



UNITED STATES OF AMERICA

AGENCY FOR INTERNATIONAL DEVELOPMENT

REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE. WEST AND CENTRAL AFRICA



UNITED STATES ADDRESS  
ABIDJAN ( REDSO )  
DEPARTMENT OF STATE  
WASHINGTON, D. C. 20520

INTERNATIONAL ADDRESS  
REDSO/WCA  
C/O AMERICAN EMBASSY  
01 B P 1712 ABIDJAN 01  
IVORY COAST

1 December 1988

Mr. Jim R. Williams  
President  
Credit Union National Association  
5810 Mineral Point Road  
P.O. Box 431  
Madison, Wisconsin 53701-0431

Subject: Cooperative Agreement No. 693-0227-A-00-9002-00

Dear Mr. Williams:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." ) hereby enters into a Cooperative Agreement with the Credit Union National Association (hereby referred to as "WOCCU/CUNA" or "Recipient"), for the sum of \$5,308,386 to provide support to increase the productivity and income of an expanding number of Togolese credit union members as described in Attachment 1 of this Agreement, entitled "Schedule", and Attachment 2, entitled "Program Description."

This Agreement is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning January 1, 1989, and ending September 30, 1993.

This Agreement is made with WOCCU/CUNA on condition that the funds will be administered in accordance with the terms and conditions as set forth in this Cover Letter, in Attachment 1 entitled "Schedule", Attachment 2 entitled "Program Description," Attachment 3 entitled "Mandatory Standard Provisions," and Attachment 4 entitled "Optional Standard Provisions".

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Please sign the original and each copy of this letter to acknowledge your receipt of this Agreement; and return the original and all but one copy to REDSO/WCA/P&E, Procurement Division, Abidjan, Department of State, Washington, D.C. 20520-2010. Additionally, please complete and return two (2) copies of the attached, "Assurance of Compliance with Laws and Regulations Governing Non-Discrimination in Federally Assisted Programs."

Sincerely,



Mary Reynolds  
Agreement Officer

Attachments:

1. Schedule
2. Program Description
3. Mandatory Standard Provisions
4. Optional Standard Provisions

ACKNOWLEDGED:

The Credit Union National Association

BY: *J. F. Speedy*

TITLE: *Executive Vice President*

DATE: *Apr. 30, 1984*

FISCAL DATA

Appropriation:	72-1181014
Budget Plan Code:	GSSA-88-21693-KG14
PIO/T No.:	693-0227-3-80018
Project No.:	693-0227
Total Estimated Amount:	\$5,308,386
Total Obligated Amount:	\$ 488,000
DUNS No.:	07-264-6110
IRS Employer Id. Number:	23-70-65-623
LOC No.:	72-00-1446
Paying Office:	PFM/FM/PAFD - Room 636 SA-12 - Washington, D.C. 20523

ATTACHMENT 1

SCHEDULE

I. AUTHORITY, PURPOSE AND PROGRAM DESCRIPTION

This Cooperative Agreement is entered into pursuant to the Foreign Assistance Act of 1961, as amended, and the Federal Grant and Cooperative Agreement Act of 1977 (P.L. 95-224). The purpose of this Agreement is to provide support to increase the productivity and income of an expanding number of Togolese credit union members, through growth in credit union membership, savings, and loan volume within the rural and urban sectors, as more specifically described in Attachment 2 to this Agreement entitled "Program Description" and in accordance with the Recipient's proposal, which is hereby incorporated into and made a part hereof this Agreement.

II. FUNDS OBLIGATED, PAYMENT, AND ESTIMATED COSTS

A. The total estimated amount of this Agreement for the period shown in IV.A. below is \$5,308,386, as shown in the Financial Plan found in Article VII of this schedule.

B. A.I.D. hereby obligates the amount of \$488,000 for program expenditures during the period set forth in IV.B. below, and as shown in the Financial Plan below.

C. Payment shall be made to the Recipient in accordance with procedures set forth in the Optional Standard Provisions of this Agreement, entitled "Payment - Letter of Credit", as shown in Attachment 4.

D. Additional funds up to the total amount of the Agreement shown in II.A. above may be obligated by A.I.D. subject to the availability of funds, and to the requirements of the Mandatory Standard Provisions of the Cooperative Agreement, entitled "Revision of Agreement Budget."

III. SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

USAID/Togo and the Government of Togo (GOT) will be substantially involved in the management and decision making throughout the life of this project. USAID and the GOT, through a Project Management Team, will review and approve prior to execution of activities and disbursement of funds under this Cooperative Agreement the following: annual work plans, procurement of commodities, participant training criteria and selection, baseline data collection methodology and application, selection of long-term advisors and short-term consultants.

IV. PERIOD OF AGREEMENT

A. The effective date of this Agreement is January 1, 1989. The estimated completion date is September 30, 1993.

B. Funds obligated hereunder are available for program expenditures for the estimated period from January 1, 1989 to April 30, 1989.

V. REPORTS AND EVALUATION

A. Program Performance Reporting

WOCU/CUNA shall monitor the project performance under the Agreement and will provide USAID/Togo semi-annual reports on project implementation status. The format for this report will follow that of A.I.D. Project Implementation Reviews.

B. Financial Reporting

1. Financial Status Report

(a) The Recipient is required to use the standardized Financial Status Report, SF 269, to report the status of funds.

(b) The report shall be on an accrual basis. If the Recipient's accounting records are not normally kept on the accrual basis, the Recipient shall not be required to convert its accounting system, but shall develop such accrual information through best estimates based on an analysis of the documentation on hand.

(c) The report shall be required quarterly. A final report shall be required at the completion of the Agreement.

(d) The Recipient shall submit the Financial Status Report (original and two copies) no later than 30 days after the end of each specified reporting period for quarterly, and 90 days for final reports. The specified report period, at the Recipient's election, may be either its fiscal year, or the Government's fiscal year, or the yearly period commencing and ending on the last day of the month of the Agreement's anniversary.

2. Federal Cash Transactions Report

(a) The Recipient shall submit a Federal Cash Transactions Report and its continuation form (SF 272 and 272A) for all funds advanced to the Recipient through either a letter of credit or periodic Treasury check. A.I.D. will use this report to monitor cash advanced to the Recipient and to obtain disbursement information for the Agreement from the Recipient.

(b) The Recipient shall forecast Federal cash requirements in the "Remarks" section of the report.

(c) The Recipient shall report in the "Remarks" section the amount of cash advances in excess of three days' requirements in the hands of subrecipients and the amount of cash advances in excess of 30 days' requirements in the hands on non-U.S. subrecipient. The Recipient shall provide short narrative explanations of actions taken by the Recipient to reduce the excess balances.

(d) Recipients shall submit not more than an original and one copy of the Federal Cash Transactions Report within 15 working days following the end of each quarter.

3. The Recipient shall submit copies of all documents sent to PFM/FM/PAFD, AID/Washington to:

Controller		Project Officer
West African Accounting Center (WAAC)	and	USAID/Togo
01 B.P. 1712		
01 Abidjan, Cote d'Ivoire		

#### VI. NEGOTIATED OVERHEAD RATES

Pursuant to Clause No. 13 entitled, "Negotiated Indirect Cost Rates - Provisional," of the Optional Standard Provisions of this Agreement, an indirect cost rate or rates shall be established for each of the Recipient's accounting periods which apply to this agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate applied to the base which is set forth below:

<u>Type of Rate</u>	<u>Rate</u>	<u>Period</u>	<u>Base</u>
Overhead	31.1%	1-1-87 Until Amended	Total Direct Costs which includes technical assistance costs only. Institutional support, subgrants and subcontracts are excluded.

#### VII. FINANCIAL PLAN

The following is the Agreement budget, including local cost financing items. Revisions to this budget shall be made in accordance with the Standard Provision of this Agreement, entitled "Revision of Grant Budget."

Illustrative Budget

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Total</u>
Salaries	87,000	138,600	145,531	126,760	58,344	556,235
Fringe Benefits	23,490	37,423	39,293	34,226	15,753	150,185
Consultants	28,945	29,831	15,957	16,753	17,592	109,078
Allowances	62,402	122,890	116,497	115,097	69,807	486,693
Travel	101,410	105,764	114,537	101,981	39,508	463,200
Other Direct Cost	24,100	21,945	19,515	20,488	21,516	107,564
Equip/Comm	48,325	21,575	1,500	20,250	1,000	92,650
Eval/Baseline	0	0	72,438	0	28,269	100,707
Project Support	25,800	27,090	28,445	29,867	31,361	142,563
Indirect Costs	124,857	157,092	172,205	144,746	88,060	686,960
FUCEC Funds	<u>481,674</u>	<u>547,470</u>	<u>565,496</u>	<u>450,449</u>	<u>367,462</u>	<u>2,412,551</u>
TOTALS	\$1,008,003	1,209,680	1,291,414	1,060,617	738,672	5,308,386

The Recipient may adjust line items by 20% without prior approval of the Agreement Officer.

VIII. SPECIAL PROVISIONS

A. Title to and Use of Property

Title, care and use of property purchased under this Agreement shall remain with CUNA for the life of this Agreement subject to conditions in the Optional Standard Provisions, entitled "Title To and Care of Property (Cooperating Country Title). Title will be transferred to FUCEC upon termination of this Cooperative Agreement.

B. Authorized Geographic Code

The authorized geographic code for the procurement of goods and services under this Agreement is 935 (any country or area in the Free World including Togo).

C. Logistic Support

The use of U.S. Embassy facilities, cashier accomodation, medical/health facility and services, and commissary services are locally determined by the American Embassy, Togo. Contractors are responsible for Health and Medivac Insurance.

The importation of personal and household effects will be permitted in accordance with A.I.D. regulations governing of these items among as reimbursable expenses to cooperative agreement.

The use of First Class Mail Pouch for U.S. Citizens will be permitted in accordance with Department of State Regulations (see Footnote, next page).

Footnote

Use of diplomatic pouch is controlled by the Department of State. The Department of State has authorized the use of pouch facilities for A.I.D. Contractors as a general policy, as detailed in items (a) through (g) below. However, the final decision regarding use of pouch facilities rests with the American Embassy in consultation with the USAID Mission Director. In consideration of the use of pouch facilities as hereinafter stated, the Contractor agrees to indemnify and hold harmless the Department of State and A.I.D. for loss or damage occurring in pouch transmission.

Contractors are authorized the use of the pouch for transmission and receipt of up to a maximum of two pounds per shipment of correspondence and documents needed in the administration of assistance programs.

U.S. citizen Contractors are authorized the use of the pouch for personal mail up to a maximum of one pound per shipment (but see (5) below). Non-U.S. Citizen Contractors are not permitted use of the pouch for personal mail except and to the extent that such use may be authorized by the Chief of Mission.

Merchandise, parcels, magazines, or newspapers are not considered to be personal mail for purposes of this clause, and are not authorized to be sent or received by pouch.

Official and personal mail pursuant to (a) and (b) above, sent by pouch, should be addressed as follows: Name of individual (followed by letter symbols "C"), Lome air pouch, Dept. of State, Wash., D.C. 20520.

Mail sent via the diplomatic pouch may not be in violation of U.S. postal laws and may not contain material ineligible for pouch transmission.

A.I.D. Contractors are not authorized use of military postal facilities.

The Contractor shall be responsible for compliance with these guidelines and limitations on use of pouch facilities.

Specific additional guidance on use of pouch facilities in accordance with this clause is available from the Post Communication Center at the Embassy.

D. Cooperative Country Liaison Officials

The team will work with multiple counterparts in the performance of their duties. The team will be under the ultimate authority of the Director General of Rural Development.

E. A.I.D. Liaison Officials

USAID/Togo Representative and /or the Project Officer will be responsible for the implementation of the activities within Togo. REDSO/WCA/WAAC will provide project support during the implementation.

IX. STANDARD PROVISIONS

A. Mandatory Standard Provisions

The Standard Provisions of this Agreement are those included as Attachment 3 - Mandatory Standard Provisions.

B. Optional Standard Provisions

The following Optional Standard Provisions in Attachment 4 are hereby deleted as being inapplicable to this Agreement:

- 2. Payment - Periodic Advance
- 3. Payment - Cost Reimbursement
- 12. Negotiated Indirect Cost Rates - Predetermined
- 16. Voluntary Population Planning
- 17. Protection of the Individual as a Research Subject
- 18. Care of Laboratory Animals
- 19. Government Furnished Excess Personal Property
- 21. Title to and Care of Property (U.S. Government Title)
- 22. Title to and Care of Property (Grantee)

ATTACHMENT 2

PROGRAM DESCRIPTION

I. OBJECTIVE

The primary goal of the project is to increase the productivity and income of an expanding number of Togolese credit union members, through growth in credit union membership, savings, and loan volume within the rural and urban sectors. By doing so, the past successes of the movement will be replicated in new areas and sectors of the country.

As a logical sequence to the predecessor project, the project purposes of this phase are as follows:

A. Strengthening of Togo's national federation so that it continues to provide needed services to affiliated credit unions and their members.

B. Expansion of the credit union network served by FUCEC-TOGO, both within its present area of operation and in areas and sectors not yet affected.

C. Sophistication of services rendered to credit union members by FUCEC-TOGO through its affiliates.

Over the five-year assistance period, the project will help FUCEC achieve eight objectives as set forth in its second five-year plan. These are summarized below in the Statement of Work.

II. STATEMENT OF WORK

A. Improve the Credit Union Movement's Legal and Policy Framework

The GOT's formal recognition of FUCEC's authority and obligation to regularly inspect credit unions and to insure the respect of Togolese law, their own bylaws and internal policy statements, as well as sound operating practices, is a condition precedent to disbursement under the project. Recognition of FUCEC's authority in this area is critical to achieving the other seven objectives. Also, the project through CUNA will help FUCEC assure that all viable or potentially viable credit unions are legally recognized.

In addition, CUNA will help FUCEC to implement several operating policies in order to strengthen the movement, including: internal operating rules for credit unions (including standard credit policy), requirements for credit unions to obtain services from or participate in FUCEC programs (they must be in good standing with FUCEC, including payment of entrance fees, annual dues paid), and regular FUCEC inspections of credit unions.

B. Expand FUCEC's Productive Credit Program

CUNA will help FUCEC expand and institutionalize its Productive Credit Program, which was begun under the previous project. Expansion will include addition of credit for commerce and small business as well as farm credit. There will also be geographic expansion to all areas where

credit unions exist. Training in use of credit will be emphasized through the use of small group workshops. Since FUCEC earns interest from this credit, expansion of the program will help FUCEC attain financial self-sufficiency.

To help reduce loan delinquency rates, CUNA will help FUCEC create a Loan Collection Unit. This unit, combined with periodic inspections and enforcement procedures, will help to reduce overall delinquency within the movement to 15%, thereby also helping FUCEC attain financial self-sufficiency.

C. Undertake Education and Promotion Programs

With project support through CUNA, FUCEC will conduct an intensive member education campaign for credit union members in operating principles and operations. It will conduct a vast promotional campaign to increase membership and savings, using: documentation produced in national languages; mass media; seminars for MRD Cooperative Department personnel and rural leaders; and local promotional efforts, including periodic presentation by FUCEC of films and slides to all credit unions. With project support FUCEC will expand its training of credit union managers and volunteer leaders in accounting and management skills.

Further, the project through CUNA will help upgrade the skills of FUCEC staff in such areas as: planning, management, data management and analysis with computers, training and promotion. The movement's elected leadership will receive training in the revised legal and policy framework, in promotion and public relations techniques, understanding of financial statements, credit management, and communications techniques. Training needs for FUCEC staff and leadership will be further defined during project implementation, but it is certain that some training will take the form of short courses or observation tours in the U.S. and third countries (such as to learn from successful credit union movements in Cameroon and Rwanda).

D. Expand the Credit Union Movement

In order to help FUCEC attain self-sufficiency, it is necessary that the movement expand and that its savings growth be accelerated. The project through CUNA will help the credit union movement expand by helping FUCEC to: a) organize new urban workplace credit unions, where rapid mobilization of large sums of savings is easiest; b) organize new community credit unions in rural areas and secondary cities where there is significant membership potential; and c) extend its activities into the regions corresponding to or adjacent to the Mono River Valley, including opening of five new offices.

E. Expand the Incentives Program

CUNA's support will enable FUCEC to expand its incentives program for rural credit unions, which was initiated in 1986 with support from the African Development Foundation (ADF). The objective of the program is to strengthen rural credit unions by encouraging them to make difficult policy changes, such as upward adjustment of interest rates on loans and

savings, hiring of competent personnel, and setting of regular business hours. The ADF-supported program included provision of interest free loans for office construction and grants for managers' salaries to 15 credit unions. The results to date are so promising that the project will expand the program, with the same incentives package, to up to an additional 50 credit unions. Half of the project funding for this expansion will be provided if the mid-term evaluation concludes the program is successful.

F. Establish a Risk Management Program

CUNA will help FUCEC to initiate and extend a risk management program to as many credit unions as want it. The program will consist of life savings and loan protection insurance to protect credit unions and their members from financial problems in the case of a member's death. This program will require GOT approval, which is a condition precedent to disbursement.

G. Organize an Accounting Service Bureau

Depending on a feasibility study to be conducted early in the project, CUNA will help FUCEC establish a computerized accounting service bureau to service large workplace credit unions in Togo's Maritime Region. This would be a pilot activity, with possible replicability to other regions. These services would be subsidized at first to attract credit unions to the program. Over the life of the project subsidization would be phased out and this program will become self-financing as credit unions begin to value the services provided.

H. Accelerate FUCEC-TOGO's Progress Towards Financial Self-Sufficiency

Achievement of this objective will follow from achievement of the other seven described above. Given realistic targets for savings growth, expansion of the productive credit program, organization and strengthening of additional credit unions, and income generated by the Loan Collection and Accounting Service bureaus, it is anticipated that FUCEC will be 72% self-sufficient in its core budget by the end of the project, up from the current level of about 16%.

III. PROJECT INPUTS

Under the Cooperative Agreement, CUNA will provide: technical assistance, support for FUCEC's development and operating costs, participant training, financing for the Productive Credit Revolving Fund and for the Community Credit Union Incentives Program, and commodities.

A. Technical Assistance. CUNA will furnish the long-term services of a Management Advisor (Chief of Party) for 57 months, a Productive Credit Advisor for 48 months, and a Credit Union Data Processing Advisor for 30 months. Scopes of Work for these advisors are included in Section E. The Cooperative Agreement will also provide 7 person-months of short-term consultancies in such areas as risk management, financial services,

electronic data processing feasibility and installation, and audio-visual services. All of this technical assistance will actually be supplied by the World Council of Credit Unions (WOCCU) under an agreement with CUNA. WOCCU will also provide technical and administrative backstopping from its U.S.-based staff. In addition, WOCCU staff will participate in project evaluations.

B. Support for FUCEC's Developing and Operating Costs. The project through CUNA will fund all of the development costs of FUCEC-TOGO over the next 5 years and certain recurrent costs on a declining basis. Development costs include an extensive program of in-country training of credit union members, officers and staff; promotion campaigns, including use of mass media; seminars for MRD Cooperative Department staff; and construction of regional offices. Recurrent costs include communications, office supplies, printing, vehicle/equipment operations and maintenance, translations and other temporary services, etc.

C. Participant Training. The project will finance through CUNA and with USAID/Togo approval, 3 joint GOT/FUCEC study tours to the U.S. and third countries for participants to observe and learn about credit union development. It will also support specialized training for FUCEC staff in priority skill areas, such as planning and management.

D. Productive Credit Revolving Fund. The project will provide through CUNA up to an additional \$494,000 in capitalization for the Productive Credit Revolving Fund, which was begun under the earlier grant. The grant will provide \$250,000 for the fund at the beginning of the project, and following a review of the mid-term evaluation, it will provide up to the balance of \$244,000 if necessary and if matched from other donor or GOT sources. With this funding method, only resources that are actually necessary will be provided to the fund, and matching will enable leveraging of A.I.D. resources as well as promote FUCEC self-sufficiency.

E. Community Credit Union Incentives Program. The project will provide through CUNA \$327,000 for making reimbursable grants to 50 credit unions to cover the cost of constructing and equipping an office/meeting plant, and for grants to cover a declining portion of a paid manager's salary and operating costs. Of this amount, \$150,000 will be for a 75% share of the construction costs, the remaining 25% to be paid by the COCUB. This program is a continuation of the successful and highly innovative program begun in 1986 with ADF funding. This pilot program has been found to play a major role in creating strong credit unions and in contributing to the self-sufficiency of FUCEC. Half of the funding for this program will be provided at the beginning of the project. The balance will be provided halfway through the project if the mid-term evaluation finds the program's impact on recipient credit unions to be positive and sustained.

F. Commodities. The project will provide through CUNA and with OAR approval computers and furniture and other equipment for FUCEC offices, equipment for promotional campaigns, and 6 vehicles.

Additional resources for FUCEC to implement this program are being contributed by:

1. The Centre International du Crédit Mutuel Français (CICM), a principle source of French language credit union expertise, for FUCEC budget support, an Education, Training, Promotion and Inspection Advisor, and equipment.
2. The African Confederation of Cooperative Savings and Credit Associations, for training and technical support.
3. Bread for the World (BFDW), (a German PVO), for operational support for five new inspectors in the central region.
4. CUNA Mutual Insurance Society (the world's leading credit union insurer), for reinsuring and subsidizing the risk management program on a degressive basis until it becomes self-supporting.

See Recipient's proposal for proportions of contributions.

#### IV. IMPLEMENTATION SCHEDULE

##### Year One

The project will start with the arrival of the Management (Chief of Party) and Productive Credit Advisors recruited by WOCCU and the Education, Training, Promotion, and Inspection (ETPI) Advisor sent by CICM. Initial activities will include the purchase of vehicles and equipment, the recruitment (or designation, in some cases) of new staff (a second trainer, five new regional representatives destined for Togo's central region, and CLF Chief), and set up of initial accounting and administrative systems.

Once in place, staff and advisors will prepare a 1989 work plan and operating budget, making any necessary changes to those specified in the plan, so that both can be closely monitored. The annual staff planning and evaluation sessions will be held during the first quarter of the project. Once these housekeeping activities are completed, FUCEC-TOGO will attack 1989's priority activities. These are as follows:

The principle initial task will be to recruit, orient, train, and post new staff, particularly the five new regional representatives; this will occupy the trainers and the ETPI Advisor during the first quarter. Parallel to this process, trainers will perform a skills assessment and training needs analysis of all staff, and propose a training program to overcome skills deficiencies which does not exceed available funds. An inspection program for the year will be established, but will be subject to constant revision. The productive credit advisor and counterpart will make preparations for the 1989 agricultural season, choose those credit unions to participate in 1989, and begin design work on a small business lending program. The Management Advisor will begin work on the Early Warning System.

During the second quarter of the project, all credit unions and regional unions will hold their annual membership meetings. Training staff will hold the first series of regional courses for credit union Education and Promotion Committees, and start producing a range of promotional materials. Productive Credit and CLF personnel will make the first of the year's agricultural loans. The new regional representatives will start organizing new credit unions in workplaces and high-potential communities, while supervising the construction of their offices. The Management Advisor will continue working on the Early Warning System. Finally, the first group of credit unions to participate in the incentives program will be selected, and construction will begin on their offices.

During the third quarter of the project, previously begun activities will continue. FUCEC-TOGO will hold its annual meeting during this period. Credit unions will begin employing their promotion techniques and materials developed by the federation. Trainers will hold workshops for various influential groups, bringing them into the promotion process. By the end of the quarter, the design of the Early Warning System should be nearly complete. The new regional representatives will participate in a "train-the-trainers" course, and a consultant will study the feasibility of a credit union data processing facility. The first of three overseas study tours for GOT/FUCEC-TOGO staff and officials will be conducted, and one federation staff member will receive specialized training.

By the end of the fourth quarter, the Management Advisor should have nearly operationalized the Early-Warning system. Training staff will have completed the series of workshops for influential groups, and evaluated the results of initial promotional activities. The construction of FUCEC-TOGO's regional offices and offices for the ten credit unions participating in the incentives program will have been completed.

## Year 2

During the first quarter of year two, as in each other year, the principal order of business will be planning and evaluation. That is, the annual staff planning and evaluation sessions will be held, and the next year's (1990, in this case) budget and work plans developed, including and inspection schedule.

Other activities started but not completed in Year 1 will continue in Year 2. In addition, early on in the year, WOCCU's Data Processing Advisor will arrive to begin setting up a Service Bureau for Maritime credit unions, assuming the Year 1 feasibility study was positive. Working closely with CICM, the Data Processing Advisor will identify the hardware and software package most appropriate for Togo, acquire it, and begin installation.

During Year 2, FUCEC-TOGO's Membership Education and Promotion program will move into active phase, with the development of a great variety of materials and then delivery through various media. FUCEC-TOGO's Education and Training Department and field staff will continue to train credit union managers and officers, and a second federation staff member will receive specialized training.

In the area of productive credit, a few credit unions will be chosen to test FUCEC-TOGO's small business lending program, and additional credit unions will be brought into the agricultural and retailers' financing schemes.

With GOT help, the federation will also begin an intensive program to compel all credit unions to abide by existing laws, regulations, and policies. All legal means will be used to assure that credit unions follow sound operating practices. Ten more of the best-managed community credit unions will begin participating in the Incentives Program. The Early-Warning System will output regular analyses of all credit unions. A number of new worker and community credit unions will be organized in high-potential areas.

In the third or fourth quarter, a consultant will be called in to propose new types of deposit and lending instruments for the CLF, by which time all of the federation's regional offices' construction should have been completed. The second of three overseas study tours for GOT/FUCEC-TOGO staff and officials will be completed.

### Year 3

All of FUCEC-TOGO's development programs (productive credit, membership education, training and promotion, expansion, and the incentives program) will already be well into the process of implementation by this point.

FUCEC-TOGO will continue to stress compliance with all rules, regulations, and policies on credit unions' part, so that the extensive organizing effort will not be undermined by poor management. In addition, consultants will be called upon to study the movement's various structures, with the objective of effecting a partial decentralization of movement structures to bring the federation's services as close as possible to the grassroots, and to assist FUCEC-TOGO and GOT to study the current cooperatives' legislation and to draft legislation specific to credit unions.

A third staff member will receive specialized training, and the last overseas study tour by GOT/FUCEC-TOGO staff and officials will be conducted. The data processing facility will come on line, the movement's second baseline data survey completed, and a mid-term project evaluation conducted.

Near year-end, CICM's Advisor will complete his/her assignment and return to France.

### Year 4

All previously-initiated activities will continue. During this year, Data Processing and Productive Credit systems should have been entirely taken over by Togolese, and the two respective WOCCU Advisors will be repatriated. A final federation staff member will receive specialized training, and initial work will begin on preparing the movement's third five-year development plan.

Year 5

All of FUCEC-TOGO's programs will continue but, as the intensive promotion and expansion programs wind down, staff and leadership will concentrate more on preparing the movement's Third Five-Year Development Plan.

Just after mid-year, the project's final evaluation will be conducted and WOCCU's Chief of Party repatriated.

V. LEVEL OF EFFORT (PERSON-MONTHS)

<u>Technical Speciality</u>	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>TOTALS</u>
Management Advisor	12	12	12	12	9	57
Productive Credit Advisor	12	12	12	12	0	48
Data Processing Advisor	0	12	12	6	0	30
Consultants	<u>2</u>	<u>2</u>	<u>1</u>	<u>1</u>	<u>1</u>	<u>7</u>
TOTAL Person-Months	26	38	37	31	10	142

VI. INDIVIDUAL SCOPES OF WORK

A. Credit Union Federation Management Advisor (Chief of Party)

1. General:

(a) The advisor will be responsible for providing on-site technical advice to the Togo National Credit Union Federation (FUCEC-TOGO), and its affiliated credit unions. The advisor's close collaborator, in this capacity, will be the manager of FUCEC-TOGO.

(b) As Chief of Party, the management advisor will be responsible for project liaison and reporting, and for supervision of other WOCCU advisors.

2. Duties: In addition to overall project coordination and general managerial advice, the advisor will concentrate his/her activities on the following FUCEC-TOGO objectives: financial management, improvement of credit unions' legal and policy framework, continued development of incentives programs for credit unions, development of FUCEC-TOGO's five new expansion zones, assistance with the organization and monitoring of new and existing worker credit unions, planning and evaluation, and assuring sound management of the new risk management program.

(a) Financial Management

In collaboration with FUCEC-TOGO's Board and staff, the advisor will assist in improving the efficiency of FUCEC-TOGO's Central Liquidity Facility (CLF) through development of systems for monitoring CLF payments by credit unions, preparing cashflow analyses, and automating the record-keeping system of the CLF. The advisor will also assist FUCEC-TOGO senior staff in studying the use of various interest rate structures and deposits types to maximize interest margins and the efficient use of capital. The advisor will participate and advise in the process of developing improved credit policies and procedures, particularly those of the federation's productive credit program.

(b) The Movement's Legal and Policy Framework

In collaboration with the federation manager, senior FUCEC-TOGO staff, Cooperative Department officials, and other advisors, the Management Advisor will work towards and improved legal and policy framework for credit unions, including revisions and/or positive interpretation of laws and regulations affecting the movement, revision of both the federation's and credit union's bylaws and operating policies. The advisor will continually seek to assure adoption and implementation of sound operating practices at all levels of the movement. The advisor will also participate in training programs for movement leaders and Cooperative Department officials to foster better relations and mutual understanding of their respective roles. Finally, the advisor will develop a computerized early-warning system to evaluate credit unions based on their quarterly financial statements, with the aim of spotting developing problems before they become difficult to correct.

(c) Development and Implementation of Incentives Programs for Credit Unions

The advisor will assist FUCEC-TOGO staff to design and implement programs to encourage credit unions to adopt sound operating practices. The incentives offered will include, but not necessarily be limited to, funds to build offices, hire competent managers, and loans for relending to members. Policy changes to be fostered include interest rate structures, lending policies, periodic membership drives, and savings mobilization campaigns.

(d) Expansion

In collaboration with FUCEC-TOGO senior staff, the advisor will assist in further development of FUCEC-TOGO's expansion strategy. This will include:

- Implementing FUCEC-TOGO's expansion into the planned five expansion zones in the central part of Togo, and assistance with the federation's overall promotion program.
- Reviewing annually FUCEC-TOGO's credit union consolidation and liquidation plan, and implementation of appropriate measures to assure continued success.

- Assessing, on a quarterly basis, the federation's area of operation, and determine an appropriate marketing strategy for existing and new services.

- Continuing the dialogue with other organizations with the objective of developing a collaborative policy for development of credit unions throughout Togo.

(e) Organization and Monitoring of Worker Credit Unions' Development

In close collaboration with FUCEC-TOGO staff and the Education, Training, Promotion, and Inspection Advisor, the advisor will assist in the organization and reorganization of worker credit unions, with the objective of assuring their sound operation, thus assuring that they participate fully in federation programs and fulfill their potential as the principal source of operating income to the federation.

(f) Planning and Evaluation

In collaboration with FUCEC-TOGO's senior staff, the advisor will assist in the continued preparation and monitoring of FUCEC-TOGO's long-range and annual work plans, he/she will also assist FUCEC-TOGO in training credit union and federation officials and staff to prepare written operational plans and to design long-range plans and self-sufficiency strategies.

The advisor will also develop a computerized management information system similar to that used in the previous project. This will allow the federation to monitor continuously all important indicators at both the credit union and federation level.

(g) Risk Management

The advisor will serve as the primary liaison agent between FUCEC-TOGO, WOCMU, ACCOSCA, USAID/Togo, CARE/APP, CUNA Mutual, the GOT, and other interested organizations in Togo and will regularly evaluate these liaison efforts and take any corrective steps required to assure effective communication between the World Council and these organizations. In particular, he will:

- Determine the information requirements of USAID/Togo, BFDW, CICM, CARE/APP, and CUNA Mutual as concerns the project.

- Assure mutual agreement on the objectives of the project and WOCMU's role in achieving these and clearly identify any lack of consensus on these subjects which exists in Togo.

- Assist in defining and insuring mutual agreement on the project responsibilities and obligations of each of the project's principle partners, i.e., USAID/Togo, WOCMU, CICM, BFDW, FUCEC-TOGO, CARE/APP, ACCOSCA, CUNA Mutual, and the GOT.

- Provide USAID/Togo with documentation which clearly establishes WOCMU's responsibilities and plans and with adequate updating which will allow for proper USAID monitoring of the work done by the advisors.

- Prepare and forward progress reports, in an agreed-upon format and periodicity, plus and other special reports and studies, to USAID/Togo, WOCCU, CICM, BFDW, ACCOSCA, FUCEC-TOGO, CARE/APP, CUNA Mutual, or other parties as required.
- In written reports, draw to the attention of USAID/Togo, WOCCU, CICM, BFDW, CARE/APP, CUNA Mutual, ACCOSCA, and FUCEC-TOGO, any changes in conditions which could significantly affect the proper execution of the project.
- Determine appropriate communications channels and assure that all communications are carried out through these channels.
- Assure identification and provision of adequate and timely provision of TDY technical assistance to FUCEC-TOGO and/or the technicians.
- Promptly remit monthly expenditure reports to WOCCU's Home Office and monitor project expenditure financial reports and assure that the reports contain all of the information required for effective monitoring of expenditures.
- Prepare annual budget proposals and submit to WOCCU a minimum of 90 days prior to new budget periods.
- Assure proper safeguarding of all project's assets under the control of the technicians.

### 3. Job Qualifications:

#### Minimum Requisites

- (a) Education: Masters Degree in business administration or management, or equivalent in experience
- (b) Experience: A minimum of five years of credit union experience, with a minimum of two of these years in a developing country other than the Advisor's own
- (c) Demonstrated skills in credit union and credit union federation management, training, promotion, organization, budgeting, credit management, and supervision
- (d) Fluency in spoken and written French
- (e) Other Skills:
  - Proven ability to communicate complex ideas precisely and coherently through written and oral presentations.
  - Proven ability to identify and systematically solve problems in cross-cultural situations.
  - Demonstrated tact, trustworthiness and perseverance.

- Demonstrated ability to perform with little direct supervision.
- Demonstrated analytical skills.
- Proficiency in use of word processing, spreadsheet, and data base software on IBM-Compatible personal computers.
- Demonstrated ability to formulate and use concise planning documents.
- Demonstrated ability to identify the strengths and weaknesses of colleagues and to design methods to overcome skills or attitude limitations.
- Commitment to overseas development efforts.

Additional Desirable Characteristics

- Education: Graduate work involving independent research and analysis
- Experience in management, statistics, budgeting and programming
- Experience in the design and implementation of institutional information systems.
- Experience in institutional monitoring and control functions.
- Experience in relating to high-level officials in an international context.
- Demonstrated skill in the preparation of project proposals.
- Demonstrated skill in project evaluation.
- Demonstrated proficiency in design of applications generators using standard data base software (esp. dBASE III Plus) on IBM-Compatible PC's.

B. Productive Credit Advisor

1. General:

The advisor will be responsible for providing on-site technical assistance to the Togo National Credit Union Federation (FUCEC-TOGO), and to its affiliated credit unions, in the areas of both agricultural and non-agricultural productive credit.

2. Duties:

(a) Program Development

The advisor will assist FUCEC-TOGO management to expand the present Agricultural Production Credit Program to include directed credit to off-farm and non-agricultural sectors as well. The advisor will work closely with FUCEC-TOGO management and Productive Credit department personnel to implement the program.

(b) Development of Credit Policy

The advisor will collaborate with FUCEC-TOGO's Board, staff, and the WOCCU Management Advisor to develop model guidelines and procedures for the federation and for credit unions in the productive credit program. These would include guidelines for loan evaluation and collection, investment project selection and analysis, procedures, monitoring of loans, loan demand and program benefits to credit union members and a determination of productive credit program delivery costs and returns.

(c) Training

The advisor, with the collaboration of the Productive Credit Officer and under the direction of FUCEC-TOGO management, will conduct and/or supervise formal and on-the-job training of FUCEC-TOGO staff and credit union personnel in the following:

- Credit policy related to both agricultural and non-agricultural productive credit;
- Productive credit loan analysis;
- Investment planning;
- Federation financing of loans to credit unions within the Productive Credit Program;
- Identification of resources for technical assistance on member project planning, development, and monitoring;
- Cash and investment management; and
- Record-keeping and statistical reporting.

The advisor will work with FUCEC-TOGO management and other advisors to develop related training materials and deliver lessons during this project.

(d) Technical Assistance Coordination

In collaboration with FUCEC-TOGO staff, the advisor will develop a viable system of technical assistance to participants of the Productive Credit Program which will enhance the effectiveness of productive credit lending. This will require the establishment of linkages between the existing business, financial, agriculture and other resource persons, agencies and the credit union and members.

(e) Maintenance of Statistical Data and Analysis Information

The advisor will also be responsible for collecting and analyzing productive credit-related data, such as information on loan profitability, applied costs/returns research, credit delivery costs, and the impact of productive project lending on both farming and commercial sector beneficiaries.

(f) Liaison, Reporting and Administrative Procedures

The advisor will report directly to the Manager of FUCEC-TOGO and will be supervised by the Chief of Party for WOCCU reporting and personnel matters. He/she will, together with the Production Credit Officer (counterpart), serve as a liaison agent between WOCCU, FUCEC-TOGO and other interested organizations in Togo on productive credit matters related to the project.

3. Job Qualifications:

Minimum Requisites

(a) Education: Bachelor's Degree in Economics, Agricultural Economics, Agronomy, Management, Business Administration or a related area, or its equivalent in proven experience

(b) Experience: A minimum of five years of credit-related experience in the agricultural or non-agricultural sector, with a minimum of two of these years in overseas development in Africa

(c) Demonstrated skills in the design, management, and administration of agricultural credit programs in developing countries

(d) Proven ability to design and implement use of simple credit forms, procedures, and training materials

(e) Fluency in written and spoken French

(f) Other skills and attitudes:

- Proven ability to communicate complex ideas precisely and coherently through written and oral presentation
- Proven ability to identify and systematically solve problems in cross-cultural situations
- Demonstrated tact, trustworthiness and perseverance.
- Demonstrated ability to perform with little direct supervision
- Demonstrated analytical skills
- Demonstrated ability to formulate and use concise planning documents
- Demonstrated ability to identify the strengths and weaknesses of colleagues and to design methods to overcome skills or attitudinal limitations

Additional Desirable Characteristics

- Education: Post-graduate work in economics, agricultural economics, agronomy, or business which involved independent research and analysis.

- Experience in the design and implementation of management information systems
- Experience in cost/returns analysis and in preparation of feasibility studies and evaluations
- Experience in rural savings mobilization
- Experience in the design and implementation of adult education programs
- Experience in the preparation of operational and training manuals
- Working knowledge of microcomputer-based forms generation, spreadsheet, data base, and word processing programs

Credit Union Data Processing Advisor

1. General: The advisor will be responsible for providing on-site technical advice to the Togo National Credit Union Federation (FUCEC-TOGO), and to its affiliated credit unions.

2. Duties: The advisor's activities will primarily focus on the development of a credit union data processing service bureau for Togo's Maritime Region credit unions, but especially for large, worker credit unions. As such, his/her duties will include the following:

(a) System Design and Configuration

In collaboration with other advisory, as well as with FUCEC-TOGO and credit union staff, the Advisor will:

- Develop an initial implementation plan, monitor progress towards achievement of milestones, and periodically revise the implementation time table as necessary.
- Identify that hardware and software configuration most closely fitting Togolese credit unions' informational needs, subject to availability of local servicing and other criteria to be initially established by the advisor, FUCEC-TOGO's Manager, the Management Advisor, and others.
- Procure necessary hardware and software.
- Install, test and debug hardware and software.
- Assure any necessary modification of the software as needed to meet Togolese credit unions' data needs, since most likely it will be procured in France, which has slightly different accounting systems, fiscal environment, etc.
- Design and maintain security systems to protect the service bureau's equipment and data from the environment, theft, or misuse.

- In collaboration with the federation Manager, prepare a realistic five-year financial plan for the service bureau, including specification of user prices based on a declining subsidy over the first three years, so that by end-of-project, the operation is at least self-financing, and hopefully producing surpluses.

(b) Personnel Recruitment and Training

In collaboration with other FUCEC-TOGO staff and advisors, the advisor will:

- Prepare job descriptions for his counterpart (the service bureau's Chief), as well as for data entry and any other needed personnel. The counterpart should be selected because of his/her familiarity with the system and languages (COBOL, etc.) of the chosen software.

- Head up a recruitment committee to recruit required personnel.

- Set up required office routine once the personnel are hired.

- Train personnel as required, based on assessment of their skills and previous experience.

(c) Program Implementation

In concert with service bureau and other FUCEC-TOGO staff and advisors, the advisor will assure timely implementation of the program at the federation and credit union level, including but not limited to the following:

- Promotion of the planned program within all credit unions in the Maritime Region likely to benefit from the program and can likely afford the fees.

- Supervising credit unions' conversion process from manual accounting systems to electronic data processing.

- Training credit union personnel in data coding, use of printed documents output by the system, etc.

- Assist in the creation of new worker credit unions, seeking to enroll them in the program from their first transaction.

- Continuous monitoring and perfecting of the operation and elimination of "bugs".

(d) Miscellaneous Duties

In addition to his/her principle duties as listed above, the advisor may be called upon by FUCEC-TOGO's Manager or the Project Chief of Party to perform any or all of the following:

- Assist in the installation of microcomputer hardware and software within FUCEC-TOGO's administrative unit, and particularly the computerization of the CLF, Risk Management, and FUCEC-TOGO's general ledger.
- Assistance in resolving problems with any of FUCEC-TOGO's various microcomputers.
- Assist with training of non-service bureau federation personnel involved in the use of computers.
- Assisting the Management Advisor design, program and test FUCEC-TOGO's Early Warning System, using data base applications generator software.
- Submission of written quarterly progress and any required special reports to the Chief of Party.
- Other tasks as assigned by the Chief of Party.

### 3. Job Qualifications

#### Minimum Requisites

- (a) Education: Bachelor's Degree in Computer Science, Accounting, or Business Administration. This may be waived in the case of substantial data processing experience
- (b) Experience: A minimum of five years' experience in data processing, preferably in credit unions or other depository institutions
- (c) Fluency in spoken and written French
- (d) Other Essential Skills and Experience:
  - Proficiency in minicomputer- and/or microcomputer-based accounting, spreadsheet, data base, and word processing
  - Previous experience in setting up data processing systems from scratch in French-Speaking environment
  - Solid knowledge of assembly language, programming (especially in COBOL), and software maintenance/modification
  - Thorough knowledge of the French Uniform Accounting Plan
  - Proven ability to communicate complex ideas precisely and coherently through written and oral presentations
  - Previous experience working abroad, preferably in Africa or other parts of the developing world, with proven ability to identify and systematically solve problems in cross-cultural situations
  - Demonstrated ability to perform with little direct supervision

- Demonstrated analytical skills
- Proficiency in use of word processing, spreadsheet, and data base software on IBM-Compatible personal computers
- Demonstrated ability to formulate and use concise planning documents
- Demonstrated ability to identify the strengths and weaknesses of colleagues and to design methods to overcome skills or attitude limitations

Additional Desirable Characteristics

- Education: Graduate work involving independent research and analysis.
- Knowledge of features and pros and cons of available French-Language software options for credit unions or other depository institutions.
- Experience in design and implementation of Management Information Systems
- Experience in statistical and financial analysis
- Prior knowledge of operations of depository institutions, particularly those of credit unions.