, but we were not able to ascertain whether the problems were related to lack of adequate research and planning, lack of suitable equipment, lack of raw material supply, or lack of a ready market. It does appear, however, that there is ample demand for the product based on its availability and pricing in the market.

World Relief Matching Grant
First Year Annual Report
Page 4

to the counterpart income generation staff. Funds will also be provided to counterparts to initiate income generation projects which will serve as the basis for on-site training and staff development.

The methodology used in the project involves the following:

1. Consultation with other development organizations with established expertise in income generation.
2. On-site training workshops focused on actual income generation projects and case studies developed by counterpart staff.
3. The development of training materials and technical resources by the income generation specialist located at the World Relief headquarters.
4. Individual consultation and project evaluation by consultants and the World Relief income generation specialist.
5. The implementation of a number of specific income generation projects to be used for on-the-job training by the counterparts.
6. Coordination at the field level with other local organizations involved in income generation projects.

The project strategy is to:

1. Strengthen World Relief's capabilities in income generation programs by employing an income generation specialist.
2. Strengthen the income generation capabilities of World Relief's counterparts by providing funds for the employment of income generation program staff by each counterpart.
3. Increase the quantity and quality of income generation projects implemented by World Relief's counterparts by providing project funds and training to project staff.
4. Use existing income generation expertise developed by several World Relief counterparts as the basis for training staff of other counterparts.
5. Develop an ongoing funding base for income generation programs by submitting project funding requests to businessmen in the U.S.

2.2 Key Inputs and Outputs:

Key inputs used to achieve this strategy include the following:

1. Adding specific expertise in the area of income generation to World Relief's central development staff.
2. Extending the impact of agricultural expertise available within the World Relief counterpart network by making this

World Relief Matching Grant
First Year Annual Report
Page 5

- expertise available to other World Relief counterparts.
3. Using women in development staff in Burkina Faso as resources for other World Relief counterparts.
 4. Using women in development projects in Burkina Faso as pilot projects to test and develop replicable income generation projects that serve women as the primary beneficiaries.
 5. Conducting workshops in countries where World Relief counterparts have developed successful and distinctive income generation projects.
 6. Using counterpart staff with expertise in income generation to train staff from other counterparts.
 7. Providing technical resources and consultation to those counterparts participating in the project.
 8. Providing funds to support the creation of specific income generation projects in each country to provide opportunities for experimentation and learning and also to provide a direct benefit to participating communities.

The target groups served by the project include the following:

1. The poor living in communities served by World Relief counterparts in Burkina Faso, Senegal, Guatemala, Haiti, Sri Lanka, Bangladesh, and the Philippines.
2. World Relief counterpart staff.
3. Church leaders and local churches related to World Relief counterparts.

The outputs expected to result from this project include the following:

1. World Relief will develop the capacity to provide its counterparts with competent technical assistance in the area of income generation.
2. The counterparts in Burkina Faso, Guatemala, Haiti, the Philippines, Senegal, and Sri Lanka will have the capability to design and implement income generation projects without significant outside support from World Relief.
3. The counterpart in Bangladesh which is participating as a resource for demonstration and training will benefit from improved effectiveness and creativity in the design and implementation of income generation projects.
4. The development of 184 income generation projects. Three-fourths of these projects will continue to operate after the completion of the matching grant.