

PP-ABF 198

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A.I.D. EVALUATION SUMMARY -- PART I

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.
2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE

IDENTIFICATION DATA					
A. Reporting A.I.D. Unit: Mission or AID/W Office <u>USAID/Senegal</u> (ES# _____)		B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan? Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY 91 <input type="checkbox"/> 03		C. Evaluation Timing Interim <input type="checkbox"/> Final <input checked="" type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>	
D. Activity or Activities Evaluated (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)					
Project No.	Project /Program: Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
685-0260	Community and Enterprise Development Project/PVO Component	84	12/31/93	15,229	15,229

ACTIONS		
E. Action Decisions Approved By Mission or AID/W Office Director	Name of Officer Responsible for Action	Date Action to be Completed
<p>Action(s) Required</p> <ol style="list-style-type: none"> Distribution of the report to the new PVO/NGO Support Project Officer and Project Committee members. Translation into French and distribution of the Evaluation Report to (1) participating NGOs to help them to benefit from its findings and recommendations for a better presentation of their proposals to the new PVO/NGO Support Project; and (2) GOS NPC President and Executive Secretary. Take into consideration the evaluation report's recommendations in the implementation of the new PVO/NGO Support Project. 	<p>ALy (PDO)</p> <p>ALy (PDO)</p> <p>ANdiaye (PDO) and MJ Staff (PVO Support Project)</p>	<p>July 91 (completed)</p> <p>Sept. 91 (completed)</p> <p>Sept. 91 (on-going)</p>

APPROVALS					
F. Date Of Mission Or AID/W Office Review Of Evaluation:			(Month)	(Day)	(Year)
G. Approvals of Evaluation Summary And Action Decisions:					
Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer	Mission or AID/W Office Director	
	Amadou Ly	Ibrahima Samb	Seydou Cissé	Douglas L. Sheldon	
Signature	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	<i>[Signature]</i>	
Date	12/22/92	12/22/92	12/22/92	12/22/92	

ABSTRACT

H. Evaluation Abstract (Do not exceed the space provided)

The Community and Enterprise Development (CED) Project has two purposes: To strengthen the capacity of Village Organizations (VOs) through Private Voluntary Organizations (PVOs), to carry out development projects that benefit both the VOs and the region; and to assist small-scale enterprises (SSEs) to carry out increased and self-sustaining business activities. The project is being implemented by a US non-profit organization called New Transcentury Foundation, as the contractor, under the supervision of the USAID/PDO and the National Project Committee (NPC) comprising members from the GOS and USAID/Senegal. As of June 30, 1990, eight PVO/NGOs had participated in the project and had provided 246 loans and training to 57 VOs. These loans had generated 114 local sub-projects. Approximately 65% of the principle has been recovered to date. The primary purpose of this final PVO Component evaluation is to assess the impact of the project on the participating PVO/NGO and VOs and derive lessons from the project which will hopefully be used in the design/implementation of the new Mission PVO/NGO Support Project starting in late 1991. The methodology used consisted of reviewing project's documents and interviewing all actors involved in the project's implementation.

The major findings, conclusions and recommendations are:

- PVOs and NGOs can efficiently supply technical, financial and management services to VOs, under the proper conditions and with appropriate support.
- VOs can manage their own development and become self-sustaining, given time, training and appropriate assistance.
- The Village Education Program (VEP) was of high quality and was greatly appreciated by villagers.
- The design of similar projects should be kept as simple as possible, limiting the number of components, reducing the layers of bureaucracy and better defining roles of various actors.
- The Management Unit personnel level must realistically reflect the scope and volume of its responsibilities.
- Inter-agency learning and coordination should be an integral element in umbrella projects.

COSTS

I. Evaluation Costs				
1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
- Robert H. Brandstetter	DATEX INC.	NO. 685-0260-C- 00-1009-00	\$74,590	Project Agreement
- George Butler				
- Thierno Bâ	Independent Senegalese Consultant			
2. Mission/Office Professional Staff Person-Days (Estimate) <u>30</u>		3. Borrower/Grantee Professional Staff Person-Days (Estimate) <u>60</u>		

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A.I.D. EVALUATION SUMMARY - PART II

SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)

Address the following items:

- Purpose of evaluation and methodology used
- Purpose of activity(ies) evaluated
- Findings and conclusions (relate to questions)

- Principal recommendations
- Lessons learned

Mission or Office:
PDO-USAID/Senegal

Date This Summary Prepared:
December 1, 1992

Title And Date Of Full Evaluation Report:
Final PVO Component Evaluation of the Community and Enterprise Development Project

1. Purpose of the Project

The Community and Enterprise Development Project (CED) had two components, coinciding with its dual purposes: the PVO component was to strengthen the capacity of village organizations (VOs) to carry out local development projects with the assistance of Private Voluntary Organizations (PVOs) and Non-Governmental Organizations (NGOs); and, the small scale enterprises component to assist SSEs to carry out self-sustaining and more profitable business activities.

2. Purpose of the Evaluation and Methodology

The PVO component of the CED project ended in December 1990. This is the final external evaluation of that component. The SSE component will continue until December 1993. The purpose of this evaluation is to assess the impact of the project on the participating PVO/NGOs and Village Organizations (VOs), and derive lessons from the Project. These lessons will hopefully be used by the new PVO/NGO Support Project currently being implemented. A three-member team from Datex Inc. conducted the evaluation during the period May through June 1991. This was done through a review of project documents and interviews of all actors involved in the implementation of the project.

3. Findings

In the early 1980's the Government of Senegal was beginning to implement a national policy of government decentralization and commercialization of services. The CED was designed in 1983 as a pilot project, in part, to test the hypothesis that PVOs and NGOs could be an effective alternative to traditional government services in meeting the needs of small farmers for goods and services. In general, the conclusion of this evaluation validated this hypothesis, that indeed, PVOs and NGOs can supply technical, financial, and management services to VOs, under the proper conditions and with appropriate support. It also appears that Village Organizations can manage their own development and become self-reliant, given time, training and appropriate assistance. Eight PVOs participated in the project, providing credit and training to 57 village organizations which generated 114 local subprojects. Of the total loans made, 65% of the principle has been recovered to date. The Project demonstrated that rural credit is greatly needed to stimulate production, and that under the proper conditions, rural producer groups will accept and repay loans eagerly. While registering this broadly positive conclusion concerning the hypothesis, it must also be noted that restrictions on the functioning of the Project had negative impacts on the overall achievement of Project goal and objectives. These restrictions resulted partly from the Project design and partly from management decisions during implementation. They make it very difficult to judge definitively whether PVOs and NGOs can provide efficient and effective support to VOs.

The project design was overly ambitious in its projected implementation schedule, causing initiation of Project activities before PVO/NGOs and VOs were properly prepared. Coupling together two diverse components, one serving individual entrepreneurs and the other working with VOs, proved deleterious to the more complex and slower to develop component: the PVO component. The PVO component further suffered from a cumbersome, multi-layered approval process which delayed subproject activities, and from a rigidity in the selection of sub-project activities.

Early in the Project's implementation the PVO component ceased to be mainly a rural development project as envisioned in the PP, and became credit and repayment driven. The type of credit and the terms of credit determined the types of activities that farmers could engage in. Innovative income generating activities were not encouraged by this policy. Consequently, farmers generally were forced to engage in either animal fattening or dry season gardening. In the end, only animal fattening offered reasonable success in terms of loan repayment and short term profitability as required by the Project. Roles and responsibilities changed from the PP stage to the Cooperative Agreement. The National Project Committee's role evolved from simple policy and monitoring to approval of every subproject, a change which slowed and complicated Project implementation. USAID/Senegal pulled back from its envisioned role in technical and managerial support, giving more responsibility to the Management Unit. This change was made without adjustments in MU staffing levels.

The Management Unit's PVO component was understaffed, and consequently was weak in certain technical areas. This weakness contributed to many problems that A.I.D., the PVO/NGOs and the VOs experienced in the Project. The lack of technical support to PVO/NGOs and VOs caused serious subproject design problems. Many subprojects failed before they began because of poor design which in turn resulted from inadequate advice from PVO/NGOs, the MU or government technical services.

One highlight of the Project was not specified in the PP. The Village Education Program was of high quality and was greatly appreciated by rural producers. VO members spoke with an unusual degree of sophistication when discussing credit, loans, interest, repayment rates, business management practices, and the like. Those VOs that took best advantage of the training showed high levels of group cohesiveness as well as understanding. This suggests that a strong functional literacy and training program can have considerable influence on VO's long term sustainability.

4. Conclusions

As an experimental, pilot project, the CED has demonstrated that PVO/NGOs can deliver goods and services to rural communities. Moreover, the Project has strengthened PVO/NGOs so that they can work effectively in the rural areas, helping to fill gaps in rural development created by the government's policy of decentralization. The Project has also helped change the attitude of the GOS from one of suspicion and doubt about the capability of national and international NGOs to manage rural development projects, to one of acceptance and a willingness to work with A.I.D. and other donors to assist in their development.

With the experience and assistance gained in the Project, national and international NGOs have begun to develop their own programs, to approach other donors, and even begun to manage their own credit schemes. The Project has also demonstrated to other skeptical PVOs and NGOs in Senegal that it is possible to work with A.I.D. even with all of its regulations and requirements.

The Project points out the inherent complexity of PVO/NGO umbrella projects, with their multiple partners and levels of intervention. The CED Project designers did not fully appreciate these complexities and so they were not reflected in key aspects of the design. Those charged with managing and implementing the Project also grappled with this complexity, sometimes dealing successfully, but often being unable to correct the design flaws. That design was drafted eight years ago, and everyone involved has had the opportunity to learn a lot about how to design and how to implement umbrella projects. Perhaps the most fundamental conclusion, and one of the most difficult to apply, is the importance of the basics: coherence in project objectives and outputs, clarity in roles and relationships, consistency in adapting design into implementation, flexibility in course corrections, care in understanding all stakeholders' needs and capabilities. To take a specific example, when the MU correctly diagnosed the PVO/NGO's weakness in developing training materials and offering training to VOs, and so convinced USAID/Senegal to allow the creation of the VEP, all parties showed flexibility in implementation and fidelity to broad Project purpose. The result was one of the Project's finest accomplishments.

5. Recommendations and lessons learned

Many of the lessons learned for this Project have to do with difficulties in the design of the Project, specifically, its complexity, unrealistic timeframe, confusion of objectives, and assumptions about PVO/NGO capabilities and interest in this Project. The recommendations flow from these lessons. Keep the design as simple as possible, limiting the number of diverse components, reducing the layers of bureaucracy and better defining roles of various actors. An eight to ten year LOP for a PVO/NGO umbrella project that involves substantial institution building is required. Clarify objectives and be certain that they are mutually supportive rather than competitive or contradictory. Research carefully the real capabilities and interests of PVOs, NGOs, and VOs during the design phase, an effort which requires detailed familiarity with these kinds of organizations.

Another group of lessons has to do with the application of Project principles into actual implementation, specifically rigidity in subproject activities, changes in roles for various key players, inadequate MU staffing for the PVO component, de-emphasis on inter-agency communications among PVO/NGOs and VOs, and inadequate monitoring and information systems. More flexibility and sensitivity to the differing levels of VO's institutional development is required in decisions concerning funding of activities. USAID/Senegal and the National Project Committee need to play supportive roles in policy, monitoring and advising that allow them to fulfill their legitimate functions in oversight without obstructing the Project's implementation. The Management Unit personnel level must realistically reflect the scope and volume of its responsibilities. Inter-agency learning and coordination should be an integral element in umbrella projects. Information systems and the timely use of information must be established at the outset of the Project and adjusted as needs change.

ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

EVALUATION REPORT

COMMENTS

L. Comments By Mission, AID/W Office, and Borrower/Grantee On Full Report

USAID/Senegal and the Government of Senegal (GOS) members of the National Project Committee are very satisfied with the overall quality of the evaluation report. The report meets the demand of the scope of work and provides answers to questions posed.

The report successfully focussed on important issues, particularly:

- validity of key project assumptions and their replicability;
- determination of whether project purpose is still attainable;
- effectiveness of the management roles of the parties involved in the project;
- identification of needed modifications in the project's management and design.

The GOS demonstrated their commitment to this evaluation by ensuring that NPC members be available to meet with evaluators for the interviews and the briefing and debriefing sessions. The evaluation team was able to address all the project's issues described in the SOW and provided indepth insight on all of them.

USAID/Senegal and the GOS did not differ significantly on any major recommendations. However, it is important to note that the final evaluation report did not incorporate all USAID's observations and recommendations after the exit conference. The team promised to send to the Mission their final draft one week after their arrival in Washington and, the Final Report was to be sent three weeks after their departure. The Final Report arrived 3 weeks late and, was received by the Mission six weeks later, but surprisingly, it did not take into consideration the Mission's comments on the evaluators' findings, conclusions and recommendations related to two key issues: the nature of the GOS NPC members' involvement in management decisions and, women's participation in the project.

Based on this evaluation and its findings, USAID/Senegal decided to use most of its recommendations in the implementation of the new PVO/NGO Support Project.

XD-ABF-198-A
80679

**Final Evaluation
PVC Component**
of the
**USAID/Senegal Community Enterprise and Development Project
(CED)**

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Presented to USAID/Senegal

July 1991

DATEX INC

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FINAL EVALUATION

THE COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT

SENEGAL

(THE PVO COMPONENT)

**Prepared for the U.S. Agency for International Development
under contract number PIO/T 685-0260-3-90098**

May 1991

**Robert H. Brandstetter
George Butler
Thierno Ba**

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10. Unintended Consequences

ACRONYMS

ABACED	Association des Bacheliers Chomeurs pour l'Emploi & le Développement
AISA	Association Islamique du Secours Africaine (IARA)
BNDS	Banque Nationale pour le Développement de Sénégal
CED	Community and Enterprise Development Project
CDD	Comité Départemental de Développement (Department Development Committee)
CER	Centre d'Expansion Rurale
CLD	Comité Local de Développement
CNCAS	Caisse Nationale de Crédit Agricole au Sénégal
CONGAD	Conseil des Organisations Non-Gouvernementales d'Appui au développement
CRD	Comité Régional de Développement
DAI	Development Alternatives, Inc.
GIEs	Economic interest groups/associations (groupes intérêts économiques)
GOS	Government of Senegal
IARA	Islamic African Relief Agency (fr. AISA)
MFR	Maisons Familiale Rurale
MSI	Management Systems International
MU	Management Unit (New Transcentury Foundation)
NGO	Non-governmental organization
NPC	National Project Committee
NTF	New Transcentury Foundation
OEF	Overseas Education Fund
PACD	Project Assistance Completion Date
PADEC	Association Pan Africaine pour le Développement Communautaire
PDO	Project Development Office
PID	Project Identification Document
PP	Project Paper
PRO-AG	Project Agreement
PVO	Private Voluntary Organization
SBA	Société Générale de Banques au Sénégal
SODEVA	Société de Développement et de Vulgarisation Agricole
SOS-Sahel	An African NGO
SSE	Small-scale Enterprise
VEP	Village Education Program
VO	Village Organization

PROJECT IDENTIFICATION DATA FACE SHEET

1. Country: Senegal
2. Project Title: PVO Community and Enterprise Development Project
3. Project Number: 685-0260
4. Project Dates:
 - a. 01/04/84: First Project Agreement
 - b. 00/11/86: Project Assistance Completion Date extended from 30/9/89 to 6/30/90
 - c. 12/04/89: Revised Project Authorization Amendment & Project Supplement approved
 - d. 25/08/89: Project Paper Amendment Number 2 approved
 - e. 29/05/90: Project Paper Amendment Number 3 approved
 - f. 12/31/90: End of PVO Component
 - g. 12/31/93: Project Assistance Completion Date for PVO component
5. Project Funding: \$15,229,000
6. Mode of Implementation:

Principal Contractor: New TransCentury Foundation
Subcontractor: Management Systems International
7. Project Designers: Management Systems International
8. Responsible Mission Officials:
 - a. Mission Directors: **David Shear**
Sarah Jane Littlefield
Julius E. Coles
 - b. Project Officers: **William Hammink**, Project Development Officer
Terry Myers, Project Development Officer
David Robinson, Project Development Officer
Amadou Ly, Project Development Officer
9. Previous Evaluation:

1987, Midterm Evaluation conducted by Development Alternatives, Inc.

CHRONOLOGY OF THE CED

- 1979: Concept of PVOs and SSEs as means of reaching farmers with goods and services initiated
- Late 1982: PVO and SSE ideas combined into one project
- Dec 13, 1982: Project Identification Document (PID) submitted
- May 2, 1983: Revised PID submitted
- May 26, 1983: Revised PID approved
- Sept 6, 1983: Project Paper (PP) authorized
- Jan 4, 1984: Project Agreement (Pro-Ag) signed
- Aug 2, 1985: Cooperative Agreement with New TransCentury Foundation signed
- Sept 1985: First NTF team members arrive in country
- April 1986: Management Unit strategy plans approved
- Oct 1986: First grants made to PVO/NGOs
- Nov 1986: Project Assistance Completion Date extended from September 30, 1989 to June 30, 1990
- June 1987: Midterm Evaluation of entire Project
- April 12, 1989: Revised Project Authorization Amendment and Project Paper Supplement approved
- Aug 25, 1989: Project Paper Amendment No. Two approved; SSE component renamed to Credit Assistance to Private Enterprise
- May 29, 1990: Project Paper Amendment No. Three approved
- Dec 31, 1990: PVO component of Project ends
- May 1991: Final external evaluation of PVO component conducted by Datex
- Dec 31, 1993: SSE component of CED project due to end

EXECUTIVE SUMMARY

Purpose of the Project

The Community and Enterprise Development Project (CED) had two components, coinciding with its dual purposes: the PVO component was to strengthen the capacity of village organizations (VOs) to carry out local development projects with the assistance of Private Voluntary Organizations (PVOs) and Non-Governmental Organizations (NGOs); and, the SSE component to assist small scale enterprises (SSEs) carry out self-sustaining and more profitable business activities.

Purpose of the Evaluation

The PVO component of the CED project ended in December 1990. This is the final external evaluation of that component. The SSE component will continue until December 1993. The purpose of this evaluation is to assess the impact of the project on the participating PVO/NGOs and Village Organizations (VOs), and derive lessons from the Project. These lessons will hopefully be used by the new PVO/NGO Support Project whose planned implementation date is late 1991.

Findings

In the early 1980's, the Government of Senegal was beginning to implement a national policy of government decentralization and commercialization of services. The CED was designed in 1983 as a pilot project, in part, to test the hypothesis that PVOs and NGOs could be an effective alternative to traditional government services in meeting the needs of small farmers for goods and services.

In general, the conclusion of this evaluation validates this hypothesis, that indeed, PVOs and NGOs can supply technical, financial, and management services to VOs, under the proper conditions and with appropriate support. It also appears that Village Organizations can manage their own development and become self-reliant, given time, training and appropriate assistance.

Eight PVOs participated in the Project, providing credit and training to 57 village organizations which generated 114 local subprojects. Of the total loans made, 65% of the principle has been recovered to date. The Project demonstrated that rural credit is badly needed to stimulate production, and that under the proper conditions, rural producer groups will accept and repay loans eagerly.

While registering this broadly positive conclusion concerning the hypothesis, it must also be noted that restrictions on the functioning of the Project had negative impacts on the overall achievement of Project goal and objectives. These restrictions resulted partly from the

Project design and partly from management decisions during implementation. They make it very difficult to judge definitively whether PVOs and NGOs can provide efficient and effective support to VOs.

The project design was overly ambitious in its projected implementation schedule, causing initiation of Project activities before PVO/NGOs and VOs were properly prepared. Coupling together two diverse components, one serving individual entrepreneurs and the other working with VOs, proved deleterious to the more complex and slower to develop component: the PVO component. The PVO component further suffered from a cumbersome, multi-layered approval process which delayed subproject activities, and from a rigidity in the selection of subproject activities.

Early in the Project's implementation the PVO component ceased to be mainly a rural development project as envisioned in the PP, and became credit and repayment driven. The type of credit and the terms of credit determined the types of activities that farmers could engage in. Innovative income generating activities were not encouraged by this policy. Consequently, farmers generally were forced to engage in either animal fattening or dry season gardening. In the end, only animal fattening offered reasonable success in terms of loan repayment and short term profitability as required by the Project.

Roles and responsibilities changed from the PP stage to the Cooperative Agreement. The National Project Committee's role evolved from simple policy and monitoring to approval of every subproject, a change which slowed and complicated Project implementation. USAID/Senegal pulled back from its envisioned role in technical and managerial support, giving more responsibility to the Management Unit. This change was made without adjustments in MU staffing levels.

The Management Unit's PVO component was understaffed, and consequently was weak in certain technical areas. This weakness contributed to many problems that A.I.D., the PVO/NGOs and the VOs experienced in the Project. The lack of technical support to PVO/NGOs and VOs caused serious subproject design problems. Many subprojects failed before they began because of poor design which in turn resulted from inadequate advice from PVO/NGOs, the MU or government technical services.

One highlight of the Project was not specified in the PP. The Village Education Program was of high quality and was greatly appreciated by rural producers. VO members spoke with an unusual degree of sophistication when discussing credit, loans, interest, repayment rates, business management practices, and the like. Those VOs that took best advantage of the training showed high levels of group cohesiveness as well as understanding. This suggests that a strong functional literacy and training program can have considerable influence on VOs' long term sustainability.

I. PROJECT BACKGROUND AND HISTORY

The Community and Enterprise Development Project (CED) has been a large and complex project, which has evolved and changed considerably from its conception to the present.

The original concept for the project grew out of a joint evaluation in 1979, by USAID/Senegal and the GOS of the Mission's program. One of the conclusions of this study was that the agricultural services being provided by the GOS were not adequately meeting the needs of the nation's farmers for various goods and services.

The original Project Paper (PP), designed in 1983, sought to help remedy this problem by bringing together the two facets of on-farm and off-farm production in such a way that small village business people and artisans could develop their businesses by supplying farmers with needed agricultural goods and services. Such complementarity was intended to benefit both farmers and businesses, and contribute to rural development in general.

The mechanism for bringing these two facets together was the provision of credit and management training to both business people and farmers. The original PP was thus structured so that the project had two components. The PVO component was to provide credit and training in credit management to local Village Organizations (VOs)¹ through the assistance of Private Voluntary Organizations (PVOs) and Non-governmental Organizations (NGOs)². The SSE component was to make credit and management training available to small businesses. A central Management Unit (MU) was to provide the overall leadership, management, and monitoring of the two components. This evaluation focuses on the PVO component, with references to the SSE component only as it influenced the PVO component.

The role of individual NGOs and PVOs was obviously crucial to the operation of the PVO

¹ Village Organizations (VOs) or 'groupements villageois' or 'organisations villageois' are ill-defined, but generally are voluntary groupings of villagers with a common economic objective. They can consist of 10 to 40 members who generally raise funds for an activity through 'membership fees', and have chosen leaders. To receive government or Project funds the VOs had to be officially registered with the GOS as Groupes Intérêts Economiques or GIEs.

² Private Voluntary Organizations or PVOs, are private, non-profit organizations which have an official, legal status with AID and so can receive monies directly from AID. Although PVOs may have their headquarters in other countries, most of them are US-based. Non-Governmental Organizations or NGOs, is a more general category of non-profit organizations. They may be international or national in character. In Senegal, as in most countries all NGOs are registered with the GOS. NGOs are not eligible to receive monies directly from AID unless they have gone through a registration process, which few African agencies have done successfully. In the CED Project's PVO component both PVOs and NGOs were eligible for funds since there was an intermediary agency managing the project funds. In this report PVO or US PVO refers to agencies registered as PVOs with AID. NGO is used for other NGOs, i.e., those that do not have PVO status. PVO/NGO is a collective term for both sorts of non-profit development agencies.

component for channeling credit and training to the VOs. The PP recognized that PVO/NGOs would themselves need to be strengthened in order to work more effectively with VOs, with the MU and with A.I.D. An important part of the PVO component of the Project thus became PVO/NGO capacity building through grants for institutional development, and through training in financial accounting, budgeting, credit management, project design, management, and implementation.

As designed, the overall goal of the Project was to contribute to the progressive decentralization and commercialization of services to rural producers, in keeping with the policy of the Government of Senegal (GOS). This policy is intended to decentralize support of economic activities by concentrating development services as close to the village level as possible. The policy also intended to encourage small-scale enterprise activity in rural areas.

The Project purpose was "to enable village organizations and small-scale enterprises in the regions of Kaolack and Fatick to manage and sustain their own development."

To achieve this, the PP further distinguishes two sub-purposes related to the Project's two components:

- To help Village Organizations, with assistance from PVO/NGOs, to carry out development projects which benefit themselves and the region; and
- To assist small-scale enterprises to manage and sustain their own growth and to develop the capacity to acquire loans from the national banking system.

Because of the mix of component activities, and participating parties, the Project was considered innovative and experimental. The two sub-purposes became hypotheses to be tested through implementation.

The Project Paper was authorized in September 1983 and the Project Agreement with the GOS was signed in January 1984. After some delay, a Cooperative Agreement was signed between A.I.D. and New TransCentury Foundation (NTF), a Washington-based American PVO, in August 1985. Project implementation began in September 1985. NTF then established the Project Management Unit (MU) to carry out their role in Project implementation.

According to the design, the MU was to serve as an intermediary between USAID/Senegal and PVO/NGOs participating in the PVO component of the Project. NTF's tasks included managing grants to the PVO/NGOs so that they could assist VOs with credit management and village level development activities. The MU also helped PVO/NGOs and the VOs with which they worked to negotiate approvals from several levels of government and USAID/Senegal for funding of VOs' village-level subproject activities. The MU also took direct responsibility for management of the credit portion of this funding to VOs. The MU was responsible for the Project's fiscal accountability to A.I.D.

An integral and necessary part of the PVO/NGOs' capacity to work effectively with VOs was the Village Education Program (VEP). The purpose of the VEP was to train villagers to keep their own financial and management records in order to be in a better position to use credit and take charge of their own development. This aspect of the Project also took time to develop, especially to test relevant and practical literacy/numeracy materials in Wolof and Serer. Once materials and methodologies were developed, the MU training unit concentrated on training village level trainers, continual follow-up and reinforcement of this training. This key activity was not envisioned in the PP and that the MU had considerable difficulty gaining USAID/Senegal's initial acceptance of it. According to the PP, the individual PVO/NGOs were to provide some training to the VOs. However, early in project implementation the MU staff decided to take this on directly, due to the lack of training personnel and skills in materials development of most PVO/NGOs.

The Cooperative Agreement made several important changes to the original PP, primarily relating to the personnel and management inputs to the Project on the part of USAID/Senegal. Contrary to the PP which envisioned active USAID involvement and assistance, the terms of the Cooperative Agreement turned over much more of the technical and management responsibility to the MU.

On the SSE component of the Project the MU was also expected to extend credit to small businesses and farmers and to monitor its repayment. In the SSE component, credit was to be extended to non-agriculturally related SSEs. A 'minimalist credit strategy' was adopted which concentrated on lending to customers solely on the basis of the projected profitability of the activity and the record of the borrower. In the PVO component, the Project's original strategy was to develop the PVO/NGOs' capacity to design and manage subprojects with VOs.

Shortly after implementation was started in 1986, the SSE component began to have some success in making loans to local Kaolack and Fatick small business entrepreneurs through its adaption of the minimalist credit strategy. The PVO component, on the other hand, experienced serious start up problems. The MU had difficulty in recruiting PVO/NGOs to participate in the Project; and once even a relatively small number of PVO/NGOs were recruited, they were found to be much weaker organizationally than had been anticipated in the Project design. This meant much more was required of the MU in assistance to the PVO/NGOs. In fact, the MU had to help two of the eight negotiate their core agreements with GOS. Considerable training and orientation were required to bring the capacities of the PVO/NGOs up to a level where they were thought to be able effectively to assist VOs in the design and management of village-level subprojects.

By the end of 1986, the two components of the Project in effect had become two separate and distinct projects, although still under the direction of one central MU. The success of the SSE component in credit extension and its high repayment rate strongly influenced the PVO component. Soon the PVO component began to emphasize the credit and repayment schedules of its loans to VOs. This loan aspect of the Project began to receive much more

staff time and attention than the institutional strengthening aspects, such as building group solidarity and cohesion, and developing a capacity for self-sufficiency of VOs.

By the time of the mid-term evaluation in June 1987, the separation of the two components of the Project was confirmed and validated, although the evaluators recommended that the PVO component increase "contact with the SSE component to derive synergies from the project's lending activities." At the same time, the evaluation recommended that 164 million CFA be transferred from the PVO component to the SSE component "to ensure capital funds to attain profitability."

The mid-term evaluation also recommended that the number of participating PVO/NGOs be kept to a maximum of eight in order to be better able to test the hypothesis of the PVO component. That evaluation explored an unanticipated reluctance among PVO/NGOs operating in Senegal to participate in the Project because of A.I.D. regulations, and because of restrictions on the nature of activities allowed in the Project. Given the difficulty of recruiting new PVO/NGOs and the limited time remaining in the life of project, the recommendation of eight total PVO/NGO participants was respected.

By 1988, eight PVO/NGOs³ were participating in the Project and working with selected VOs in the Kaolack/Fatick regions. These PVO/NGOs had been recruited and become operational in three stages:

1. 1986 Caritas/Dakar
2. 1987 PADEC, OEF/MFR, Africare, Caritas/Senegal
3. 1988 AISA, ABACED, SOS-Sahel

All of the PVO/NGOs were supporting VOs engaged in agriculture-related activities during the dry season, i.e. animal fattening, gardening, cereal banks, and some miscellaneous activities, such as fishing, poultry raising and shop keeping. These subproject activities were financed through a combination of grants and medium term loans to VOs for infrastructure construction and through short term loans to VOs for the income generating activities. The loans were made to the VOs, on the advice of the PVO/NGOs, by the MU and were repayable to the MU.

Three Project amendments were subsequently made during the life of the project, of which only the last dealt directly with the PVO component:

³ Profiles of the eight PVOs/NGOs are found in Annex 5.

- April 1989: (1) Increased funding;(2) Extended the PACD from June 1990 to September 1991 for the SSE component only; (3) Extended the SSE's geographical coverage outside of Sine Saloum; (4) Amended EOP indicators and project outputs for the SSE component.
- August 1989: (1) Increased funding; (2) Extended the PACD from September 1991 to December 1993; (3) Amended the project's goal and purpose to extend SSE activities to Dakar.
- April 1990: (1) Increased funding; (3) Extend the PVO component from June 1990 to December 1990; (3) Revised the approach to the SSE component's extension to Dakar.

The PVO component of the CED Project took eleven years from conception to completion. During this time several important changes took place in the Project. One major shift was an increased emphasis in time and attention on the part of the staff of both the MU and USAID/Senegal on the SSE component which was judged to be more successful. This left the PVO component understaffed and somewhat neglected.

The PVO component of the project ended on 31 December 1990, as contracted. This final evaluation of the PVO component thus took place five months after the end of the PVO component. This delay in timing of the evaluation meant that this was an ex post facto exercise, not a review of an on-going project with all players in place. The advantage of this tardy evaluation timing, i.e., seeing what activities were on-going well after PACD, was greatly out-weighed by the loss of immediacy in the data gathered, and by the loss of impact the evaluation might have on the course of the follow-up project, the PVO/NGO Support Project.

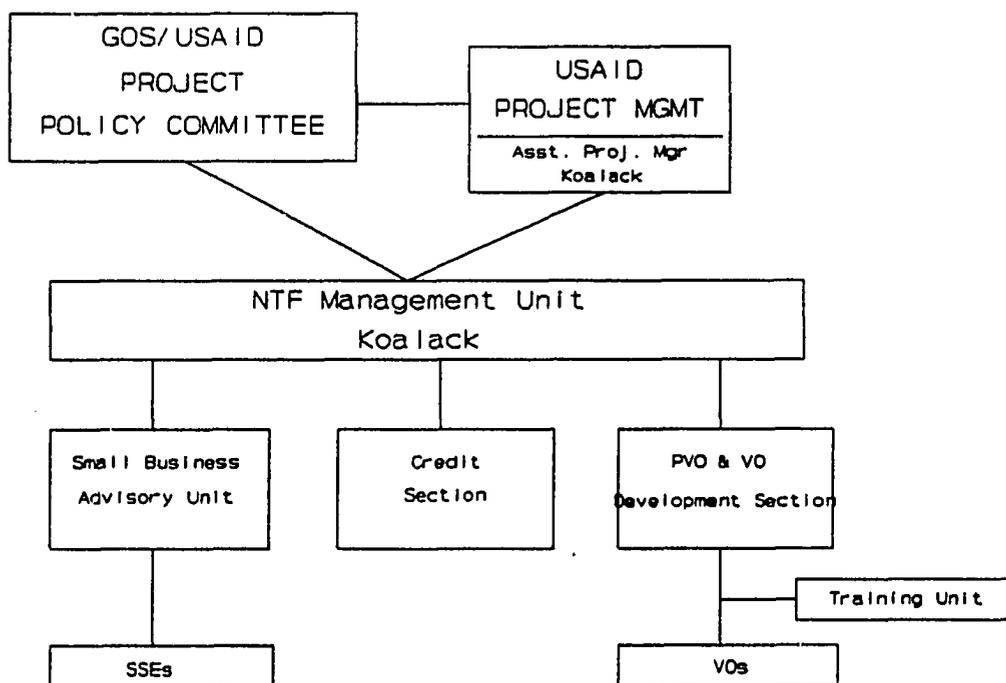
The SSE component is scheduled to end in 1993. It has continued to thrive by making loans primarily to urban-based small enterprises. Its name has been changed from the SSE component of the CED project to the Credit Agency for Private Enterprise (CAPE/ACEP), and it has moved its headquarters from Kaolack to Dakar.

II. PROJECT ORGANIZATION

A. Principal Actors

Because of the experimental nature of the CED, the Project's organization as indicated in the PP called for USAID/Senegal to maintain considerable Project oversight and contribute on a technical level, while delegating implementation to a Management Unit. As noted in Chapter I, over the length of the Project, responsibilities changed and evolved with A.I.D. pulling back for technical involvement and the MU taking on more responsibility. At the same time the National Project Committee received more authority. However, the overall organization and principle actors in the Project remained essentially as designed.

Structural Tree of Project



1. USAID/Senegal

The Cooperative Agreement between USAID/Senegal and NTF signed in August 1985 altered the original CED design. Most importantly, it removed "as much of the management burden as possible from USAID/Senegal," leaving the "primary project implementation responsibility [to] rest with the Management Unit (MU)." Thus, instead of the strong management role for USAID/Senegal envisioned in the PP, A.I.D. redefined its "substantial involvement" as limited to monitoring, and judging, the performance of NTF as the agency in charge of the MU.

To exercise its monitoring role, USAID/Senegal planned to appoint:

- An USAID/Senegal CED Project Officer who would also represent A.I.D. on the National Policy Committee
- Project Officers to monitor and provide guidance on technical administration
- A PVO Coordinator assigned to the Program Development Office
- A full-time Assistant Project Manager located in Kaolack

2. The National Project Policy Committee (NPC)⁴

According to the PP the NPC was to be a policy level committee consisting of representatives from six GOS ministries, Finance, Industrial Development and Artisanat, Rural Development, Social Development, Plan, and the Secretariat d'Etat for Decentralization, and USAID/Senegal.

The NPC originally had five primary functions:

- (1) Review and approve the overall policy of the project,
- (2) Review and approve the criteria of selection of PVO/NGOs to receive funding,
- (3) Review and approve the criteria of village groups, of village projects, and entrepreneurs to be assisted,
- (4) Review and approve the criteria for monitoring and evaluating project activities.
- (5) Help resolve any problems arising from GOS policies and regulations affecting village groups and project activities.

3. The Management Unit

Primary Project implementation responsibility was assigned to the MU located in Kaolack, the capitol of the Sine Saloum region, and center of Project activities. The MU was managed and staffed by the NewTranscentury Foundation plus one person supplied by Management Systems International in a subcontract. The MU was

⁴ The committee was known variously as the National Policy Committee, the National Project Committee, or the National Project Policy Committee.

responsible to USAID/Senegal through an AID Assistant Project Manager also located in Kaolack.

In addition to the general Project administration, the MU had responsibility for both the SSE and PVO components. In terms of the PVO component, the MU had responsibility for:

- Grant making to PVO/NGOs for program development and staff training
- Grant making and credit disbursement to VOs
- Loan repayment collection from VOs
- Development and implementation of functional literacy and credit management training delivered to VOs in the Village Education Program, VEP, an activity not explicitly indicated in the PP

The combined staff of the MU for both the SSE and PVO components consisted of the Chief of Party, along with:

- A PVO specialist
- A credit and financial management specialist (4 years)
- A training specialist (2 years)
- A small enterprise specialist
- A long term, locally hired, training specialist
- A long term, locally hired, credit specialist
- A logistics/procurement specialist
- An accountant
- Appropriate support personnel

The core staff of the PVO component consisted of the PVO specialist and the long term, local hire, training specialist, and an accountant. The SSE component consisted of the credit and financial management specialist, the small enterprise specialist, and the local hire credit specialist. The other members were supportive staff to the MU administration. The MU could also hire specialized consulting assistance as required and needed.

4. Private Voluntary Organizations (PVOs)/ Non-Governmental Organizations (NGOs)

PVOs and NGOs participating in the Project were those organizations which were

recruited to participate by USAID/Senegal and the MU, and which met the criteria established by the NPC. After receiving organizational and management assistance and the personnel training that the MU determined was necessary to prepare them for Project participation, the PVO/NGOs were responsible for implementing the VO subprojects. Subprojects were VO development activities which the Project supported through credit and grants. According to the PP the PVO/NGOs were to assist or provide VOs with:

- Assistance in obtaining financing from the MU in the form of grants or loans, or a combination thereof
- Organizational and planning assistance
- Management training
- Technical assistance, which could be obtained from either Project staff or government technical personnel through the Centres d'Expansion Rurale (CERs)
- Functional literacy and credit management training
- Training and assistance in record keeping procedures
- Monitoring of activities

The wide range and type of PVO/NGOs in the Project meant that PVO/NGOs had different types of internal structures for decision making:

- National NGOs, i.e., PADEC and ABACED had their headquarters in Dakar and could approve Project activities from Dakar
- International NGOs, i.e., MFR, AISA, Caritas and SOS-Sahel, had their country offices in Dakar, and generally operated without their international headquarter's approval for Project activities
- U.S. PVOs, i.e., Africare and OEF had offices in Dakar, but often needed their Washington headquarters' approval for Project activities

All of the PVOs/NGOs had local field agents either living in the villages where they were working, or in the Kaolack/Fatick vicinity.

5. Village Organizations (VOs)

The VOs, in coordination and with the assistance of a PVO/NGO, developed and implemented the subprojects. One of the major objectives of the PVO component was to improve the capacity of VOs to manage their own development activities independently of Project assistance. In order to qualify for Project assistance, VOs had to meet the criteria established by the NPC. These criteria were:

- To be a cohesive, organized group of 3 to 40 people
- To have an identified leadership
- Be able to obtain a bank account
- Have a subproject activity within Project guidelines which the group could realize
- To be registered with the government as a GIE (Groupe Intérêt Economique)

Although the PP assumed that the Project would be working with pre-existing village organizations, only about one-half of the VOs assisted were in existence before the Project began. Of these pre-existing VOs, many had been working for several years with their 'sponsoring' PVO/NGO, notably MFR, Caritas/Senegal and SOS-Sahel. Other VOs were newly created in order to participate in the Project, i.e., those working with AISA, ABACED, Africare, Caritas/Dakar, and PADEC.

6. Local Government Authorities

In addition to the government representatives on the NPC in Dakar, several local governmental bodies were involved in the Project. The development councils at the arrondissement, department, and regional levels as well as the respective sous-prefet, prefet, and the regional governor, had to approve all VO development subprojects. While it was still functioning, the technical agents of SODEVA, Société de Développement et de Vulgarisation Agricole, and later the agents of the CERs, Centres d'Expansion Rurale, were supposed to provide technical assistance and advice to the VOs and PVO/NGOs.

B. Explanation of Loan and Grant Program

As noted earlier, the CED was designed as an umbrella project, in which the MU was an intermediary for funding and regulation between A.I.D. and the PVO/NGOs. The PVO/NGOs in turn, supported and funded by the MU, were to provide services, transfer

know-how, and resources to enable VOs to develop and sustain income generating activities, and increase the community capacity for self help.

Project financial assistance to VOs took several forms. In light of the need in many cases for infrastructural investment beyond what VOs could reasonably be expected to repay within the life of the Project, grants were made for a percentage of the total costs of certain kinds of subproject infrastructure. The general strategy was to give VOs grants for 75% of subproject infrastructure investments, and to require repayment of the remaining 25% which was, in effect a medium term loan of two-three years.

The formula of 75% grant and 25% medium-term loan appeared to be well chosen for financing infrastructure development. Short term loans of one year or less were geared to the VOs' subproject commercial financing needs, and to the subproject's projected revenue from which the total loan plus interest would be repaid. The following table gives a breakdown of how the loan program to VOs was managed by PVO/NGOs and the MU.

PVO GRANT AND CREDIT SUPERVISION PERFORMANCE (In millions of CFA)

Loans To VOs Supervised By the PVO

PVO	Grants to VOs via the PVO	Number of loans	Medium term loans	Short term loans	Total disbursed	Principal recovered	Percent recovery	More than 12 months in arrears	Arrears percent of total loaned out
ABACED	22.5	9	5.1	26.6	31.7	.2	0	31.5	100
AFRICARE	30.5	80	8.2	92.1	100.3	83.1	83	17.2	17
AISA	20.0	17	9.1	10.8	19.9	8.2	42	11.7	58
CARITAS/DAKAR	15.9	15	17.2	7.6	24.8	3.4	14	21.4	86
CARITAS/SENEGAL	9.1	24	6.3	40.6	46.9	30.7	64	16.2	36
OEF/MFR	21.5	59	2.2	46.3	48.5	41.9	86	6.6	14
PADEC	15.0	30	7.2	47.6	54.8	44.5	81	10.3	19
SOS/SAHEL	3.9	12	3.0	9.4	12.4	9.6	86	2.8	14
TOTALS	138.4	246	58.3	281.0	339.3	221.6	65	117.7	35

PVO GRANT AND CREDIT SUPERVISION PERFORMANCE

The strategy of making 25% of the subsidy to VOs a repayable medium term loan (i.e. repayable in 2 to 3 years) appears to have been effective. Those PVOs which encouraged VOs to use the highest ratio of short term to medium term credit achieved the best reimbursement results. Most of the loans in arrears are medium term.

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If PVOs are ranked according to their grant and credit supervision effectiveness, they fall into three categories:

Above average
OEF/MFR
SOS/SAHEL
AFRICARE
PADEC

Average
CARITAS/SENEGAL
AISA

Below average
CARITAS/DAKAR
ABACED

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C. Implementation Flow

The implementation flow designed for the PVO component of CED was a complex and ponderous. It required cooperation and coordinated action on the part of several independent units at a number of different levels of authority and responsibility.

According to the Project design, the activity proposal, approval, and implementation flow was expected to be as follows:

1. USAID/Senegal forms a National Project Committee, NPC, and obtains NPC approval of the CED Project's policies, implementation strategy, and PVO/NGO and VO selection criteria.
2. USAID/Senegal conducts briefing seminars for PVO/NGOs working in Senegal, on the Project's design and purpose, and soliciting their participation in the Project. Eighty PVO/NGOs attended a seminar in 1985. Fifty PVO/NGOs were invited to a workshop in 1986, of which only fifteen attended, from which fewer than eight decided to participate in the Project.
3. PVO/NGOs electing to participate submit applications to the MU describing their long-term goals, their programs, resources, and capacity to serve the specific Sine Saloum VOs they have chosen to assist.
4. The MU, in discussion with the PVO/NGO applicant, determines what institutional support and funding the PVO/NGO will need.
5. The MU and PVO/NGO enter into an agreement whereby the PVO/NGO selects an appropriate number of VOs to receive assistance, and whereby the MU agrees to grant funds to the PVO/NGO and provide training in order to strengthen the PVO/NGO.
6. The PVO/NGO's field staff, working with VOs, develop detailed VO subproject proposals and budgets, which are submitted to the arrondissement development committee for approval and then to the MU. When they are approved by the MU, the MU would take the subproject proposals to the department and region authorities to obtain their approvals.
7. The MU's support plan and budget for the individual PVO/NGO, along with its VO subprojects, are submitted to the AID/Senegal Project Officer for review and approval by an AID Project committee. The MU is represented at this committee meeting and acts as advocate for the PVO/NGO.
8. USAID/Senegal Project Management reviews and approves the MU's support plan

and budget for PVO/NGO and the USAID Assistant Project Manager presents it to the NPC for final approval. The MU is also represented at the NPC meeting.

9. Once approved by the A.I.D. Project committee and the NPC, the delivery by the MU of a combined package of training and financing to the PVO/NGO, and delivery by the PVO/NGO of services to the VOs can begin.

10. Quarterly reports are prepared by the MU on the performance of the PVO/NGO and the progress of VO activities. These are reviewed by the A.I.D. Project Management and the NPC.

Delays in this flow occurred at many points: when PVO/NGOs and VOs were not prepared to design activities in the mode dictated by the Project, i.e., dry season, agriculturally related loan-based activities; when PVO/NGOs and VOs required technical assistance with subproject designs; when proposals had to be redrafted by MU staff; when local and regional governmental authorities moved slowly to approve subprojects; when USAID/Senegal staff and members of the NPC did not take or make the time to read proposals and submitted reports; when members of the NPC were out of the country and couldn't attend meetings, and/or a common meeting time for the representatives of six different ministries could not be found. Some further delays were experienced when the American PVOs had to obtain their Washington headquarter's approval before being able to make Project related decisions.

In the early stages of the Project, the time elapsed between subproject proposal and implementation was as much as eleven months. This delay time was reduced considerably over the length of the project, but it never reached the three week turn-around period as originally envisioned in the Project design.

III. OVERALL PROJECT ACHIEVEMENTS: ACTUAL VERSUS EXPECTED

A. Project Goal

The project goal did not change during the life of the Project. The original PP LogFrame listed the Project overall goal as:

- Progressive decentralization and commercialization of rural production in the Sine Saloum.

Goal indicator was:

- There is private sector growth in real value, coupled with replacement of parastatal functions by private sector entities.

Achievement of this project goal is difficult to judge in a definitive manner. On the positive side it appears that the PVO component of CED has played a role in the process of decentralization of services in the Sine Saloum region. Before the Project VOs were dependent for extension services on parastatals, such as SODEVA. These VOs are now receiving some services from PVO/NGOs and from local government sources, i.e., CERs. In some cases this is on a quasi-commercial basis, i.e., paying for the cost of veterinary services, pesticides, for the local technical agent's transportation costs, etc.

Previously, VOs had only state-run institutions as sources of agricultural credit. Now, some VOs are able to borrow from ACEP, a credit facility resulting from the former SSE component of the Project, on commercial terms. Thirty VOs that were formerly assisted under the Project are in a position to borrow from CNCAS, the national agricultural credit bank, having met the criteria for opening accounts, i.e., initial deposits of 50,000 CFA, obtaining 'articles of association' approved by the local magistrate, providing a list of officers and members responsible for the account, giving a solidarity guarantee and having legal status. At least five VOs now have CNCAS loans as a result of participating in the Project, and others are eligible for credit when they provide CNCAS with proof that they have fully repaid their A.I.D. Project loans to ACEP.

On the negative side, the progress towards replacement of services by private sector entities noted above may well prove to be of an ephemeral nature. At the time of the evaluation, i.e., five months after the PVO component had ended, three of the five PVO/NGOs that had participated in the Project were no longer working with the VOs they had served under the Project. The fact that CER personnel were paid on occasion for services should not be construed to imply that these services were readily available or affordable on a broad basis, especially for newer or weaker VOs. Likewise, the fact that a Project-created entity, ACEP, might be willing to accept a portion of the VOs as credit worthy is less a measure of decentralization than it is an indication of the dearth of Senegalese institutions serving rural credit needs.

In sum, growth in real value of private sector activities under the Project appears to have taken place. Its actual measure in terms of the output of individual VOs' activities was beyond the scope of this evaluation. What is known is that the restrictions the Project placed on the nature and timing of VO activities contributed to a concentration in a very limited number of enterprises, some of which were not economically viable. This in turn draws into question the cost effectiveness of the Project. What can be said is that many rural people were encouraged to form new VOs or strengthen existing ones in order to launch commercial activities, and that PVO/NGOs did provide needed services to help these VO enterprises.

B. Project Purpose as Stated in the Original PP

- 25-30 PVOs enrolled in the Project deliver needed services to 200 VOs in the Sine Saloum.

The purpose as revised as a consequence of the 1987 mid-term evaluation was: 8 PVOs enrolled in the Project deliver services to 55-60 VOs.

The end of project status for the purpose was:

- VOs can identify needs, plan activities, obtain technical assistance from local sources; PVO/NGOs assisted carry out collaborative development activities with VOs not financed by the Project, using subproject models and skills acquired during the Project.

As was the case for the Project goal noted just above, achievement of the original purpose was partial at best. The quantitative elements of the revised purpose did prove to be within reach, but achievement of the qualitative elements of project status measures remains unclear.

Among the positive achievements is the fact that by the end of the Project, all eight PVO/NGOs had received considerable institutional support and training. Accountants had been trained; financial, budget, and other record keeping practices had been adopted and installed; training officers had been trained for the literacy program; and PVO/NGO managers had received organizational and management training. Additionally, all PVO/NGOs had acquired extensive experience in working in rural community development projects. They had worked with 57 VOs, comprising approximately 2,160 persons, and designed and managed some 114 village subprojects.

All eight PVO/NGOs also gained extensive experience with rural credit programs. For two of the PVO/NGOs, i.e., AISA and ABACED, their activities in the Project were the first rural development projects their organizations had ever undertaken. Five of the PVO/NGOs, i.e., PADEC, AISA, ABACED, MFR, Caritas/Senegal, were continuing to collaborate with the VOs they had initially worked with in the Project. All of these five PVO/NGOs had received or were actively seeking funding to continue this work from non-Project sources. They were clearly using skills acquired through Project participation, and were using subproject activity models tested during the Project. AISA and ABACED specifically noted that participation in the Project had enhanced their organizational 'CVs' when seeking funding from other donors.

Balancing these achievements were notable shortfalls in key expectations. The original target of 25-30 PVO/NGOs participating turned out to be completely out of line with the actual willingness of the PVO/NGO community to participate in this kind of Project in this location. More than a failure of PVO/NGO recruitment efforts on the part of USAID/Senegal or MU, this low level of PVO/NGO participation resulted from Project design elements and A.I.D. regulations that many PVOs and NGOs apparently found unacceptable.

In terms of sustained involvement of the PVO/NGO community in assisting VOs, three of

the eight participating PVO/NGOs did not continue to work with the VOs after their Project funding ended. The average grant per PVO/NGO for internal strengthening or infrastructure assistance was 62.1 million CFA. (Africare received over twice as much money for infrastructure assistance than any other PVO, 175.7 million CFA. If Africare is excluded, the average cost of grants received for infrastructure assistance for seven PVOs was 54.6 million CFA.) The average PVO/NGO cost per VO assisted was 12.75 million CFA. The two US PVOs that participated in the Project, Africare and OEF, plus one international NGO, ended their support of the VOs they had worked with when the PVO component terminated. This relatively low rate of continuing involvement by PVO/NGOs in post-Project services, i.e., five out of eight, and the high cost per VO assisted, raise the issue of cost effectiveness in achievement of Project purpose.

C. Project Outputs

- 200 Sine Saloum VOs, with average membership of less than 20 persons each, implement 270 subprojects using and repaying Project administered credit.

After the a mid-project evaluation, in 1987, Outputs were modified to better reflect the realities of the Project's activities:

- 55-60 VOs implement 50-70 subprojects

Again, as for goals and purpose, both positive and negative comments are required on the level of achievement of outputs. At the end of the Project 57 VOs had implemented 114 subprojects.⁵ This number assumes that a subproject which is completed, and then repeated, is a new subproject each time it is undertaken, such as gardening from one season to the next.

At least three of the VOs, i.e., Ngodiba/OEF-MFR; Thiakho-Thioffio/Africare; and Yorodou/OEF-MFR could be considered virtually self-sufficient. They were in the process or had already received credit from ACEP, on commercial terms, which was one of the major goals of the Project. They had the leadership, management and financial skills to undertake both income generating and community development projects profitably.

Other VOs claimed that their participation in the Project had given them a sense of solidarity and an experience of working together on subprojects. Most of the VOs suggested that the need to repay their loans helped contribute to this sense of group cohesion and group identity, even though many of them had not been able to repay their loans in full. These are some of the first steps towards self-sufficiency, and positive steps in the process of enterprise development. Other VOs, unfortunately, didn't have a clear idea of the whole

⁵ See Annex 6 for profiles of the VOs visited by the evaluation team.

process, and were hoping that they could get another loan to repay their debts to the Project, but at a lower rate of interest.

A less optimistic interpretation is that three completely successful VOs out of 57 is not an impressive ratio. Although the evaluation team does not have detailed analysis on each VOs' status, it seems likely that most VOs have not reached a level of independence and organizational development that would permit them to function without on-going support. The fault for this may well lie with the reduced length of time that PVO/NGOs had to work with VOs during the life of the Project. This in turn was due to delays in Project start-up, the time it took to secure approvals for PVO/NGO and subproject funding, and in the restrictions put on VO activities by the Project, among other factors.

These intervening factors of delay and restriction that adversely affected the achievement of Project outputs also cloud the evaluation team's ability to draw a clear "bottom line" on the future potential for the modalities of PVO/NGO assistance to VOs and their rural enterprises. While it is a most unsatisfactory conclusion, it seems that the PVO component of CED was only a partial test of the hypothesis that PVO/NGOs can be an effective and efficient alternative to government provided services to rural producers. Too many factors limited the potential of this pilot project.

1. Loan Repayment Performance

As noted, the loan repayment rates for VOs' loans under the PVO component became the de facto evaluation and monitoring criteria as was the case for the SSE component of the Project. According to these criteria, the PVO component of the Project can be considered to have achieved a successful repayment rate, given that no target rate was indicated in the PP and given that such rural credit programs can probably never be completely self-sufficient.

The summary of the total VO loan repayment performance gives estimated totals because loan principal repaid and interest paid were credited to the same account, and not separated. Rates of interest charged differed slightly from one loan to another depending on the MU's method of calculating interest. The estimates assume that 13% per annum was earned on all loan amounts repaid.

- As of December 31, 1990, 246 loans had been disbursed by the MU to 57 VOs. These loans totalled CFA 339.3 million. The average loan was CFA 1.38 million.
- Of the CFA 339.3 million disbursed, CFA 207.6 million of principal had been recovered i.e. 65%
- Interest earned and credited to principal recovery is estimated to have totalled CFA 43.2 million.

- 137 loans remained active after December 31, 1990, with principal outstanding totalling CFA 131.7 million and interest due totalling an estimated CFA 27.8 million.
- Since the Dec. 31, 1990, EOP, an additional CFA 14.0 million of principal has been recovered.
- As of May 18, 1991, 137 loans have not been fully repaid. The principal outstanding totals CFA 117.7 million and the interest due is somewhere between CFA 28.0 and 45.0 million.
- The CFA 117.7 million outstanding is all more than 12 months in arrears. Since the rate of principal recovery and interest collection tends to decline as length of time in arrears increases, it is estimated that CFA 60-80 million of principal, i.e., 20% of the total amount loaned out, is likely to be unrecoverable.

Compared with other rural credit programs in Africa the PVO component of CED probably achieved an above average credit management result. Other projects such as PFP/Burkina Faso, SEFO/Liberia, AFC and CBK/Kenya and ONCAD/Senegal, all experienced a delinquency rate of more than 50%. Again, the restrictions imposed by the CED Project on subproject activities have adversely affected their profitability and hence loan repayment rates.

**Figure 6. Loan Repayment Rates - "Eligible VO's"
VOs Considered as Having Reached Autonomous Operations
(as of December 6, 1990)**

PVO	VO	Original Loan Amounts (cfa)	Total Repaid(cfa)	Recovery Rate (%)
AFRICARE	A	5.148.000	4.608.000	90
	B	4.700.000	3.598.000	76
	C	6.981.000	5.217.000	75
	D	11.091.000	7.542.000	68
	E	7.189.000	4.757.000	66
	F	9.700.000	5.998.000	62
	G	8.880.000	5.311.000	60
	H	7.079.000	3.392.000	48
AISA	A	6.238.000	3.263.000	52
CARITAS- Dakar	A	3.699.000	947.000	26
	B	3.671.000	925.000	25
CARITAS- Senegal	A	13.747.000	11.747.000	85
	B	4.905.000	2.788.000	57
	C	5.158.000	2.658.000	52
OEF/MFR	A	4.766.000	4.962.000	104
	B	4.564.000	4.649.000	102
	C*	2.620.000	2.620.500	100
	D	2.387.000	2.190.000	92
	E	2.516.000	2.329.000	92
	F	3.621.000	3.212.000	89
	G	3.424.000	3.058.000	89
	H	1.982.000	1.449.000	73
	I	2.760.000	1.840.000	67
PADEC	A	10.810.000	10.389.000	96
	B	12.074.000	8.825.000	73
	C	7.831.000	4.247.000	54
SOS	A	2.955.000	2.449.000	84
	B	5.224.000	3.953.000	75
	C	3.055.000	1.929.000	63
Totals	30*	168.775.000	120.852.500	72

C* - represents 2 groups; loans fully repaid

(Source: Final Report: PVO Component,
CED Project, New TransCentury Foundation,
December 31, 1990.)

2. Village Education Program

The VEP was not listed in the Project outputs in the original PP. This lacuna points to a major design flaw in the PVO component of CED: too little thought was given to the time and effort required to help VOs become fully functional group enterprises with the literacy, numeracy, and management skills this implies.

In the revised LogFrame at the time of the mid-term evaluation the VEP is noted with this EOP Outcome:

- 948 villagers trained in reading and writing and in basic skills to implement their own projects by EOP through VEP and other programs.

The VEP lasted two years, during which some 1,000 villagers participated. Two hundred lesson plans had been developed in Wolof and Serer, along with methodology guides in both languages and a guide to management of projects in Wolof.

It seems likely that the results of the VEP will be one of the enduring consequences of the Project. From internal evaluations carried out by the MU it appears that the VOs which took advantage of the VEP in terms of all of subjects covered gained substantially in their strength as groups, in the quality of their management of credit and of their specific subproject activities. As measured by better credit repayment rates and group cohesion among VOs' that most intensively used this training, the VEP contributed to the groups' sense of ownership, a key element of long term sustainability and self-reliance.

Figure 7. VEP Results

**Year 1 Wolof Centers
276 Regular Participants**

Level	3	2	1	0 (illiterate)
Reading	187	39	42	12
Numeracy	134	83	45	14
Dictation	150	42	57	27
Writing	137	52	63	24

(Source: Final Report: PVO Component,
CED Project, New Transcentury Foundation,
December 31, 1990.)

3
V

3. Women

Project outputs and indicators are not gender-disaggregated; in fact women are scarcely mentioned in the PP. Nonetheless, an increased emphasis on women in A.I.D.-funded activities requires some comment on the Project's impact on women.

In spite of a sincere effort on the part of the Project to recruit women into all aspects of the Project, women, as a group, profited little from the Project's activities. According to Project figures, women comprised 30% of the VOs, but actually had very little involvement or impact on the decision-making of the VOs in which they did participate.

Women were generally excluded from the most profitable of the Project's activities, cattle fattening, because of cultural restraints and because they were unable to obtain the capital to buy the animals. Also, they lacked the 'technical' skills to do this activity, such as how to buy the animals in the first place, how to obtain inoculations for the animals, where and how to get peanut hay and other forage, how to sell the fattened animals, and so on.

The gardening activities also did little to effect the lives of women. While some women did provide labor in the gardens, they generally did not receive the cash benefits, which were controlled by men. Furthermore, the gardening activities were generally unprofitable for both women and men because of the lack of technical assistance, lack of water, poor planning, and poor marketing awareness. Natural problems, such as locust invasions, rabbits, and other insect pests, also contributed to poor production.

One VO made up of all male members was told by the PVO with which it worked that they would have to have women in the group before they could get any credit. Their solution was simply signed up their wives, got the credit, and carried on as usual.

Women also did not benefit much from the VEP of literacy and training, again in spite of the efforts of the VEP to recruit women. The primary reason given for this was that the women simply didn't have the time to attend the classes. The time that women have to spend with household, family, and farm tasks each day did not leave them enough time for the classes. No doubt, some men also refused to allow their wives to attend the classes for traditional reasons.

Nevertheless, a few women were able to attend the classes. One woman, who sold kola nuts, traditionally man's trade, for example, was proud of the fact that she was able to factor the cost of transportation, her expenses, etc., in the sale price of her kola nuts. This in turned helped her decide where to buy them, thus increasing her

profit margin. This same woman kept the record of costs for her husband who was doing a fattening project.

Some women's groups have been formed after being inspired by various credit activities of men in the Project and some women did learn how to read and calculate as a result of the VEP. Still, the Project never developed a clear gender framework to deal with the constraints to full involvement and benefit by women of their involvement in income-generating activities. Without such a framework of understanding and an action plan specifically aimed at more equitable involvement, the Project heavily favored men.

IV. LESSONS LEARNED

A. Project Management and Implementation

There were a number of management and implementation problems related to the original Project design. Many of them surfaced early in the Project's long history and were worked out through changes in the implementation process. Others were never resolved and remained with the Project until the end of the PVO component. The following are among the most significant lessons to be learned related to implementation problems. As the problems are interwoven, the lessons also overlap somewhat.

1. Complexity of Project Design

One level of Project complexity was caused by the marriage of the two diverse components, SSE and PVO, on the assumption that they would be complementary. Instead of reinforcing each other, this cobbling of components with different objectives and necessarily divergent methodologies worked to the detriment of the more complex and management-intensive PVO activities.

As indicated in the Project Implementation Process section (Chapter II.A), the Project implementation was complex and cumbersome in terms of process and functions. Whereas the MU had responsibility for implementation, it did not have commensurate authority. The effort involved obtaining approvals was inordinate, and considerably decreased the flexibility that the MU should have had in decision making. In sum, the sheer complexity of the Project design was in itself a major design flaw.

2. Start-up Time

The Project took approximately two and a half years longer than anticipated to get all units in place and ready to manage implementation, effectively reducing the Life of Project from six to three and a half years. Over two years elapsed between drafting the PP and Project start-up. The MU had to develop and negotiate its strategy with USAID/Senegal and set up operational, financial, and credit management systems. Overly optimistic assumptions were made about PVO/NGO willingness and capacity to participate, as well as VOs' level of development and preparation for credit-based activities. The approval process, critiqued above for its complexity, was exceedingly slow for subproject activities. One result of these timing problems was that far fewer VOs were reached and those that were served had much less time to interact with Project-provided services than was intended. In sum, the design was unrealistic in its anticipated implementation schedule, reducing Project effectiveness and impact.

3. Recruitment of PVO/NGO Participants

PVOs and NGOs did not volunteer to participate in the CED in anywhere near the numbers anticipated. The expectation that screening procedures would be necessary to select among applicants was belied by the fact that the Project eventually worked with every PVO/NGO that could meet the basic registration requirements. Among the reasons for this reluctance was that many PVO/NGOs perceived the Projects' conditions and restrictions on activities as too difficult and A.I.D.'s reporting and auditing requirements as too intrusive. Since a key aspect of the Project relied on a credit and loan repayment approaches with which most PVO/NGOs had little or no experience, many were reluctant to participate in such a prescriptive program. The Project designers had clearly misjudged the PVO/NGO community's interest in the Project as it was designed and presented to the PVO/NGOs. In sum, PVO/NGOs' perceptions about the Project and about A.I.D.'s procedures were an impediment to their recruitment, reducing the number and delaying the involvement of those PVO/NGOs that eventually participated.

4. Rigidity in Selection of Village Subproject Activities

Insistence on the criterion of credit worthiness in all VO activities ignores the variations in the level of institutional development among VOs, many of which did not even exist prior to the Project. Experience demonstrates that this is not always be advisable. For example, apart from this Project Africare had a strategy in Senegal for working with VOs that begins with a modest community development activity, such as extension of potable water piping, planting village wood lots, or improving a sanitation facility. During this first phase of activities VO leadership emerges, the group becomes more cohesive and develops an activity planning capability. This early success and skills development can serve a VO well in the financially rigorous management of credit and income-generating activities.

Due in part to the influence of the 'minimalist credit strategy' used by the Project's SSE component, income generating subprojects were the only types of activities that VO's could consider. The rationale emphasized by the mid-term evaluation and adopted by the MU and USAID/Senegal was that short term, profit making subprojects were needed to produce revenue to pay back loans and for financing other subprojects in a revolving fund. VOs were severely limited in the scope and types of projects which were deemed credit worthy by the Project. Village projects involving windbreaks, woodlots, and fruit trees, for example, were eliminated from consideration because of their indirect and long term payoffs. A lucrative salt producing and export activity was not considered for a loan because the group was told that only agriculturally related activities were eligible for credit. A women's cloth dying project was also never considered for a loan for a similar reason.

Initially, the NPC also contributed to this problem by only allowing agriculturally-

related activities in the dry season for fear that the PVO/NGOs' work would threatened government extension agency's activities. Later in the life of the Project, this requirement was relaxed, but 90% of all subprojects were in only two sectors: animal fattening and gardening. Gardening proved to be unprofitable in many instances for a variety of reasons, contradicting the economic analysis of the PP. In the end, only animal fattening offered a reasonable expectation of success under Project policy. VOs were severely restricted in terms of income generating options by the Project itself, and innovative activities envisioned in the PP were precluded. In sum, the rigidity of subproject criteria and of their application worked against the economic objectives of the Project.

5. Credit Provision or Rural Development Activities?

The manner in which the Project evolved pitted the rural development aspects of the PVO component against the credit provision aspects. The PP said very little about loan repayment by VOs, concentrating instead on grants to VOs and on institution building of both VOs and PVO/NGOs. The design seemed to view the PVO component as preparing VOs for future involvement in credit programs. Certainly departures from the most minimal credit approach were made by the Project, such as the infrastructure grants and the VEP training program. However, the Project seems to have suffered a confusion of objectives and shift in emphasis that tended to treat loan repayment rates as uniquely important, compared to more nuanced measures of VO growth and development towards sustainability. The focus on repayment rates, coupled with the strict limits on the types and timing of subproject activities allowed by the Project noted just above, skewed the actions of the Project participants, VOs, PVO/NGOs and MU alike, towards profitability within the life of the Project. In sum, broader rural development objectives suffered when a narrow measure of success in credit provision gained undue importance.

6. Limited USAID/Senegal Input

The strong management role originally planned for USAID/Senegal did not materialize in the Cooperative Agreement. The inaccurate assumption in the PP that USAID/Senegal would undertake specific management tasks, such as PVO/NGO coordination and technical agricultural supervision, may have led to an underestimation of the staff strength which would be needed by the MU for the PVO component. Almost all of USAID/Senegal's substantial involvement was delegated early in the Project to an already fully occupied Assistant Project Manager. Therefore, important Project tasks, such as PVO/NGO recruiting, and technical agricultural feasibility analysis, did not get the attention called for in the Cooperative Agreement and in the original Project design.

This reduction in A.I.D.'s involvement without a compensating increase in MU staff, especially coupled with inaccurate assumptions about PVO/NGO technical

capacities, contributed to underskilled and/or inexperienced PVO/NGO and VOs making poor decisions that cost dearly. USAID/Senegal's diminished role also restricted its ability to learn more first hand from this Project, which was USAID/Senegal's first broadly based PVO/NGO project. USAID/Senegal was reduced to the role of a somewhat distant overseer, often unsure of exactly what was happening and sometimes mistrustful in that ignorance.

7. MU Staffing: Level of Effort; Skill Requirements

At the outset, the MU appeared to have a balanced and adequate staff. However, by the end of 1986, when the Project had virtually split into two disparate parts, the staffing problems became acute. The credit specialist assigned to the MU, who was fully occupied with the SSE component, refused to work with the PVO component, leaving the PVO component without the services of a credit specialist. This effectively left the PVO specialist and the training specialist to manage all of the PVO component tasks: support and assistance to eight PVO/NGOs (most of which needed considerable assistance), a grant and credit program for 57 VOs with 114 subprojects, and a literacy and credit management training program for 57 VOs. The mid-term evaluation recognized this problem and recommended that the PVO staff be increased, but this was never done. The role of the Chief of Party, and his responsibility and relationship to the PVO component, also was not clear. By the end of the PVO component, this staffing problem contributed to considerable rancor between USAID/Senegal and the PVO component staff, and greatly diminished the effectiveness of the PVO staff to work with PVOs and VOs. In sum, implementation of the PVO component was rendered less effective by inadequate staffing.

8. NPC Role

There was a Project design inconsistency in the description of the functions of the NPC. The PP text described the NPC as a policy level committee, but the Executive Summary of the PP described the NPC as a management level committee charged with responsibility for the approval of individual subprojects. The NPC members were of a level of seniority that was not conducive to the detailed study of individual subproject proposals which the Project was expected to generate at the rate of at least four or five per quarter. NPC approval for initial Project policy establishment, and any policy modification, and for implementation strategy, including PVO/NGOs and VO selection criteria was an appropriate role for such a body. The NPC should not have been involved in day-to-day managerial activities such as subproject implementation approval.

On the other hand, the experimental, pilot nature of the project, both in its credit aspects and in its involvement of PVOs in a major project, undertaken during an economically perilous time in Senegal probably contributed to an overly cautious approach on behalf of the GOS, which insisted on following Project activities very

closely. This close management and monitoring of the Project eased considerably towards the end of the Project when its benign nature was clear to all. The current NPC president who was an original member of the NPC has said that the GOS considers the Project successful, and that the general attitude of the GOS has become much more favorable to the work of PVO/NGOs as a result of the Project. Tying up Project implementation in the bureaucracy of a national committee was a high price to pay for this change of attitude, however. GOS involvement on Project policy and evaluation might have met the same needs without so negative an impact on the very program the NPC was designed to serve. In sum, the NPC's excessive involvement was a burden to the smooth functioning of the Project.

9. Coordination/Communication among PVO/NGOs

One of the advantages of PVO/NGO umbrella projects is that they can provide an opportunity for PVOs and NGOs to learn from each other, to share experiences and expertise and to become more effective participants in rural development and enterprise promotion. Although this notion received some recognition in the PP as USAID/Senegal was to be responsible for PVO/NGO coordination, it appears to have been lost by the time the Cooperative Agreement was signed. The MU only brought PVO/NGOs together for training in how to better function within the Project, which is to say it did not sense a responsibility for facilitating PVO/NGO communications and mutual learning. In effect, relatively little exchange took place, despite the fact that the eight PVO/NGOs were grappling with many similar issues, from technical problems, to marketing, to VO strengthening, to government relations.

Partly as a consequence of limited PVO/NGO communication through the Project, relatively little exchange took place among VOs' members who also had a lot to learn from each other. Such exchanges at village levels can greatly increase the flow of information and can lead to solidarity among groups, which in other parts of Senegal has resulted in unions or federations of village level organizations. This kind of grassroots organizing is an important element of the decentralization process. In sum, by not focusing some resources on PVO/NGO communications and coordination, the Project missed opportunities to improve PVO/NGO effectiveness and to increase long term VO sustainability.

10. Monitoring and Evaluation

The Project apparently never had an effective monitoring and evaluation system. The PVO component lacked baseline data against which to evaluate the progress of the Project, as well as lacking an effective monitoring system. The MU's loan tracking system did not provide the MU with reports containing the key VO loan portfolio status information to make informed credit management decisions. The MU did not generate action-oriented credit administration reports, and therefore could not effectively follow up its loans. Data on credit and loan activities was

collected quarterly, but there was no effective monitoring system of any other aspect of the PVO component. In sum, the inadequacy of monitoring systems limited the MU's ability to identify, to diagnose and to assist the PVOs/NGOs and VOs with institutional, management and technical problems.

B. Recommendations

Many of the lessons learned for this Project have to do with difficulties in the design of the Project, specifically, its complexity, unrealistic timeframe, confusion of objectives, and assumptions about PVO/NGO capabilities and interest in this Project. The recommendations flow from these lessons. Keep the design as simple as possible, limiting the number of diverse components, reducing the layers of bureaucracy and better defining roles of various actors. An eight to ten year LOP for a PVO/NGO umbrella project that involves substantial institution building is required. Clarify objectives and be certain that they are mutually supportive rather than competitive or contradictory. Research carefully the real capabilities and interests of PVOs, NGOs, and VOs during the design phase, an effort which requires detailed familiarity with these kinds of organizations.

Another group of lessons has to do with the application of Project principles into actual implementation, specifically rigidity in subproject activities, changes in roles for various key players, inadequate MU staffing for the PVO component, de-emphasis on inter-agency communications among PVO/NGOs and VOs, and inadequate monitoring and information systems. More flexibility and sensitivity to the differing levels of VOs' institutional development is required in decisions concerning funding of activities. USAID/Senegal and the National Project Committee need to play supportive roles in policy, monitoring and advising that allow them to fulfill their legitimate functions in oversight without obstructing the Project's implementation. The Management Unit personnel level must realistically reflect the scope and volume of its responsibilities. Inter-agency learning and coordination should be an integral element in umbrella projects. Information systems and the timely use of information must be established at the outset of the Project and adjusted as needs change.

V. CONCLUSIONS

As an experimental, pilot project, the CED has demonstrated that PVO/NGOs can deliver goods and services to rural communities. Moreover, the Project has strengthened PVO/NGOs so that they can work effectively in the rural areas, helping to fill gaps in rural development created by the government's policy of decentralization. The Project has also helped change the attitude of the GOS from one of suspicion and doubt about the capability of national and international NGOs to manage rural development projects, to one of acceptance and a willingness to work with A.I.D. and other donors to assist in their development.

With the experience and assistance gained in the Project, national and international NGOs have begun to develop their own programs, to approach other donors, and even begun to manage their own credit schemes. The Project has also demonstrated to other skeptical PVOs and NGOs in Senegal that it is possible to work with A.I.D., even with all of its regulations and requirements.

The Project points out the inherent complexity of PVO/NGO umbrella projects, with their multiple partners and levels of intervention. The CED Project designers did not fully appreciate these complexities and so they were not reflected in key aspects of the design. Those charged with managing and implementing the Project also grappled with this complexity, sometimes dealing successfully, but often being unable to correct the design flaws. That design was drafted eight years ago, and everyone involved has had the opportunity to learn a lot about how to design and how to implement umbrella projects.

Perhaps the most fundamental conclusion, and one of the most difficult to apply, is the importance of the basics: coherence in project objectives and outputs, clarity in roles and relationships, consistency in adapting design into implementation, flexibility in course corrections, care in understanding all stakeholders' needs and capabilities. To take a specific example, when the MU correctly diagnosed the PVO/NGOs' weakness in developing training materials and offering training to VOs, and so convinced USAID/Senegal to allow the creation of the VEP, all parties showed flexibility in implementation and fidelity to broad Project purpose. The result was one of the Project's finest accomplishments.

ANNEX 1
SCOPE OF WORK

SECTION CSTATEMENT OF WORK1. Project Objectives

The goal of the Community and Enterprise Development Project is to assist the Government of Senegal (GOS) to progressively decontrol and commercialize rural production in the regions of Kaolack, Fatick, Thies and Dakar. The purpose of the project is to enable village organizations (through PVOs) to carry out their own development projects and to assist small-scale enterprises (SSEs) to carry out increased and self-sustaining business activities. The revised project logical framework specifies the following OEPs indicators and outputs to be achieved by the PACD.

A. The EOPS indicators for the PVO component are: (Note that only the EOPS indicators and the project's outputs related to the PVO Component activities are considered for the purpose of this evaluation.)

- (1) Assisted village organizations can identify project needs, manage inputs, and select technical assistance from local sources.
- (2) PVOs are carrying out collaborative development projects with other village organizations not financed by USAID/Senegal but using project models and skills acquired under the project.

B. The project's outputs are:

- (1) 55-60 village organizations implementing 50-70 profitable and self-sustaining sub-projects in priority areas defined by the project.
- (2) Up to eight PVOs trained in project development, management, implementation, and evaluation by the management unit (MU).
- (3) Credit managed by PVOs being used and repaid by village organizations (VOs) for productive agricultural activities.
- (4) Relationships developed between local banks or other financial institutions, PVOs, and VOs. VOs established officially as economic interest groups (GIEs) or associations.

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2. Purpose and Timing of the Evaluation

The Project Paper provided for two evaluations to be conducted during the life of the project. An initial mid-term evaluation was planned for the second year with a final evaluation planned towards the end of the project. However, the project's cooperator, the New Transcentury Foundation (NTF), experienced delays in setting up its technical assistance team on site, and the first PVO and SSE activities did not begin until thirty-two months after signature of the Grant Agreement and fourteen months after signature of the Cooperative Agreement with NTF. The first planned evaluation was therefore postponed until May-June, 1987.

The 1987 evaluation's major purpose was to diagnose design and implementation issues, to replan if necessary, and to recommend ways to institutionalize the two components by June 1990 (first PACD).

Since 1987, all recommendations were carried out. The PACD of the project was extended from June 1990 to December, 1993 for the SSE component, but the PVO component was scheduled to end in December 1990. The mission is starting a new \$15 million project in 1991 to assist PVOs and NGOs active in Senegal.

USAID/Senegal expects this final external evaluation of the PVO Component to assess impact and lessons learned for use in the planned PVO/NGO Support project.

At the closure of the PVO component, it is important to USAID/Senegal, to the future contractor of the PVO/NGO Support Project and to the Government of Senegal (GOS): a) to have accurate information on the achievements and results of the PVO component's activities; b) to know how much progress has been made by PVOs and VOs involved in the project in attaining the objectives and outputs of the project; c) to know what problems and difficulties were encountered by the PVO component management staff, the PVOs, and the VOs in implementing the project activities; d) to be aware of the progress made by the VOs in developing the economic autonomy and managerial skills as necessary for institutional development; e) to have an idea of the viability of the VOs' credit activities and the possibility for continuing them through another credit institution in Senegal after the end of the PVO component, and f) to have an assessment of the impact of the village education (literacy) program.

The principal beneficiaries of this evaluation are USAID/Senegal, the future contractor with USAID/Senegal who will manage the new PVO/NGO Support Project, and NGOs working in Senegal. They will use the lessons learned in the PVO component of the Community and Enterprise Development Project to better assist Senegal's PVOs and NGOs in their work with rural and urban populations.

3. Background and Status

A. Background

The origin of the Community and Enterprise Development project was the 1979 evaluation of the entire USAID/Senegal program conducted jointly by A.I.D. and GOS. This evaluation concluded that GOS traditional and parastatal agricultural services did not meet all of farmer's needs for provision of goods and services. It was decided that new networks for responding to farmer's needs should be developed. One way to develop such a network was to support PVOs' involvement in providing these goods and services. Concurrently, the Mission, in accordance with emerging new AID/W program directions, began exploring assistance to small-scale private enterprise as yet another means of reaching farmers.

The two themes were combined into a single project in late 1982 since the activities complemented each other and the Africa Bureau had limited the number of new project starts. The Grant Agreement for the six-year, \$9.0 million project was signed by A.I.D. and the Government of Senegal on January 4, 1984. During the life of the project, the project paper has been amended three times, resulting in the increase of the project's budget to \$15,229,000. Because of delays in project start-up, the project's PACD was extended twice from September 1989 to June 30, 1990, and then to December 31, 1993. For the PVO component, the end of financed activities is planned for December 31, 1990.

A Cooperative Agreement with New Transcentury Foundation to establish the Management Unit (MU), the principal project management entity, was signed on August 2, 1985.

The MU implements the project from its base in Kaolack. It assists PVOs in sub-project proposal development, channels the grants to PVOs and monitors sub-project progress. The sub-projects consist of development activities undertaken in collaboration with village organizations. Approval authority for PVO grants remains with the National Project Committee (NPC) which is composed of representatives from six associated GOS ministries and USAID/Senegal and chaired by the Ministry of Finance. Two more members joined the NPC at the end of 1989 from the Agency d'exécution des travaux d'intérêt public contre le sous-emploi (AGETIP) and Délégation à l'Insertion, à la Réinsertion et à l'Emploi (D.I.R.E.), World Bank and GOS projects dealing with credit programs.

The November 1988 internal evaluation of the PVO activities pointed to a number of difficulties within the PVO component: (1) assumptions concerning profitability of certain activities such as vegetable gardening were not valid due to marketing constraints, (2) technical problems concerning wells, pumps, and irrigation piping considerably delayed implementation of certain VO activities, and (3) loan repayments were behind schedule. Nevertheless, it also identified some real successes. Approximately one-third of the VO activities had been successful at that time, and all VOs had completed several

circles of some agriculturally productive activities, such as vegetable gardening, animal fattening or egg production. Moreover, major spillover benefits from project interventions included: (1) increased consumption of more nutritious food such as eggs and vegetables, (2) better acquaintance of VO members with the formal banking system, (3) increased transport and exchange services, and (4) an additional 153 VOs and 5 PVOs seeking project assistance for similar activities. This happened even though most VOs were new---less than 10% of the VOs had been formally operating more than two years. Also, nearly 80% now had official status as an association or economic interest group. The evaluation concluded that the best PVOs had two common characteristics: (1) good support and monitoring of the VOs on a regular basis, and (2) a collaborative, rather than directive, approach to community development.

Progressively, the PVO component changed GOS perceptions of the potential of PVOs. Senior GOS officials watched the project closely since it was the first project in Senegal which provided credit directly to village organizations through PVOs and included substantial direct PVO assistance to the VOs. Due in part to the project experience and performance, many high-level GOS officials drastically changed their view on the role of PVOs in Senegal, realizing that PVOs can play an important role in rural development. An inter-ministerial meeting took place at the end of 1989 to encourage PVO involvement in the rural areas and support from other donors.

The contractor and the Mission are working with the Caisse Nationale de Crédit Agricole au Sénégal (CNCAS) and other credit institution such as the Credit Agency for Private Enterprises (ACEP), the second component of the CEDP, looking at other options to devise a way for the private sector to continue servicing the credit needs of those VOs with good payment records after the end of PVO component activities.

Before the end of the PVO component, it is important to assure that the greatest possible number of VOs are considered "graduated" in order to give them a chance to continue their credit activities with another credit institution. The credit institution inheriting the actual VO's credit program would like to receive from it a viable loan portfolio and healthy credit and reimbursement record. The importance of "graduation" is explained as follows:

In order for VOs to be considered creditworthy by the private sector, they must first attain a certain level of organizational development, or in the terms of the project, they must "graduate" from direct project assistance. For CNCAS eligibility, graduation means having an active bank account, legal status, group solidarity as a loan guarantee, a viable project, and a minimum monetary contribution of 25 percent to the project. In addition, graduation means a VO can handle procurement, manage production activities and finances, market its products, fully repay its loan, keep simple accounting records, and sustain its activities. By the end of the PVO component, the project had hoped approximately 40 VOs would have "graduated" and be both eligible to borrow funds from another source and capable of using the borrowed funds effectively.

The MU's Chief of Party's contract was completed in April 1990. The PVO component has been managed since by its Senegalese director. He is assisted by a team composed of a training director, a chief accountant, a cashier, a secretary and a driver.

B. Status

Eight PVOs, six local and two U.S., are now assisting 57 village organizations with 2,160 members in carrying out income-generating activities for their members. The activities include vegetable gardening and marketing, animal fattening, and irrigation. In developing the PVOs as important non-governmental intermediary assistance organizations, the project has helped them develop systems for financial accounting, training and outreach, for self-sustaining assistance to the VOs. As of August 30, 1990, the PVO component has made 246 loans valued at CFA francs 338 million to 57 VOs. One hundred five loans have been fully repaid totalling 207 millions CFA francs and 141 loans remain active for a total of CFA francs 131 million. It is estimated that 70% of the VO credit program loans have been reimbursed; around 80% of the VOs are already registered as GIEs (economic interest group).

At end of August, 1990, 33 VOs were considered as graduated. By the end of December 1990, it is expected that 40 VOs will be "graduated."

The PVO Component has granted 864 millions CFA francs to eight PVOs of which two are from the USA: CFA 526 millions as subventions to PVOs and CFA 338 millions as credit to VOs. The 40 VOs involved in the adult education include over 700 members. Seventy percent of them have reached level 3 of functional adult literacy and are able to read, write and do basic record keeping related to their development activities financed by the credit program.

4. Statement of work

In evaluating this project, the evaluation team will assess questions of process and impact. As much as possible, USAID/Senegal seeks information from the CED project's PVO component that will help us better manage the new PVO/NGO Support project.

A. Process

(1) Did the MU effectively help the PVOs develop sub-project proposals for village organizations?

(2) Did the PVO component have an effective system for financial management and control? Did the MU effectively manage and track the grants to PVOs and the credit provided by the PVOs to the VOs?

(3) Did the PVOs serve as an effective link between the VOs and GOS administrative and technical resources (Local government units and line agencies)?

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(4) Did the project have an effective method for transferring funds from the contractor's headquarters in the U.S. to the MU, and from there to the PVOs and VOs?

(5) Did the MU establish and use an effective monitoring system? Did the PVOs follow the MU's monitoring system? How did PVOs gather information about the VOs? Was the information useful for project management and for assessing the project's impacts?

(6) What was the contribution of the national project committee to the project's success?

B. Impact

The key impact units are taken from the project's outputs and "end of project status" (EOPS) indicators. In assessing impacts, the contractor will look at the PVOs and the VOs they assisted. In addition to determining the extent to which the project's outputs and EOPS were reached, the contractor will investigate the following:

(1) Village Organization

Some VOs have done better than others in managing their sub-projects, repaying the project for the credit they borrowed, and seeking additional assistance from outside the project. What makes some VOs work better than others? The project has developed standards for VOs to "graduate" from receiving project assistance. Were the project's standards valid? In other words, do those standards help explain why some VOs work better than others?

How important are other possible explanations for the VOs' performance? Other possible factors that might bear on their performance (and for which we have data) include the following:

a. loan characteristics

1. The amount of the loan.
The amount of time available to repay the loan.
The purpose of the loan.

b. VO characteristics

- (i) The number of times the VO received credit.
The total amount of debt incurred by the VO.
The combination of purposes for which credit was used.

c. The effectiveness of the PVO that managed the Loan and provided guidance to the VO.

(1) PVOs

The CED project's PVO component has assumed that VOs would be able to provide valuable services to rural people if the VOs had access and, to some extent, technical assistance. To what extent were the VOs involved in CED appropriate service vehicles for their communities? Could other institutions, public or private, have provided services more effectively?

Similarly, some of the PVOs that took part in the project performed better than others.

Did the MU help in the PVOs' institutional development?

Did PVOs make any discernible progress in their ability to work with the VOs?

To what extent are project assisted PVOs able to secure resources from non-USAID/Senegal sources now that the project has ended?

C. Other questions

(1) What are the results of the Village Education Program (VEP)? Were the methods and instruments used adequate to encourage full participation of villagers in all decisions related to the training? What level of literacy was attained, by what percentage of members? Is the literacy likely to be lasting? What more work needs to be done to increase the effectiveness of similar literacy programs?

(2) What unplanned outputs have been achieved by the project?

D. Selected issues

(1) The evaluation team should examine the roles and responsibilities of NTF headquarters in monitoring and coordinating site project activities implemented by the MU team as to their promptness in communicating directions and recommendations to MU and in transferring the needed funds to the MU.

(2) Given current implementation arrangements, is this project replicable? What are the key components that could be replicated within reasonable cost? (VOs' credit activities? VEP? PVOs institutional building? etc.) What alterations in the implementation procedures could increase efficiency or facilitate replication?

(3) Given the importance of gender considerations in assessing the "people level impacts" of the PVO component of the CED project, the evaluation team will document the differential participation of men and women at each level of project activity subject to the availability of data. Special attention will be given to documenting on a gender disaggregated basis the allocation of labor inputs to sub-project activities, the control mechanisms for allocating sub-project benefits, and the actual allocation of sub-project benefits. Based on this analysis, the evaluation team

will draw conclusions regarding the principal constraints to effective participation by men and women in project activities, and will draw conclusions regarding opportunities to maximize effective participation of men and women in PVO activities in future A.I.D.-funded projects in Senegal.

5. Methods and procedures:

A. Composition of the evaluation team and Methodology:

(1) The evaluation team will be composed of:

- (a) A team leader with management experience at the PVO project director level or equivalent who has worked on similar projects in Africa. The team leader should have served in a similar capacity on other evaluation teams, preferably for A.I.D. projects.
- (b) A PVO specialist with demonstrated competence in the design, implementation and evaluation of small-scale PVO development projects. Good knowledge of adult non-formal education is required.
- (c) A local PVO/NGO specialist who could play the role of interpreter and assist in interviewing the VO and GOS representatives and in the assessment of the MU, the PVOs and VOs. His services will be required by the evaluation team for a period of two weeks at the project site and up to a week in Dakar.

(2) Qualification

- (a) All team members must speak and read French at a level which satisfactorily permits interviewing and document study: level 3+, 3+ preferred.
- (b) A least one of the U.S. team members should be familiar with Senegal.
- (c) The team will not include members of the NPC or MU but should work closely with each.

(3) Methodology

- (a) A six-day work week is authorized and time should be divided between the project site in central Senegal and Dakar as required.
- (b) Information will be obtained through interviews with USAID/Senegal, GOS and contractor staff and project beneficiaries both in Dakar and at the project site; key project documents and records will provide additional significant information.

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VI. REPORTS

The evaluation team should spend two days meeting with representatives of NTF and AID/W in Washington before coming to Senegal. Two days will be spent in USAID/Dakar to review documents and to meet with USAID before going to the project site in Kaolack for two weeks of field work with the project management, the PVOs and the VOs. Following field work, three to four days will be devoted to the interviews of relevant NPC members, to meet with USAID officials for oral presentation of findings, recommendations and conclusion. The fourth week will be used to write the final report. Two days debriefing in Washington is also envisioned for the two PVO specialists after completion of field work.

A. Preparation of Report

The team leader is responsible for preparation of the final report to be submitted by the evaluation team. The report will contain the following sections:

1. Basic Project Identification Data Face Sheet
2. Executive Summary

Preferably, approximately four pages single-spaced including statement of purpose of the project and of the evaluation, a statement of the conclusions with topics identified by subhead, and recommendations (corresponding to conclusions) and specifying, where possible, who or which party should take the recommended action.

3. Table of Contents
4. Body of report

Will include a description of the context in which the project was developed and implemented and provide the information (findings) on which the conclusions and recommendations are based. Should discuss the logical framework and the degree to which outputs and inputs have been attained and the validity of project assumptions.

Practical lessons learned and recommendations to implement a similar project should be clearly suggested.

5. Conclusions and Recommendations
6. Appendices

As necessary and containing at least the evaluation scope of work and description of the methodology used.

B. Submission of Report

1. During the course of the evaluation, the team will maintain contact with USAID/Senegal through the Project Officer in PDO. One week prior to departure the evaluation team will make an oral presentation of findings, preliminary conclusions and recommendations to the USAID/Senegal Project Committee.
2. A draft evaluation report will be submitted in English to USAID/Senegal prior to the departure of the evaluation team leader from Senegal. 15 copies of the final report in English will be submitted to USAID/Senegal within three weeks of receiving USAID/Senegal comments on the draft report. USAID/Senegal will arrange to have the report translated and typed in French.
3. The team will provide USAID/Senegal copies on disk of any data generated by this evaluation and any word processing documents created in connection with the evaluation.

C. REFERENCES

All members of the evaluation team should have reviewed and be familiar with the following documents:

1. Project Paper, dated September, 1983
2. Grant Agreement, original dated January 04, 1984 and amendments
3. Cooperative Agreement, August 1985
4. Management Unit's Strategy Documents, March 1986
5. DAI Evaluation Report, June 1987
6. PVO Component Internal Evaluations, November 1988 by Thierno Ba and September 1988 (by J. Friedmund)
7. M.A. Zimmerman consultation reports, 1988 and 1989
8. PVO Component's Annual Reports and Annual Workplans
9. Non-Federal Audits of NTF of 1989 and 1990

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ANNEX 2
METHODOLOGY

1. Reasons for the Evaluation

Two evaluations of the project were called for in the Project Paper. The first evaluation was held in May-June 1987. This evaluation was to diagnose design and implementation issues, replan and recommend ways to institutionalize the two components of the project by June 1990, the first PACD. Since 1987, the project has undergone considerable evolution, and the SSE component of the project was extended from June 1990 to December 1993.

The PVO component, on the other hand, was extended only slightly, from June 1990 to December 1990. The Mission is planning to begin a new project in late 1991 to assist PVOs and NGOs active in Senegal. With this new project in mind, this final evaluation of the PVO component is expected to assess the impact of the PVO component and the lessons learned for use in the new PVO/NGO support project.

It should be noted that this final evaluation took place five months after the end of the project. This had two important effects on the evaluation. On the one hand, it gave the evaluation team the unusual opportunity to see what aspects of the Project were truly sustainable--what were some of the lasting effects of the Project on the participants and institutions involved. On the other hand, the evaluation is somewhat lacking because not all of the key Project personnel were available for discussion and interviews with the team, leaving certain institutional relations and processes not fully explored. The team was aware of this problem during its research, however, and did its best to compensate for it.

2. Composition of the Evaluation Team

Robert H. Brandstetter, Team Leader/PVO Specialist
George Butler, Small Enterprise Specialist
Thierno Ba, Specialist, Senegalese PVOs

3. Planning and Orientation

Prior to departure from Washington, the team met with Patrick Taylor, a representative of New TransCentury Foundation, for a debriefing of NTF current and past activities. The team also met with Bert Laurent, the former Chief of Party of the CED. Finally, the team met with William Hammink, former A.I.D. project officer in Senegal, and Jack Royer, Senegal Desk Officer.

A one day planning session was held at DATEX headquarters in Washington to discuss the division of responsibilities for the team members, plan a tentative itinerary, plan the reporting procedures, and discuss the expectations that A.I.D. and Datex had for the evaluation.

On arrival in Dakar, the team was joined by Thierno Ba, the third team member. The team

met A.I.D. Project Development Officers, David Robinson, Terry Myers, and Amadou Ly. A briefing was also arranged with USAID/Senegal Director Julius E. Coles, and Assistant Director Gary Nelson.

While in Dakar, the team met with the directors of all of the participating PVOs, and discussed in depth their participation and activities in the Project. They also alerted their remaining field agents in the Kaolack area that we would be visiting selected villages, and arranged for schedules to be established.

Nicolas Rofe, Director of NTF/ACEP graciously made available office space at his headquarters in Dakar and in the field office in Kaolack for the team to work. He also provided three large boxes of all the project documents, from the beginning of the Project until the end.

4. Data Collection

Three methods of data collection were used:

- a. Examination of documents.
Major project documents were provided by A.I.D./Washington and NTF prior to the team's departure from Washington. Additional documents were supplied by the USAID/Senegal Project Officer and the NTF/ACEP director in Dakar.
- b. Personal interviews with project personnel, PVO personnel in Dakar and Kaolack, regional government officials, and project beneficiaries (VO personnel, individual farmers) in the Kaolack and Fatick regions.

A semi-formal interview schedule following the scope of work was made to give the team a common basis for interviewing. These questions help point up the most significant aspects of the project, as well as the post-project status of project activities, perceptions and opinions of respondent's about the project, and recommendations for a future PVO follow-up.

All persons interviewed were informed that the purpose of the interviews was to objectively evaluate the PVO component of the project--its successes, problems, and how it measured up to the original project objectives--and to make recommendations for A.I.D. and the GOS to use in planning future PVO-involved projects in both Senegal and elsewhere in Africa.

- c. Observations of post-project activities in the field.

Thirteen VOs were also interviewed to determine their attitudes and opinions about problems and successes of their participation in the project, as well as to solicit their recommendations for future assistance. The prefet of Kaolack and the Chief of Regional Development Services for Kaolack (responsible for PVOs in Kaolack) were also interviewed.

5. Synthesis and Write-up

Data, impressions, analyses, tentative conclusions and recommendations were discussed continually by team members to insure that the team was responding accurately and appropriately to the requirements of the Scope of Work, and to maintain a consensus.

During the fieldwork and write-up time, the team kept in close contact with the A.I.D. Project Officer and the Project Development Officer in Dakar. Each team member was responsible for writing draft responses to the SOW following his specialty and the field work he carried out. These responses were shared with other team members, comments were discussed and, where appropriate, integrated into the final draft.

Several telephone calls were held with Datex/Washington during the write-up.

A six days before departure, the team briefed A.I.D. on its findings, conclusions and lessons to be learned. A draft report was presented to A.I.D. the day of the team's departure. The final report was edited and reproduced in the Washington headquarters of DATEX after the team's return to Washington. Fifteen copies of this final report were sent to USAID/Senegal three weeks after the team returned, as required by the Scope of Work.

ANNEX 3
PEOPLE CONSULTED

Cheikh Amar
Secrétaire Permanente, CNP, Service du Développement Communautaire, Ministère de la
Femme de l'Enfant et de la Famille, Dakar

Julius E. Coles
Director, USAID/Senegal

Seydou Cissé
Evaluation Officer, USAID/Senegal

Seydou Cissé
Formateur, Keur Mbouki village

Nicolas Hermann Degboue
Responsable National Formation, CARITAS Senegal

Aboubakry Dia
Agent Technique, PADEC, Dakar/Keur Mbouki

Mme. Ndeye Marie Diedhiou
Manager, Kaolack Branch of the CNCAS (Bank)

Mme Therèse Diokh
Supervisor of CARITAS/A.I.D. Project, Mbour

M. Ibrahim Diop
Prefet de Kaolack

Omar Diop
AISA, Dakar

M. Diopp
SOS-SAHEL, Dakar

Anne Gordon Drabek
Project Leader, PVO Initiatives, Datex, Washington, DC

Moussa Fall
Field agent, AISA, Passy/Pakala villages

Jerome Faye
CARITAS agent responsible for CARITAS/A.I.D. Project, Mbour

Pierre Gomes
Directeur, SOS--SAHEL, Dakar

Awa Gueye
OEF country director, (former director of training CED/PVO)

Bill Hammink
A.I.D./Washington, DC (former PDO/Senegal)

Phil Jones
ADO, USAID/Senegal

Abdul Aziz Kane
Directeur du Projet, AISA/Dakar

Amadou Bassirou Kane
Coordinateur des Programmes Formations, ABACED, Dakar

Bert Laurent
Regional Representative, PACT, Washington (former Chief of Party, NTF/Senegal)

Frank Lusby
Sahel Regional Financial Management Project, Dakar

Amadou Ly
PDO/USAID/Senegal

Hady Ly
Directeur des Projets et Programmes, Association Pan Africaine pour le Développement
Communautaire (PADEC), Dakar

Mme. Maimouna Ndao
MFR agent in Ngodiba village

Nicolas Ambroise N'diaye
Directeur chargé des Affaires Administratif et Financière, CARITAS, Senegal, Dakar

Souleymane Ndiaye
SOS-SAHEL, Dakar

Jean Pierre Ndione
National director, Administration & Finance, MFR, Thies

Mamadou M'Baye
Assistant director MFR, Ngodiba village

Soguy N'Diaye
Treasurer, ABACED, Dakar

Gary Nelson
Deputy Director, USAID/Senegal

Jonathan Otto
Consultant, Datex/Washington

Wendy Patten
Intern, OEF/Dakar

David Robinson
Project Development Officer, USAID/Senegal

Nicolas Rofe
Director, Agence pour l'Enterprise Privée (ACEP), Dakar

Jack Royer
A.I.D. Senegal Desk Officer, Washington, DC

Ahmed Issa Saadala
Director General, Islamic African Relief Agency/Senegal

Ibrahim Samb
President, National Policy Committee, Direction de la Dette et Investissement, Ministère
de la Finance, Dakar

M. Saré
Respcnsable of MFR/Kaolack

Jeanne Scott
Africare, Regional Director, Dakar

L'Abbé André Séné
Secrétaire Général, CARITAS Senegal, Dakar

Abdoulaye Séné
Chef de Services Regionales Développement á la Base, Prefecture de Kaolack, Kaolack

Patrick Taylor
New TransCentury Foundation, Washington, DC

Joseph Tavaréz
former Africare officer, Kaolack

Village of Keur Yorodou
20 members of a VO

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Village of Ngodiba
8 members of women's groupement
8 members of men's groupement

Village of Thiakho Thioffior
20+ members of groupement

Village of Sikatroun
6 members of the ABACED groupement

Village of Keur Mbouki
21+ members of the PADEC groupement

Village of N'Gohe Ndongor
20+ members of the CARITAS groupement

Village of Mbaciss
25+ members of the CARITAS adult groupement
2 members of the CARITAS youth groupement

Village of Ngoloth I
25+ members of the SOS-Sahel groupement

Village of Ngoloth II
15 men of the SOS-Sahel groupement
20+ women and kids

Village of Thialop
10+ men of the SOS-Sahel groupement
30+ women of the village

Village of N'Diop
President and one member of CARITAS groupement

ANNEX 4

DOCUMENTS CONSULTED

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A.I.D. Project Paper, Senegal: Community and Enterprise Development (685-0260), Sept 1983.

A.I.D. Grant Agreement, January 1984, and amendments.

A.I.D. Project Implementation Letter 0260-03: Small Business Assistance Strategy, 1986.

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A.I.D. Project Paper Supplement, Community and Enterprise Development Project (685-0260), April 1989.

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Ba, Thierno. Evaluation Report of Village Organization's Projects: Senegal Community & Enterprise Development Project, November 1988.

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Friedmund, J. The Village Lending Program: Impact Review and Assessment. 10 October 1988.

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Ly, Amadou. Memorandum: Community and Enterprise Development (685-0260) Project Committee Meetings on Project Strategy Papers. 25 March 1986.

Management Unit's Strategy Documents, March 1986.

Rigby, John. Final Report: PVO Component. Community and Enterprise Development Project, Kaolack, Senegal, New TransCentury Foundation. Dec 1990.

Zabour, Charbel. Systèmes de crédit et de Mobilisation de l'épargne en milieu rural: Le rôle des O.N.G. et autres structures d'intervention. (Préparé sous contrat no. 685-0294-0-00-9108-01). USA.I.D : Dakar, 1989.

Zimmerman, M.A. Consultation Reports, 1988, 1989.

Zimmerman, M.A. End-of-Project Options: PVO Component of the Community and Enterprise Development Project, Kaolack, Senegal. 8 November 1988.

ANNEX 5

PROFILES OF PARTICIPATING PVO/NGOs

1. PADEC (Association Panafricaine pour le Développement Communautaire)

Founded: 1981 as an indigenous Senegalese NGO

Leadership: A president and Conseil de Gestion of six members

Objectives: Integration of women and youth in the agricultural production cycle; anti-desertification and protection of nature; diversification and improvement of gardening and animal fattening activities; education of women and youth; activities against rural flight.

Activities in: Saint Louis, Tambacounda, Kaolack, Dakar, Kolda

Recruited for CED: 1987

Total amount of PVO grant: 62.9 million CFA

Number of VOs: 6

Subproject activities: gardening, cattle fattening, cereal banks

Number of subprojects assisted: 13

Total amount of grants to VOs: 15 million CFA

Number of short term loans (as of 30/08/90): 22

Number of medium term loans (as of 30/08/90): 8

Total amount of loans to VOs: 54.8 million CFA

Total amount of loans recovered: 44.5 million CFA

Percentage of loans recovered: 81%

2. ABACED (Association des Bacheliers pour l'Emploi et le Développement)

Founded: 1985 as an indigenous Senegalese NGO

Leadership: President

Objectives: Develop employment opportunities for unemployed university and lycee graduates, as well as developing employment possibilities for rural youth.

Activities in: Kaolack, Fatick

Recruited for CED: 1988

Total amount of PVO grant: 54.2 million CFA

Number of VOs: 2

Subproject activities: gardening, cattle fattening, commerce

Number of subprojects assisted: 4

Total amount of grants to VOs: 22.5 million CFA

Number of short term loans: 7

Number of medium term loans: 2

Total amount of loans to VOs: 31.7 million CFA

Total amount of loans recovered: .2 million CFA

Percentage recovered: 0

3. AISA (Agence Islamique de Secours en Afrique; also known as IARA, Islamic African Relief Agency)

Founded: 1981 as a Sudanese NGO with headquarters in Khartoum
1985 regional office established in Dakar

Leadership: West African regional director

Objectives: Began as a drought relief agency, and has recently begun to work in rural development

Activities in: Dakar, Thiès, Fatick, Diourbel

African international activities in: Mali, Gambia, Mauritania, Guinea, Burkina Faso, Sudan, Ethiopia, Somalia, Djibouti, Gabon

Recruited for CED: 1988

Total amount of PVO grant: 59.6 million CFA

Number of VOs: 3

Subproject activities: gardening, cattle fattening

Total amount of grants to VOs: 20 million CFA

Number of subprojects assisted: 7

Number of short term loans: 7

Number of medium term loans: 10

Total amount of loans to VOs: 19.9 million CFA

Total amount of loans recovered: 8.2 million CFA

Percentage recovered: 42%

4. SOS-Sahel International

Founded: 1976

1981 established in Senegal

Leadership: Secretary General

Objectives: Began as drought and emergency relief agency, recently has started working in rural development

Activities in: all regions of Senegal

Recruited for CED: 1988

Total amount of PVO grant: 32.2 million CFA

Number of VOs: 3

Subproject activities: gardening, cattle and sheep fattening

Number of subprojects assisted: 6

Total amount of grants to VOs: 3.9 million CFA

Number of short term loans: 9

Number of medium term loans: 3

Total amount of loans to VO: 12.4 million CFA

Total amount of loans recovered: 9.6 million CFA

Percentage recovered: 86%

5. Caritas/ Dakar/Senegal

Founded: 1954 international headquarters in Rome
1976 established in Senegal

Leadership: Director General for Administration and Finances

Objectives: Emergency relief and rehabilitation and rural development, education, appropriate technology

Activities in: all regions of Senegal, each diocese in Senegal has a Caritas branch

(The national office of Caritas participated in the Project, as well as the Dakar branch.)

Recruited for CED: Caritas/Dakar 1986
Caritas/Senegal 1987

Total amount of PVO grant: Caritas/Dakar, 37.2 million CFA
Caritas/Senegal, 50.9 million CFA

Number of VOs assisted: Caritas/Dakar, 5
Caritas/Senegal, 5

Subproject activities: Caritas/Dakar: fishing, gardening, sheep and cattle fattening

Caritas/Senegal: chicken raising, gardening, sheep and cattle fattening

Number of subprojects assisted: Caritas/Dakar: 7
Caritas/Senegal: 12

Total amount of grants to VOs: Caritas/Dakar: 15.9 million CFA
Caritas/Senegal: 9.1 million CFA

Number of short term loans: Caritas/Dakar: 5
Caritas/Senegal: 20

Number of medium term loans: Caritas/Dakar: 10

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Caritas/Senegal: 4

Total amount of loans to VOs: Caritas/Dakar: 24.8 million CFA
Caritas/Senegal: 46.9 million CFA

Total amount of loans recovered: Caritas/Dakar: 3.4 million CFA
Caritas/Senegal: 30.7 million CFA

Percentage of loans recovered: Caritas/Dakar: 14%
Caritas/Senegal: 64%

6. Africare

Founded: 1971 headquarters in Washington, DC; US recognized PVO 1976
established office in Dakar

Leadership: Regional Director

Objective: Improvement of the standard of living of the rural population

Activities in : Dakar, Ziguinchor, Kaolack, Saint-Louis, Thiès, Louga

International activities throughout Africa

Recruited for CED: 1987

Total amount of PVO grant: 175.7 million CFA

Number of VOs assisted: 15

Subproject activities: gardening, sheep and cattle fattening

Number of subprojects assisted: 38

Total amount of grants to VOs: 30.5 million CFA

Number of short term loans: 63

Number of medium term loans: 17

Total amount of loans to VOs: 100.3 million CFA

Total amount of loans recovered: 83.1 million CFA

Percentage of loans recovered: 83%

7. OEF (Overseas Education Fund International)

Founded: 1947, headquarters in Washington, DC; US recognized PVO 1982, established office in Senegal

Leadership: Regional Director for West Africa

Objectives: Improvement of conditions for women and their families, agricultural and economic assistance to rural communities

Activities in: Kaolack, Fatick, Kolda, Dakar, Ziguinchor, Diourbel

Recruited for CED: 1987

MFR (Maisons Familiales Rurales)(MFR was a co-partner of OEF in the Project.)

Founded: 1964 international headquarters in France
1981 established first office in Senegal

Leadership: President

Objectives: General and profesional education especially for rural youth

Activities in: all regions of Senegal except Dakar

Recruited for CED: with OEF in 1987

Total amount of OEF/MFR grant: 85.5 million CFA

Number of VOs assisted: 19

Subproject activities: cereal banks, sheep and cattle fattening

Number of subprojects assisted: 27

Total amount of grants to VOs: 21.5 million CFA

Number of short term loans: 44

Number of medium term loans: 15

Total amount of loans to VOs: 48.5 million CFA

Total amount of loans recovered: 41.9 million CFA

Percentage of loans recovered: 86%

75

ANNEX 6

PROFILES OF VO_s VISITED BY EVALUATION TEAM

1. **Keur Yorodou**

OEF/MFR

20 members (10 men, 10 women)

Sheep and cattle fattening

Five loans in 1988 and 1989 totalling 2 million CFA

Repaid 1 million CFA (50%)

1.2 million CFA still outstanding, including interest

VEP training enabled four group members to keep books

Remarks: Sheep fattening was not profitable, and the group shifted to cattle fattening, which proved to be profitable. The group still anticipates being able to repay their loans in full.

2. **Ngolagheme (Ngodiba)**

OEF/MFR

10 members (women)

Cattle fattening, 20-30 animals per cycle

6 loans in 1988, 1989, and 1990, totalling 4.2 million CFA

Repaid 4.3 million CFA, including interest (100%)

Is currently trying to obtain a commercial loan from ACEP

VEP trained the group treasurer. Four women are literate in Arabic.

Remarks: Started first activities as a collective, but later shifted to individual activities. CER agents visit the VO regularly providing veterinary services. The group now has other new activities in mind such as grain banks (buying grain after harvest when the price is low, and storing it until later in the year when the price is higher), and small-scale, petty commerce.

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3. **Thiakho-Thioffor**

Africare

40 members (25 men, 15 women)

Gardening and animal fattening

6 loans, 1987, 1988, 1989, totalling 11 million CFA

All loans repaid

Remarks: The VO of Thiakho-Thioffor is one of the best organized and managed group in the Project. It has been in existence since 1986, and is probably as self-sufficient as any group can become. In May, 1991, it paid back a 4 million CFA loan from ACEP which it acquired on ACEP's commercial terms. The group obtained this loan independently, without any assistance from Africare or any other aid.

4. **Takku Legeey I**

ABACED (Association des Bacheliers pour l'Emploi et le Développement)

20 members, originally 10 ABACED members and 10 village youths (men). At the end of the Project, their number was reduced to 7 ABACED men.

Cattle and sheep fattening, gardening, butcher shop, and 'convenience' shop

5 loans, 1987, 1988, 1989 totalling 14.3 million CFA

Repaid .2 million CFA (1%)

14.1 million CFA still outstanding, and unlikely to ever be repaid

Remarks: ABACED (Association des Bacheliers Chomeurs pour l'Emploi et le Développement) is a new, indigenous NGO which tries to send unemployed university and lycee graduates from urban centers to the countryside to aid in rural development and give employment to its members. The Project was their first attempt to manage a rural development project. ABACED has been a ground breaking organization in Senegal and is strongly supported by the GOS. Except for achieving food self-sufficiency in the last year, the ABACED has experienced one difficulty after another.

They were provided six hectares by the arrondissement for cultivation and initially tried to live in the village. Because of their cultural naivete and insensitivity, their attempt to integrate into the village was a failure, and they were forced to move out of the village on to their land. The well, generator, and pump that they installed was

insufficient for the garden surface they planted and attempted to irrigate. The CER agents refused to visit their site unless they were reimbursed 10,000 frs per visit. (Technically, Project funds were not permitted to pay any costs of CER agents.) Their animal fattening activities failed because of poor marketing. They attempted to open a butcher shop in Kaolack with the beef they raised (including their plow oxen) and this also failed because of poor marketing. They are currently trying to manage a small 'convenience' shop, in Kaolack, selling sugar, milk, rice, soft drinks, matches, butane, razor blades, Bics, etc., but are in a poor location, but this is also experiencing problems.

The ABACED project is one example where the MU and other subproject approval level's failure to provide technical advice and assistance was egregious. Clearly, with appropriate technical assistance, these young men would have avoided many obvious problems and failures. The simple act of putting ABACED in contact with the Peace Corps, which has had over twenty-five years experience in Senegal doing exactly this type of work, might have made a great difference in this subproject.

Needless to say, ABACED has learned much about rural development from its failures. The Project grant did assist the management office in Dakar to establish itself organizationally and financially, to the point that they are seeking funds from a variety of donors, and are reasonably sure of continued funding. The Project has allowed ABACED to gain experience and credibility as a PVO, in spite of its failures.

5. **Keur Mbouki**

PADEC (Association Panafricaine pour le Développement Communautaire)

40 members (men)

Cattle and sheep fattening

6 loans, 1987, 1988, 1989, 1990, totalling 24.2 million CFA

Repaid 3.1 million CFA (13%)

21.5 million CFA still outstanding, including interest

Remarks: The VO began with sheep fattening which was unprofitable and shifted to cattle fattening. PADEC is one of the NGOs which insisted that all project activities had to be collective. With an infrastructure loan of 2 million CFA, the VO built a large animal fattening barn, a storage shed, and a fenced enclosure. The group expects to repay its loan in full to the Project.

6. **N'Gohe Ndongor**

Caritas/Senegal

41 members (33 men, 8 women)

Cattle fattening and gardening (specializing in okra)

6 loans, 1986-1989, totalling 11.5 million CFA

Repaid 2.2 million CFA (19%)

10.1 million CFA outstanding, including interest. This loan is probably unrecoverable.

Remarks: This subproject plants eight hectares of okra (gombo), selling some two tons a year for an apparent profit. However, in principle, the group owes Caritas 10 million CFA on a ten year loan for a deep well, pump, reservoir, and irrigation pipe. With these subsidies, the operation is not commercially viable.

The VEP program was unsuccessful in this VO because Caritas refused to pay the 10.000 monthly stipend to the local trainer.

7. **Mbaciss**

Caritas/Senegal

8 original members (men); 2 men remaining

Poultry farming and gardening

5 loans, 1986-1988, totalling 6.1 million CFA

1.9 million CFA repaid (31%)

4.2 million outstanding and probably unrecoverable

Remarks: This VO was a youth group which spun off from the Caritas N'Gohe Ndongor VO. The poultry farm was another subproject that seriously lacked technical assistance, and never should have been funded. The men who started the activity were not native to the village and had no expertise or experience with poultry. For the first year they did earn a small profit. Caritas, however, was providing a specially rigged truck to transport the chickens to Dakar during this time. The truck either broke down or was withdrawn by Caritas, and the VO couldn't export their birds safely to the Dakar market. The group also started to lose much of their stock to disease, and couldn't do anything about it. The VO has virtually ceased to exist now.

8. **Ngoloth I & II**

SOS-Sahel

60 members in two groups (40 men, 20 women)

Gardening, sheep and cattle fattening and grain bank

12 loans in 1989, totalling 5.5 million CFA

Repaid 3.7 million CFA (67%)

2.4 million CFA outstanding

Remarks: SOS had been working in these villages before the Project start up using a Food for Work program. They had been growing maniac and potatoes during the rainy season, and vegetables during the dry season. These two VOs had serious problems with locust infestation which ate much of their gardens, and a lack of rain, which reduced their productivity. SOS was very paternalistic with these VOs, giving them little participation in the choice of projects and how they were run. SOS was one of the few PVOs, however, that did conduct a marketing study before they began their activities and had buyers in the Kaolack market for their produce.

The paternalistic approach of SOS may have had something to do with the lack of success that the VEP had in these VOs. In spite of the assistance given to them by the Project's training officer, the members' knowledge of credit management and group organization was among the lowest encountered by the evaluation team.

9. **Thialop**

SOS-Sahel

40 members (10 men, 30 women)

Sheep and cattle fattening and gardening (specializing in potatoes)

4 loans in 1988,1989, totalling 5.2 million CFA

Repaid 3.1 million CFA (56%)

2.1 million CFA outstanding, but with good chance of repayment

Remarks: As mentioned in Chapter III, Thialop was one of the villages which evidenced several notable results as a consequence of participating in the Project, such as an increase in the village population, a high literacy rate and well kept and accurate credit and loan records, a high rate of women participants, and its own

'outreach' program. In contrast to the two other VO assisted by SOS, Thialop appeared to be far more dynamic in virtually every respect. This VO also intended to pay back its loan. The team felt that with more dynamic leadership on the part of SOS, this group could have achieved much more.

10. **N'Diop**

Caritas/Dakar

14 original members (men), 11 remaining

Animal fattening and gardening

4 loans, 1987-1990, totalling 4.5 million CFA

Repaid .04 million CFA (1%) The remainder is probably unrecoverable.

Remarks: This VO had been in existence for several years before the Project, and asked Caritas to 'sponsor' so that it could participate in the Project. Caritas did not seek the group's participation in the subproject's design, and just told them that they would use the loan for a storage shed, a wire fence around the garden, tools, etc., all of which Caritas bought for the group.

The president of the VO was trained at an agricultural school near Dakar and was managing one of the best kept gardens that the team visited. Yet the group had little understanding of the financing aspects of the subproject which Caritas controlled. On the other hand, the president claimed that as a result of the VEP they had learned management, marketing, cost of inputs, and accounting. The Caritas agent visited the subproject weekly, but at the end of the Project, all contact was ended.

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ANNEX 7

PROFILE OF A SUCCESSFUL PVG

There was a tight inter-relationship between successful VOs and successful PVOs. However, factoring out the VO, the primary factors involved in what the evaluation team considered a successful PVO included the following:

1. **Quality Staff:**

The quality and experience of the staff, both at management and field levels is directly related to expected results. PVOs with inexperienced staff may not be able to recruit and keep high quality persons, and complex activities cannot be carried out.

2. **Development Philosophy:**

The main objectives of the PVO in a project like the CED, should be sustainable, self-sufficient, long term rural development. PVOs originating in emergency relief and rehabilitation programs like AISA, SOS-Sahel, and Caritas, have difficulty in converting to long term, self-reliant rural development projects.

3. **Managerial Expertise:**

Three areas of managerial expertise appeared to improve the success of PVOs:

a) **Financial Management Capacity:** The successful PVO had good financial ability or was trained to a level of efficiency required by the actual tasks involved in the project.

b) **Organizational Capacity:** The PVO that was well organized dealt more effectively with the MU and with farmers. The better organized PVOs were able to carry out training and offer trouble shooting assistance to VOs which the less organized PVOs could not.

c) **Technical Expertise:** PVOs can have technically trained people at the management level, but it is more important to be able to recruit and keep technicians required for specific tasks.

4. **Participatory Approach:**

PVOs with a participatory approach succeeded in empowering VOs and increasing their ability to innovate, expand and move towards self-reliance. Relief-oriented PVOs especially had difficulty with implementing a participatory approach.

5. **Field Representatives:**

PVOs with field agents living in the villages achieved better success than those whose agents lived in centers and traveled out to villages periodically. Village field agents

could identify with VO problems better, and intervene directly, with more assurance in trying to solve them.

6. **Good Monitoring System:**

PVOs with a good monitoring system can react more quickly to specific difficulties. A good monitoring system relies on good information from village field agents.

7. **Loan Repayment Rate:**

Although this factor was closely correlated with VO subprojects, it was an indicator of a successful PVO. The most successful PVOs had high loan repayment rates among its VOs.

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ANNEX 8

PVO COST EFFECTIVENESS

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PVO COST EFFECTIVENESS (in millions of CFA)

PVO	Grants received for internal strengthening	Number of VOs assisted by the PVO	Cost of strengthening per VO assisted	Number of sub-projects assisted by the PVO	Cost of PVO strengthening per sub-project assisted
ABACED	54.2	2	27.1	4	13.5
AFRICARE	175.7	15	11.7	38	4.6
AISA	59.6	3	19.9	7	8.5
CARITAS/DAKAR	37.2	5	7.4	7	5.3
CARITAS/SENEGAL	50.9	5	10.2	12	4.2
OEF/MFR	85.5	19	4.5	27	3.2
PADEC	62.9	6	10.5	13	4.8
SOS/SAHEL	32.2	3	10.7	6	5.4
ASPR	.7				
TOTALS	558.9	58	102	114	4.9
AVERAGE	62.1 54.9 (minus Africare)		12.75		6.0 5.1 (minus ABACED)

There is remarkable consistency in the cost per VO sub-project assisted (excluding ABACED, a PVO assisted by the Project on an experimental basis because of its innovative approach)

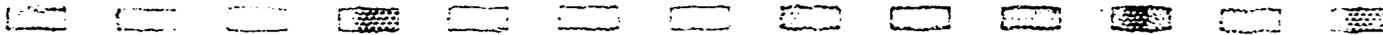
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If the CEDP PVOs are ranked according to their cost effectiveness, they would fall into three categories:

<u>Above average</u>	<u>Average</u>	<u>Below average</u>
OEF/MFR	FADEC	AISA
CARITAS/SENEGAL	CARITAS/DAKAR	ABACED
AFRICARE	SOS/SAHEL	

The consistency in the cost per VO sub-project assisted indicates that the relationship between grants to PVOs, grants to VOs, medium term credit, and short term credit must have been about right in order to come out at the sub-project end with a narrow range of costs per sub-project assisted.

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ANNEX 9

PROFILE OF A SUCCESSFUL VO

Like the PVOs, the VOs which participated in the Project were very diverse in terms of origin, length of time in existence, final objectives and so on. Nevertheless, several common characteristics of a successful VO can be noted.

1. **Size:**

A group of 40 or less seemed to be the maximum efficient size. Since activities were generally carried out individually and benefits distributed to individuals, larger groups appeared not to be manageable. The average size of a VO was 33 members.

2. **Prior Experience in Subproject Activity:**

VOs which had previous experience with the activity were able to implement their programs with little assistance and achieved good results. This was demonstrated with the animal fattening schemes, and especially cattle fattening. This was the one activity which nearly always succeeded. While almost all of the VOs also had experience with gardening, the many risks involved with this dry season activity and the high infrastructure investment needed generally resulted in little sustainability and failure.

3. **Leadership:**

Not surprisingly, VOs with strong and able leadership were the most successful. Work was better organized, group cohesion was stressed, and activities successfully completed.

4. **Participation:**

VOs which participated in the design and implementation of their subprojects throughout the life of the project achieved better results because of a greater commitment to the task.

5. **Functional Literacy Program:**

The most successful VOs actively participated in and correspondingly benefitted from, participation in the VEI. This was evidenced in terms of management, accounting, and literacy skills.

6. **Loan Repayment Program:**

Successful VOs were able to carry out subprojects, repay their loans, and have enough left over for individual profits. Many VOs also were able to establish their own savings funds for future use.

ANNEX 10

UNINTENDED CONSEQUENCES

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Unintended Consequences

All projects tend to generate unanticipated, unplanned, or unforeseen results. Because of its complexity and mix of rural credit elements and VO participation, this project generated some interesting and potentially useful unintended consequences.

The following case histories give a detailed glimpse into several VOs where the Project influenced developments differently that was generally true elsewhere.

(i) Ngodiba

One of the most interesting of these unplanned results was in the village of Ngodiba, where MFR has been working for several years prior to the Project intervention. Traditionally, Wolof women have engaged in sheep and goat fattening activities, because it involves relatively small amounts of capital. They have not been involved with cattle fattening activities, however, which requires sums of 30-40,000 frs. per animal, and sell for 50-80,000 frs. or more, after three to four months. This activity has been solely the prerogative of men. The Ngodiba women's VO, however, had heard about women running a fattening activity, and with the capital they received with a subproject loan, individuals were able to buy and fattened cattle. At the time of sale, from which women were also traditionally excluded, rather than let the men take their animals to market for sale (and pocket at least some of the cash), the women had a committee go to market with the men, and watched the money change hands, and then collected what was due to them.

This activity was financially very successful, and while the project did not initiate the idea of cattle fattening for women, it did encourage and reinforce a significant cultural innovation in the village by allowing women to buy cattle and do their own cattle fattening for their own profit.

This same group of women is also engaged in a non-traditional activity which the Project has helped finance, and is another significant unintended consequence of the Project's activity. After the planting and before the harvest of the principle food crops, is a period of "soudure," when cash is in very short supply. Men, in need of cash, have realized that women control some cash resources and borrow sums of 5000 frs. from them. The women take the men's plows, seeders, and other tools as collateral. The next year, before the rains, when the men again need to plant, they can recover their agricultural equipment from the women, who now charge them 7500 frs for the loan, a 50% interest rate.

The women are putting part of their earnings from both the fattening activities and the 'loan program' in a savings (*caisse*) for their own use. With this sum, the women have established their own small credit and loan system in the village modeled after the Project's system.

At the time of the evaluation team's visit, the women's VO at Ngodiba was seeking to obtain commercial credit from ACEP to continue fattening activities, and to finance petty commerce and other income generating activities for the themselves.

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Three women started the fattening activity in Ngodiba in 1987, with a project loan which netted 124,000 frs. profit. They reinvested this sum in the next year's fattening program, augmenting it with another Project loan. This year (1991) the group contains ten women. Four of the women can read and write Arabic. The leader is the third wife of the village marabout, who encourages her in her entrepreneurial activities. MFR has had two agents working in the village for several years, and currently has a very dynamic, highly respected woman living in the village, who has provided leadership for the group. MFR has also continued the literacy program for the village, which includes both men and women.

While this group is probably unique, its structure and composition perhaps point up some of the conditions that are needed to form successful women's groups in Senegal.

(ii) Thialop

The village of Thialop was the only Peul village in the Project. The VO in Thialop has been assisted by SOS-Sahel for several years prior to the project, after most people lost their herds in droughts. The VO in Thialop did both cattle fattening and potato gardening very successfully for two years, but the third year experienced problems with their water supply. They have incurred a debt to the project.

Again, the structure and composition of the VO in the village lead to several unintended consequences, and is an example of a 'debtor VO,' but nevertheless a very successful VO in a community development sense.

In the first place, as a result of the Project's activities, the village actually grew in size as people were attracted to the work. Secondly, because of the project, many men were able to stay in the village during the dry season, rather than leave for other areas to seek temporary work, as they usually did. This, they claim, has had a positive effect on family life in the village.

Thirdly, as there was no literacy or village training materials prepared in Peul, the training and literacy had to be in Serer. Interest in literacy and training was so great, however, that the people learned the accounting and management material in Serer and translating it into Arabic, and complained that there was no material in Peul. Accurate financial records of the VOs activities are now kept in both Serer and Arabic.

Of even more interest was that a neighboring Peul village, which was not participating in the Project, sent a young man to learn literacy and the accounting and management materials so that he could return to his own village and teach people in his home village, so that now a village-to-village learning program has been instituted.

Lastly, the women of Thialop have formed their own group and have raised 73,000 frs through membership fees to start a sheep fattening and garden project of their own, modeled after the Project.

(iii) Keur Mbouki



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In the village of Keur Mbouki, in which PADEC has been working for some time prior to the Project, a youth group and a women's group have independently formed, directly as a result of the Project. They have modeled their organization and management on that of the project 'groupement'. These groups have membership fees with which they pool and plan to use for income generating activities.

The evaluation team heard of several other such village groups which had formed independently of Project intervention, but modeled on the project example.

(iv) Thiakho-Thioffior

Thiakho-Thioffior is a model of grassroots development, par excellence. Here the VO had been in existence since 1968, when a Peace Corps Volunteer helped the group organize. Since this time, the group had been able to benefit its members and the village by raising funds through membership fees. The group consisted of forty members, twenty five men and fifteen women by the end of the Project. The Project, through Africare, was able to make available a large block of capital for the group which undertook gardening and animal fattening (in which women also participated). The VO had just repaid ACEP a loan of four million francs, and each member realized a 100,000 frs. benefit. With this money, the men were beginning both horse breeding and a cattle breeding activities, as well as buying agricultural tools; while the women were supplementing their family's diet, and were intending to buy a grain mill. The group was planning to get another loan from ACEP before the planting season.

The VO in Thiakho-Thioffior is unique in virtually every respect. Having been in existence for more than twenty years, it is a cohesive and dynamic group, with an exceptional leadership. The group kept excellent financial records, indeed books, of all of its activities, which it learned as a result of the VEP. When the team starting talking about loans, repayment, interest rates, and so on, a number of men had pocket calculators and were able to give us any figures that we asked for. The people were able to calculate repayment rates, interest rates, time periods and decreased payback because of early repayment. One man who had learned to read and keep records said that he was using what he had learned for keeping other records for his farm. The group recently drew up a 'constitution' of sorts, which allows them, among other things, to seize collateral from slack members. The president of the VO said that there were at least 100 other people in the village who would pay 10,000 frs. membership to join the group. He also said that they were limiting the number in the VO to forty.

(v) Other

While perhaps not a totally unanticipated consequence of the project, but still of interest, was that the contre saison activities financed by project have kept many men from their usual exode to seek temporary employment in towns and other areas, and permitted them to stay with their families during the dry season. Thialop was not the only village which mentioned this as a positive effect of the project. Other villagers have said that if they can

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find profitable work during the dry season that they would prefer to stay with their families in the village, rather than go to the urban centers to seek work.

Project loans were made to VO or groups which were supposed to finance group activities, generating enough income to repay the loan and earn the group a profit. The profit was then to be shared among the members of the group. What in fact actually happened in many instances was much more complex.

The need for cash liquidity is so great towards the end of the dry season, that many individuals joined VOs in order to have access to cash and credit for private needs during this period. The VO, as a group, would receive a loan and rather than undertake a collective activity, would divide the loan up between the individual VO members. These individuals would engage in a subproject activity, but also use some of the money for their individual needs, such as buying food and clothing for their families, paying off other debts, buying seed, financing small commerce, and so on. If the individual subproject activity was profitable, they would have enough to pay back their share of the group loan and still have some funds left over. If the activity was not profitable, and they were forced by the group to repay their share, they could use money from traditional agricultural activities to pay it back. In either case, the project helped many people through a traditional period of cash shortage by easing their traditional debt burden, provided for necessities, and also permitted men to stay in their villages because they didn't have to go on exode to raise cash.

Another result of this individualization of the loan was to create a healthy competition between individuals to see who had the 'fattest' and heaviest animal, and who got the most money at the sale.

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