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TOGO RURAL INSTITUTIONS AND PRIVATE SECTOR PROJECT
FINAL REPORT

CARE INTERNATIONAL

CARE/TOGO
MAY, 1993

I. EXECUTIVE SUMMARY

... USAID informed CARE of its decision close out the project in mid-February (officially Feb. 18) and most field activities ended on March 31. (Others continued until April 15.)

II. PROJECT DESCRIPTION

The purpose of the Togo Rural Institutions and Private Sector (TRIPS) Project was to expand the participation of Togolese private sector institutions in agricultural and rural financial markets on a sustainable basis. CARE's objectives were defined in the Project Paper as follows:

- (1) to promote and strengthen producer groups to give their members increased access to inputs and productive credit and to exercise greater control over the marketing of their surplus;
- (2) to strengthen the training methodologies and increase the effectiveness of public and private sector extension organizations that work with producer groups and small entrepreneurs; and
- (3) to assist private entrepreneurs to establish and expand businesses that support agricultural production.

These three objectives constituted the major components of the project and determined its initial structure.¹ The target of the group promotion component was the establishment of 30 sustainable producer groups in the Zio. This involved the following activities:

- the continuation of a group formation process, begun under the Zio River Economic Development Project, involving agricultural technical packages, a farmer training system, a (productive) credit training fund, a planning and monitoring system for the groups, and agricultural demonstrations conducted by farmers;
- the phaseout of CARE's support services (credit, input supply, land preparation, and marketing) and their replacement by project-assisted private initiatives;
- collaboration with FUCEC to promote its credit and savings program;
- the promotion of a fumigable warehouse technology (for crop storage) developed during the preceding project; and
- collaboration with private entrepreneurs to develop a network of storage and marketing facilities in the Zio.

¹ The terms "project" and "TRIPS" are used throughout the document to describe the CARE component of TRIPS.

21

The training component enabled CARE to expand its support to producer groups and private enterprises throughout Togo in a cost-effective way, by the intermediary of private and public institutions which intervene in those sectors. These institutions included producer groups, associations, and NGOs, on the one hand, and various GOT agencies (especially the regional divisions), GOT-managed projects, and parastatals involved in rural development, on the other. The training was to be specifically designed for each organization on the basis of a thorough needs assessment; potential modules included technical agricultural training, small project analysis, and training of trainers. In addition to the training itself, the use of Operational Research Activities (ORAs), grants to institutional beneficiaries which would enable them to apply the training they had received, was emphasized as a means of increasing the project's multiplier effect. The target of the training component was to assist 50 producer groups outside the Zio.

Assistance to private enterprises (both "micro" and "small") which support agricultural production was the third component of the project. Targets of assisting 250 financially viable micro-enterprises and 10 small ones were set. Like much of the group promotion component, the micro-enterprise sub-component was viewed to a certain extent as a continuation of activities in the Zio area begun under the previous project. In the small enterprise sub-component, CARE was to focus on entrepreneur identification, finance and management, and technical assistance. There was an activity linking the micro and small enterprise sub-components: CARE was to serve as a financial intermediary between the enterprises and the CNCA (Caisse Nationale de Cr dit Agricole) and commercial or development banks, respectively. In addition, the project was to provide management training and technical assistance to those enterprises in need of those services.

The private enterprise component also contained an ancillary activity in support of rural micro-enterprises: the development of trade associations (e.g., mill owners). This too involved a continuation of activities in the Zio from the preceding project. The project was to encourage savings mobilization, as well as group asset acquisitions and collective marketing initiatives. A target of assisting ten new trade associations was set.

The CARE component of TRIPS began on January 1, 1989 -- it overlapped with the Zio River Economic Development Project for the next seven months -- and was scheduled to end on September 30, 1993.

III. PROJECT ACTIVITIES AND ACCOMPLISHMENTS: 1989-91

One can best review the activities and accomplishments of the project during the period prior to the mid-term evaluation through an examination of its three components, which corresponded to its objectives.

A. Group promotion component

The Group Promotion (GP) Unit operated exclusively in the Zio area, where it continued and expanded on many of the activities begun by the preceding project. Headed by a Coordinator of Field Operations and staffed by two group promotion advisors, two "zone heads", 19 field agents, and three warehousemen, the GP Unit constituted a large and autonomous agricultural extension team. Its target group consisted of the 30-odd Agricultural Producer Groups (GPAs), which were created through project initiatives and whose membership fluctuated during the project, as follows:

	1989	1990	1991	1992
GPA membership	934	710	741	801
Number of GPAs	34	30	31	31

The GP Unit's primary extension theme, which permeated its numerous activities, was the responsabilisation ("rendering responsible") of the farmers. These activities included the dissemination of agricultural technical packages, the supply of agricultural inputs, a productive credit (revolving) fund, savings mobilization, storage, marketing, and farmer training in group-related activities (e.g., an agricultural planning system).

Through the midway point of the project, the GP Unit could point to the following achievements:

- supply of agricultural inputs: GPA members were able to produce their own improved seed and to procure other necessary inputs, through access to their revolving fund.
- a productive credit (revolving) fund: The capital of all 31 GPA revolving funds increased, a promising development for the sustainability of the funds.
- savings mobilization: FUCEC created two new COOPECs with CARE's support.
- storage: The project sold 14 fumigable warehouses to GPAs.
- farmer training in group-related activities: The project completed its training module on group management of revolving funds and the GPAs displayed increasing ability to plan and evaluate their agricultural activities.

- group formation: All 30 GPAs received official GOT recognition.

On the other hand, the GP Unit had also encountered some serious difficulties by that time, including the following:

- low repayment rates on CARE-dispensed loans in 1989 (due in part to crop losses from flooding on the irrigated perimeter);
- a decline in the number of farmers/beneficiaries from 1989 to 1990 because of the project's rigorous new credit policy;
- the farmers' continuing doubts about the utility of the fumigable warehouse technology;
- marketing problems stemming from the non-sale of farmers' produce stored in the fumigable warehouses in 1989.

B. Training component

In the early stages of the project, the Training Unit (TU) concentrated on building its own capacity to deliver training services and on assisting farmers and small private entrepreneurs in the Zio region. Then, beginning in 1990, the TU expanded its activities to public and private organizations outside the Zio.

During the period from 1989 to mid-1991, the TU conducted the following activities:

- training project staff;
- training public and private sector institutions;
- producing training manuals;
- providing Operational Research Activities (ORAs); and
- expanding the Training Unit.

(1) Training project staff

Project staff benefitted from two structured training sessions. The first covered the theme of management in general; the second was an extensive, three-month in-service training for 20 field agents and "zone heads" which included a variety of subjects (e.g., agro-economics, marketing, and training).

The TU staff also received intensive on-the-job training on the preparation and execution of sessions.

Two members of the project staff attended a month-long training program on management of development projects at the University of Connecticut.

(2) Training private and public sectors institutions

Up to the mid-term evaluation, the TU assisted five private sector institutions and six public sector ones. It also established contact with other institutions with which the project later collaborated.

(a) Private sector institutions

The table below presents a summary of these activities and accomplishments:

Name of organization	Type of organization	Type of training	Training time frame	Results of training
Maisons Familiales	Intl. NGO	Training of trainers & village committee members	6 10-day sessions over 8-month period	participants begin to understand their role & responsibilities in Maisons Familiales; improvement in the organization of village groups
MASOT (Association of former trainees of OIC, an American NGO)	Association of young farmers	Organizational develop.; financial mgt.; feasibility studies	3 week-long sessions over 6-month period	organization and member producer groups begin to apply a more participative management style
FUCEC	Local NGO	Training of trainers	1 5-day session	organization not interested in follow-up or in additional collaboration
Plan Intl.	Intl. NGO	Training of trainers; <u>animation training</u> (commun. develop.)	2 week-long sessions	Per mid-term evaluation recommendation, collaboration ended due to the divergent objectives of CARE & Plan Intl.
SOTO-PRODER	Local NGO	Training of trainers	2 sessions	\$ 8,000 ORA granted, with disappointing results (little application)
APGA	Local NGO	Organizational development	1 3-day session in Nov., 1991	APGA redefined its objectives and structure, thereby increasing its effectiveness;

(b) Public sector institutions

The table below presents a summary of these activities and accomplishments:

Client	Nature of client	Type of training	Training time frame	Results
Rural Development Project of Notsé	Ministry of Rural Development	Technical training (storage & marketing)	3 week-long sessions	Each participating village earned a profit on corn sales
ILO Project for Division de la Coopération	Ministry of Rural Development	Training of trainers	2 10-day sessions	Techniques were well understood & applied
ADAPPT	CARE agro-forestry project in northern Togo (with GOT field agents)	Training of trainers; technical training for DRDR & SOTOCO field agents	1 week-long session; 3 week-long sessions	Experiential methodology is applied by CARE trainers & DRDR & SOTOCO agents; farmers in Kara & Savana Regions apply techniques
Dept. of Social Affairs/ Central Region	Ministry of Social Affairs & Women's Promotion	Training of trainers	1 week-long session	Collaboration ended prematurely due to misunderstandings with IRCOD, an intl. NGO funding the training
SOTOCO	Cotton parastatal	Training of trainers	2 week-long sessions	Unknown because SOTOCO did not facilitate follow-up by CARE
FED/ Bassar Project	Ministry of Rural Development	Situational analysis & feasibility studies	1 week-long session	2 of the 3 agencies identified micro-projects, 1 of which was economically feasible

(3) Developing training materials

The TU developed six training manuals, all identified during the needs assessments conducted among client institutions, on the following topics:

- the structure of an organization;
- the management of a revolving fund;
- the management of agricultural producer groups;
- training of trainers; and
- the management of an association.

(4) Providing ORAs

An ORA grant, the only one during the entire project, was made to SOTOPRODER to assist it in developing a training unit. This collaboration was disappointing and when the mid-term evaluation called for an end to the ORA program, CARE readily complied.

(5) Expanding the Training Unit

The need for more trainers was justified because of the TU's limited capacity to respond to the increasing demand from client institutions. Thus, by early 1991, four trainers had been hired (and trained) and a secretary had been assigned to the team.

C. Private enterprise component

During this period, the SEAD Unit operated, with a single exception, strictly in the Zio, usually in tandem with the GP Unit. Until about the time of the mid-term evaluation, the SEAD Unit was composed of five persons: a coordinator; two field agents, who worked with micro-enterprises and rural associations; and two mechanics, for the rototillers. The absence of an SEAD specialist to head this unit seriously hampered this component.

The project's SEAD activities prior to the mid-term evaluation can be broken down into three categories:

- support activities for the GP Unit (e.g., rototillers, rice marketing, fumigable warehouses);
- the promotion of micro-enterprises and rural associations;
- the promotion of small enterprises.

(1) Support activities for the GP Unit

The two most important support activities conducted by the SEAD Unit involved rice production on the Zio perimeter: the privatization of the rototiller services which had been provided by PFP-CARE during the previous project and the marketing of white rice. The former met with very serious difficulties: all of the eight rototiller enterprises operated at a loss and loan repayments had essentially ceased by the mid-term evaluation. This situation had dire consequences for the sustainability of rice production on the perimeter. As for the latter, the three GPAs involved in rice production had organized, in 1988, an association, called COGESCO, for the marketing of white rice. This association received training in financial management and marketing, but it lacked

dynamic leadership and encountered problems which were not of its own making (e.g., the virtual destruction of the 1989 rice crop because of flooding). The upshot was that COGESCO did not develop into the effective organization which had been hoped for.

(2) Micro-enterprises and rural associations

TRIPS assisted micro-enterprises and rural trade associations in the Zio area essentially through a continuation of activities from the preceding project. According to the Project Paper, CARE was to assist 250 financially viable micro-enterprises by providing one or more of the following services: management training, technical assistance, and financial intermediation at the CNCA. However, the subsequent demise of the CNCA led CARE to provide credit directly to these enterprises (in the Zio). As with the loans dispensed by the GP Unit, the repayment rate was poor. Thus, although the target of assisting 250 enterprises was reached during the first half of the project, it was not clear whether these enterprises were, in fact, financially sustainable.

As for the rural trade associations, CARE's assistance did not include credit; rather, it consisted of providing management and financial training and technical assistance, as well as encouraging savings mobilization. The project worked with 15 associations -- five more than the target -- which were involved in a variety of activities: cereal distribution, general commerce, flour milling, oil and soap production, baking, rototilling, and handicrafts.

(3) Small enterprises

The small enterprise sub-component made little progress towards achieving its target of assisting ten financially viable enterprises during the first half of the project. By the mid-term evaluation, only one small enterprise, a metalworking firm manufacturing an improved (charcoal) stove promoted by CARE, had been assisted. Clearly, the identification of potentially viable small enterprises posed a major problem for the project. Just prior to the mid-term evaluation, CARE brought in a consultant involved with the GEMINI project to provide technical assistance in this all-important area. The consultant proposed the use of sub-sector analysis as a means of solving this problem, a recommendation which was put into practice during the second half of the project.

There was another important problem with this sub-component. In the field of credit, CARE was supposed to serve as a financial intermediary between project-assisted small enterprises and commercial banks. However, at the mid-way point of the project, CARE had not yet identified a financial institutions willing to provide credit to the enterprises which it supported.

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IV. MID-TERM EVALUATION RECOMMENDATIONS AND PROJECT REORIENTATION

A. Mid-term evaluation

The TRIPS mid-term evaluation, submitted to USAID in May, 1991, found significant shortcomings in the design and implementation of two of the three components of the project. Most importantly, CARE's interventions with producer groups in the Zio area were criticized as being too ambitious, unsustainable, and largely dependent on the infusion of credit to induce farmers to adopt new technologies. It was recommended that this component be discontinued. As CARE's strategy to develop small and micro enterprises was linked to success in expanding the farm economy and ultimately to the first component, this one suffered as well. The evaluation team proposed two options: that the component be discontinued or that CARE hire an experienced small enterprise specialist and focus work on high-value crops and marketing by linking producer groups to non-traditional export firms. Moreover, it recommended that CARE define its small enterprise objectives and strategy for the remainder of the project and that CARE not create another credit mechanism.

By contrast, the mid-term evaluation team commended the work of the Training Unit. Nonetheless, it recommended that CARE's training activities be more focused, that they fit better into the overall project objectives to support private enterprises and producer groups. Accordingly, the Training Unit should:

- select its clients more carefully, concentrating on institutions whose objectives and approach (participatory) are similar and which are willing and able to pay for training and subsequently to provide financial resources for its effective application;
- intensify training and follow-up of its client institutions.

Two other recommendations concerning the training component are particularly noteworthy: that CARE establish a fee structure for its training which is comparable to that used by other training institutions and that CARE cease providing grants to training beneficiaries under its Operational Research Activities program.

Lastly, the mid-term evaluation stated that CARE had not established an effective monitoring system which would enable project management to make informed decisions. It also questioned the adequacy of the baseline data for the evaluation of the project's impact and sustainability. It recommended that CARE hire a consultant to examine these issues and to take the appropriate measures.

B. Actions taken between the evaluation and project reorientation

The reorientation of TRIPS, at least in two of the three project components and in CARE's monitoring and evaluation system, began, in effect, long before it was actually formalized in the work plan of March, 1992.

(1) CARE's initial reaction to the mid-term evaluation

CARE took positive measures in response to the mid-term evaluation almost immediately. In June, 1991, CARE brought in its Regional Technical Advisor for Agriculture and Natural Resources to help start the mandated process of reorienting the project. During his stay, he chaired a two-day meeting of project and mission staff to discuss proposed new strategies.

(2) Project Management

Over the next two months, the project also underwent major changes of key personnel with the arrival of a new Project Manager and Training Advisor and the addition of a Lomé-based Regional Technical Advisor for Small Economic Activities Development (RTA/SEAD). In October, the addition of a Program Coordinator provided TRIPS with a significantly increased level of technical assistance and support. All of these changes prompted the project to adopt new approaches to achieve its objectives.

(3) SEAD component

This was most evident in the SEAD component. During the first half of the project, CARE's SEAD efforts focused on increasing farmer incomes through improving crop yields, value, and market access in the Zio River Valley. CARE's strategy to achieve this goal was to provide a variety of interdependent services and inputs to stimulate economic activity, including input supply, post-harvest storage, milling, marketing, credit services, and seed production. These multiple activities drew attention away from the primary project objectives. The project focus became ensuring the provision of these myriad services rather than the viability and sustainability of the activities themselves. This was manifested by an oversupply of services, price distortions, artificially low credit rates, and the continued support of inappropriate technologies.

The rototiller situation was a case in point. In August, 1991, the RTA/SEAD conducted a study on the rototiller operation on the Zio perimeter. His report proved that the existing technology was unsustainable and implied that, under prevailing macro-economic conditions in Togo, especially heavy competition from imports and the over-valued CFA currency, rice cultivation on the perimeter was too. (This led to a discussion of these issues at the PMT, but the

GOT disputed the findings on rice cultivation and took no policy initiatives in this sector. Indeed, there seems to be no GOT policy whatsoever on rice production, other than the lip service paid to agricultural self-sufficiency.)

This situation, underscored by the mid-term evaluation, led CARE to develop, in accordance with the evaluation recommendation, a new strategy for the promotion of small enterprise during the remainder of the TRIPS project. This was formulated in September, 1991, by the RTA/SEAD, who served as the de facto SEAD Advisor. The key innovation was the use of sub-sector analysis, in which a given commodity is examined from the supply of inputs through the marketing phase to identify the main bottlenecks in the sub-sector and any potential interventions. Moreover, the process of selecting interventions was to be based on opportunity rather than on need. Under the RTA's supervision, the project's revamped SEAD Unit determined in a systematic fashion the sub-sectors to be examined and began its first analysis in October. In the course of a subsequent sub-sector analysis, the project identified an intervention which fulfilled the evaluation mandate to focus on linking agricultural production to viable export markets. CARE launched this activity in December, 1991.

In the new strategy, the RTA/SEAD also addressed the issue of credit: the separation of CARE'S technical assistance from the provision of credit was deemed a priority. He proposed that CARE extend its relationship with FUCEC beyond the promotion of COOPECS in the Zio to the delivery of credit, via the COOPECS, to rural entrepreneurs identified by CARE. (It was no longer possible to do this through the CNCA, as foreseen in the Project Paper, because of the demise of this institution.) Although the two parties agreed upon the potential modalities of such an arrangement, this collaboration did not, unfortunately, materialize. Therefore, CARE was obliged to envision other practical solutions to the problem of credit for its future entrepreneurial beneficiaries, which would take into account the constraining time factor. The strategy provided CARE with two options: financial intermediation services with another partner, in line with the Project Paper, or the delivery of minimalist-style credit through a local NGO or directly. To enable project management to make an informed decision, the RTA/SEAD recommended in the strategy that CARE first examine existing credit facilities in Togo. Accordingly, CARE'S Assistant Program Coordinator conducted a comprehensive study on the subject, which was completed in January, 1992. The decision to adopt the intermediation approach was made shortly thereafter for several reasons: CARE'S growing relationship with the Caisse Française de Développement (CFD), a credible financial institution interested in such an arrangement; the poor management capacity of EcoGestion Villageoise (EGV), a local NGO seeking funding for a Grameen Bank-type project; the limited time frame, which would hamper any organizational development efforts with EGV or compromise the sustainability of a new CARE credit system; and the evaluation recommendation that CARE "not create another credit mechanism".

12

(4) Training component

At the same time, the new Training Advisor was in the process of refocusing the training component, pursuant to the evaluation recommendations, along the following lines:

- the development of new training modules to assist small, income-generating activities (e.g., situational analyses and feasibility studies);
- the adoption of a "training-action" approach, by which sessions are designed to address actual management or technical problems existing in micro-enterprises;
- a stronger emphasis on follow-up visits to ensure that the training themes were applied correctly and to observe the impact of a given intervention.

Other changes recommended in the evaluation were also made in the training component:

- The selection of client organizations became more rigorous. Criteria, based on the evaluation recommendations, were drawn up to screen the institutions requesting CARE's assistance.
- A fee structure for client organizations was established.
- The Operational Research Activities program was terminated. (Only a single, small grant had ever been made.)

(5) Group promotion component

As for the group promotion component, the new project team arrived near the end of the main growing season in 1991. It was obviously impractical to withdraw abruptly from the Zio since the Ministry of Rural Development had essentially left the area in CARE's hands, in terms of agricultural extension, and could not be expected to immediately provide the human and financial resources necessary to return there. Thus, the question of how and when to proceed with CARE's withdrawal remained open for the time being.

In the meanwhile, however, CARE undertook a major initiative in the group promotion component: to examine the fumigable warehouse technology which had been heavily criticized by the evaluation. Accordingly, in December, 1991, the RTA/SEAD conducted a study of the fumigable warehouses; his findings demonstrated the unsustainability of the technology, thereby confirming the criticism. Thus, by the end of 1991, CARE had already reexamined two of the most controversial elements of its activities in the Zio.

(6) Monitoring and evaluation

In January, 1992, a consultant was brought in to examine the project's monitoring and evaluation systems, in accordance with the evaluation recommendation. The consultant confirmed the findings of the evaluation and the concerns of the USAID Project Officer and the TRIPS Technical Advisor at the Planning and Programming Service (PPS) concerning the baseline data, that the data was inadequate "to assess the project impact on the complex, diversified internal economy and organization of African extended families (or of rural households)", per USAID's DFA indicators. This was attributable, as indicated in the TRIPS final evaluation, to "failures in communication and understanding" between USAID and CARE and to the absence of a Technical Advisor to the PPS in the early stages of the project. The consultant also examined CARE's new SEAD evaluation system, which had recently been drawn up at CARE headquarters in collaboration with the USAID-funded Gemini project. He concurred with the RTA/SEAD that the "Single Product Cost Structure Model", one of five proposed options, be applied to the TRIPS green bean operation. This was done immediately thereafter.

C. Project reorientation

During the period February-May, 1992; a new work plan for the scheduled remaining 18 months of the project, whose main elements are outlined above, was prepared by CARE/Togo and then reviewed by USAID and the GOT. Under this work plan, CARE's objectives for the project remained the same. However, there were significant changes in the project's strategy and resultant ones in its activities. In short, SEAD, which had hitherto received less emphasis than the other two components, became the new focus of the project. Conversely, the group promotion component, most of whose activities in the Zio were to be terminated, was de-emphasized. At the same time, the training component was more closely linked to the SEAD one. However, the training component continued to pursue the objective of strengthening of producer groups (throughout Togo), but it placed increased emphasis on the profitability of the client groups' income-generating activities.

(1) SEAD component

As mentioned above, the project adopted a dual strategy in SEAD: sub-sector analysis to identify enterprises and financial intermediation to assist them, if necessary. The SEAD Unit's analysis of the vegetable gardening sub-sector, conducted in November-December, 1991, led the project to become involved in two major interventions: the green bean export operation, which fit in perfectly with the evaluation recommendation, and the introduction of an appropriate pump technology for small-scale irrigation. (It identified the lack of technical training in vegetable gardening as one of the constraints in the sub-sector, which had implications for the Training Unit.) In fact, both of the enterprises

141

identified by the process of sub-sector analysis also received loans from the CFD, ample proof of the close ties between the two elements of the strategy.

In addition, there were two holdover SEAD activities from the first half of the project, improved (charcoal) stoves and rice tillage on the irrigated perimeter, which were also linked with the new strategy. In the case of the former, the enterprise assisted by the project subsequently received a loan from the CFD; while in the case of the latter, the intervention itself was identified through the RTA/SEAD's sub-sector analysis and CARE had intended to broker a loan for a tillage enterprise in early 1993, until political events made that impossible.

(2) Training component

Under the reorientation, the Training Unit was to continue to provide training and advisory services to public and private organizations which support producer groups and private enterprise in the agricultural sector. Training was aimed at strengthening the technical, training, and management capacities not only of "intermediate" institutions with field agents, but also of associations composed of producer groups. CARE offered its client organizations an impressive variety of modules:

- Intermediate organizations:

- situational analyses and feasibility studies;
- management and monitoring of income-generating activities;
- organizational development;
- training of trainers; and
- technical training.

- Associations: a combination of management and technical training.

However, these modules were not exclusive; the project continued to provide training specifically adapted to the needs of its clients (e.g., an association received training on how to negotiate a grain supply contract with an animal feed company).

The development of the first two modules reflected the aforementioned refocusing of the training component on small-income generating activities and the enhanced links between the project's outputs of strengthening producer groups and private enterprises.

(3) Group promotion component

As for the group promotion component, the work plan included a timetable for CARE's withdrawal from the Zio. CARE's assistance to the 30 Agricultural Producer Groups (GPAs) in the planning of the main growing season, during the period March-April, 1992, was

to mark the end of CARE's agricultural extension services in the area. This entailed the release of 20 project staff, most of whom were field agents, and the closing of CARE's sub-office in Kévé. The Mission Tové sub-office was maintained by a skeleton staff, which would remain to test the new rice tillage technology on the perimeter and to complete the agricultural demonstrations on composting and alley cropping. Although individual GPAs no longer received direct project assistance, TRIPS continued to support producer groups in the area through UGAZA (Union des Groupements Agricoles du Zio et de l'Avé), the GPAs' umbrella organization which became one of the project's privileged clients.

(4) Monitoring and evaluation system

CARE's new work plan also detailed revisions in its monitoring and evaluation (M&E) system. Specific objectively verifiable indicators were established and M&E strategies designed for each activity scheduled during the remainder of the project. CARE's M&E Unit was to play a larger role in planning specific interventions with the SEAD and Training Units, utilizing information gathered from past activities.

(5) Budget and structure

The reorientation of the project's strategy and activities brought a commensurate change in its budget and its structure. Due primarily to CARE's withdrawal from the Zio region, project funding was reduced by approximately \$325,000 to a total level of just under \$5,000,000. In terms of the project structure, the most significant change was the elimination of the Group Promotion Unit, some of whose members were incorporated into the SEAD and Training Units. The SEAD Unit was divided into three sub-units, whose heads were given much autonomy: technology (treadle pump, hydro-tiller), financial intermediation, and agricultural extension (the green bean operation and the phaseout activities in the Zio). Its coordinator, the last senior staff holdover from the first half of the project, was replaced at this time by an agricultural economist, who was to work closely with the RTA/SEAD. The Training Unit underwent no structural changes.

V. PROJECT ACTIVITIES AND ACCOMPLISHMENTS: 1992-93

A. Small Economic Activity Development (SEAD) Unit

The SEAD Unit was strongly reinforced by the addition of two assistants, who had joined CARE in mid-1991 after successful stints on the project as consultants, and the presence of the RTA/SEAD.

(1) SEAD sub-sector activities

In September, 1991, the SEAD staff, under the supervision of the RTA, conducted the selection process for the sub-sectors to be examined. Within the framework of the project paper and the evaluation, the SEAD Unit drew up a sub-sector shortlist on the basis of a study by a local consultant on potential small enterprise interventions, the report of the consultant involved with the GEMINI project, and the inputs of the individual members of the team. Then, the staff systematically rated each sub-sector -- using the criteria of profitability, risk, the number of beneficiaries, the possibilities for expansion, the capacity of the SEAD unit, and the need for consultants -- in order to determine which sub-sectors should be analyzed.

(a) Vegetable gardening

The analysis of the vegetable gardening sub-sector pointed to three major constraints: an inadequate market (small local markets and limited export opportunities), the lack of appropriate technical knowledge, and inefficient farming practices, especially labor intensive irrigation methods. TRIPS focused its efforts on addressing these constraints.

(i) Green bean operation

CARE's assistance to PROMAD, a small export firm, and to green bean growers linked with its European market addressed these three constraints simultaneously. Upon the request of PROMAD and the CFD, which loaned the enterprise about \$80,000, CARE provided, from December, 1991 to April, 1993, agricultural extension services to over 400 farmers on the Danyi Plateau involved in this contract farming scheme. In the course of this work, CARE also promoted the use of the new treadle pump technology.

This activity, with its enormous growth potential, responded to the evaluation recommendation, but was, by its very nature, high-risk. Nevertheless, the TRIPS final evaluation determined that the "economic impact appears to justify the financial efforts of assisting an inexperienced entrepreneur in the start-up phase".

In fact, PROMAD encountered serious difficulties during its first season (November, 1991 - April, 1992) and was unable to meet its loan installments. In light of the problems of collecting, transporting and processing (sorting and packing) the harvest, and in the supply of inputs, the need for reorganization was clear. A project-sponsored visit to Burkina Faso, which has had a large-scale green bean operation for years, was instrumental in guiding the entrepreneur in this process.

During the recently-completed season (October, 1992 - April, 1993), CARE increased the commitment of project resources at a critical stage of the operation by reinforcing its extension team, from four to five members, and by assigning a vehicle full-time to the Plateau, which assisted the entrepreneur in gathering produce. (The entrepreneur's two trucks had broken down and, because of the strike, could not be repaired.)

Although PROMAD has not made a profit this season, it has been successful in the context of the current political situation in that it has greatly improved its prospects for survival. Production and exports have increased and PROMAD has identified an important new market which will complement its present one. PROMAD appears to be "over the hump" and actually intends to expand its operation next season to other areas of the country. It has already officially requested -- to CARE, the GOT, and interested donors -- CARE's assistance to do so. In the words of the TRIPS final evaluation, "the operation has an excellent chance of continuing and of obtaining improved results next year which will enable it to make a net profit".

As for the participating farmers, the current season has been profitable, thanks in part to an increase in average yields, through CARE's assistance, from 1.8 to 4.5 tons per hectare between the first and second seasons. A significant indication of the operation's success from the farmers' standpoint is that several villages unaffiliated with PROMAD have petitioned the entrepreneur to join the project. In addition, thanks to TRIPS, the farmers' village-level groups, which had existed prior to the project's arrival but which had been ineffectual, have made great strides. Despite this promising beginning, it is premature to say that the groups, or their umbrella association, have become sustainable.

(ii) Treadle pump (PEDALO)

In response to the irrigation constraint for small-scale vegetable gardeners, CARE promoted an improved, cost-effective technology, a new type of treadle pump. Dubbed "PEDALO" in Togo, the pump, whose cost is approximately \$150, is based on a model sold to 300,000 farmers in Bangladesh and to several hundred in Senegal. The target areas for the dissemination of the pump were the main production centers in the country: the Maritime Region's coastal strip, where gardeners produce for the nearby Lomé market, and the Plateaux Region, including Danyi, site of the green bean operation.

The SEAD technology sub-unit conducted the pump intervention. Headed by an SEAD assistant, staffed by two technology promotion agents and a technician, and reinforced for six months by an expatriate technology consultant, the sub-unit enjoyed great autonomy in both logistical and programmatic terms. A manufacturer (FAMEZIO) was identified and trained by the consultant and was assisted by CARE in production start-up. The first pump was manufactured and tested in the off-season (April-May, 1992) and a marketing strategy based on widespread demonstrations was put into practice in July, 1992, prior to the approaching season.

As of mid-November, the beginning of the strike, 67 units, out of a target of 100, had been sold. Farmers were satisfied with the product and reported savings of one to two hours in drawing water. In some cases, this enabled farmers to increase the area under cultivation, leading to greater earnings. Nevertheless, by the end of March, 1993, sales had increased to only 76. The cause and effect was apparent: the strike had obliged the Togolese to use their precious savings and to avoid investments of this sort.

The TRIPS final evaluation criticized the PEDALO intervention because of CARE's preponderant role in the marketing process, to the detriment of FAMEZIO. While this criticism is undoubtedly justified to a certain extent, CARE maintains high hopes for the sustainability of the operation for the following reasons: the pump manufacturer is very dynamic and has already displayed several encouraging marketing initiatives, the quality of the product is superb, and FAMEZIO is in the process of upgrading its workshop, which will increase profits, with a CFD loan.

(b) Sectors of non-intervention

The SEAD Unit also conducted sub-sector analyses on weaning flour and on potatoes. Because of its perceived potential, weaning flour was the first sub-sector analyzed by CARE. However, intervention in the sub-sector was rejected on account of the grave health risks to infants in the likely event of unsafe imitations.

Project management gave serious consideration to supporting Togo's fledgling potato industry, but in the end refrained from doing so because it was unable to identify a means of intervening effectively to address the marketing constraint highlighted in the study (March-April, 1992).

(2) Credit and financial intermediation

The second part of the new SEAD strategy was financial intermediation, brokering credit for small enterprises (which support agricultural production) identified through the sub-sector process or independently.

CARE and the CFD began their collaboration in November, 1991 on the green bean operation. In February, 1992, the CFD furthered

this relationship by seeking CARE's assistance on a \$60,000 loan application from a project-assisted GPA for a tractor purchase. It was subsequently decided to formalize this collaboration with an agreement. Although the agreement was not actually signed until December 15, 1992, the two institutions collaborated on an informal basis as early as August.

CARE's RTA was instrumental in assisting the project staff to play the role of a credit broker effectively. First he established a written framework for the preparation and analysis of loan applications. Then, he prepared a computer program for the crucial section on financial analysis and trained the head of the SEAD financial intermediation sub-unit in its use. This time-saving program, subsequently adapted by a UNDP credit project in Lesotho and a private bank in South Africa, is a powerful tool for analyzing the potential viability of a small enterprise.

In the course of the project, CARE submitted to the CFD two loan applications, totally about \$36,000, for NOCAT, which makes the ceramic liner for the ASUTO stove, and FAMEZIO, the treadle pump manufacturer. Both of the loans were readily approved. Nonetheless, the project fell well short of its target: CFD approval for ten loan applications (totalling \$200,000) prepared or reviewed by CARE. However, there were strong mitigating factors. First, this intervention was particularly hard-hit by the ongoing political turmoil, which disastrously affected activities as early as mid-November, 1992, more than ten months before the scheduled PACD. Secondly, during the start-up phase of the activity, the project underwent a lengthy process of establishing a system to analyze loan applications. Once this had been completed, the project could have been expected to process at least two applications per month. Thus, while it cannot be stated with certainty that the project would have reached its target had TRIPS continued through September, 1993, it is fair to say that the project would, at the very least, have been very close.

The premature end of TRIPS has brought this collaboration to a halt. However, at the CFD's request, CARE submitted a proposal to it for funding for the continuation of the current financial intermediation services, a clear indication of its interest in the collaboration. Although CFD headquarters did not approve the funding request, the two institutions are continuing their search for potential donors locally and CARE is examining the possibility of funding the activity temporarily. In short, there is a strong likelihood that this activity will continue, which is perhaps the ultimate indication of its success.

(3) Holdover activities from the first half of the project

(a) ASUTO

ASUTO, the local version of an improved charcoal stove with a ceramic liner promoted by CARE in many countries, was

introduced by METALLO, a Lomé-based metalworking firm. Endowed with a monopoly on the product, METALLO received extensive technical assistance from CARE and established a distribution network in Lomé. Although it had surpassed the break-even point with ASUTO, sales lagged well behind the target of 300 units per month and a project-funded advertising campaign was launched in late 1991. In the midst of the campaign, the technology consultant observed major quality control problems with the ceramic liner, whose production had been sub-contracted, and the project decided to confer this critical aspect to another firm: NOCAT, a pottery. At the same time, it was becoming increasingly obvious that ASUTO's disappointing results stemmed equally from METALLO's poor management and/or disinterest.

In October, 1992, the project decided to terminate support to METALLO and to assist NOCAT, which was genuinely interested in the product and which had dynamic leadership, in producing the stove. (The production of the metal cage was sub-contracted to FAMEZIO.) In December, 1992, NOCAT obtained a loan from the CFD for the purchase of a vehicle, with a view towards the Cotonou market, and the construction of a new kiln, for which the RTA subsequently provided technical assistance. Shortly thereafter, NOCAT and CARE jointly explored the promising Cotonou market. (METALLO too has recently undertaken marketing initiatives there.)

CARE is very optimistic about NOCAT's sustainability, but cannot make any claims in this regard at this early stage.

(b) The hydrotiller

Pursuant to the recommendation in the RTA's aforementioned study on rototiller operations in the Zio, project management decided to test the hydrotiller, an alternative technology developed by the International Rice Research Institute. Beginning in March, 1992, the hydrotiller was tested by the technology consultant over a six-month period vis-à-vis the Yanmar tiller, the Japanese machine introduced by the project to the perimeter. Test results conclusively proved that the hydrotiller was far superior to the Yanmar under most conditions. Its multiple advantages can be summarized as follows: it does not get stuck in mud or deep water (because of its system of flotation tanks), it is two and a half times faster than the Yanmar, and its purchase price and maintenance and fuel costs are about half those of the Yanmar. Its main drawback is that it has no wheels; thus, it must be transported to the fields and it cannot transport rice from them.

The project ordered ten machines which it intended to sell, possibly with a CFD loan, to producer groups or entrepreneurs in the Zio and in other perimeters which the SEAD staff had visited. Scheduled to arrive in late November, 1992, the hydrotillers were diverted en route to Lomé because of the port's closure. With the subsequent shutdown of the project, AID and CARE sought to locate an alternate destination for the machines. ATI's USAID-funded Technology Transfer Project in Senegal seemed to be the most appropriate project in which the machines could best be put to use.

21

B. Training Unit (TU)

During the period from 1992 to 1993, the TU conducted three kinds of activities: training client organizations, strengthening the TU's capacity, and developing training manuals.

(1) Training client organizations

(a) Intermediate organizations

CARE collaborated with four intermediate organizations. The modules offered to them included situational analyses and feasibility studies, management and monitoring of income-generating activities, organizational development, training of trainers, and technical training.

Client	Nature of client	Type of training	Training time frame	Results
IRCOD/ Social Affairs in Central Region	Intl. NGO & Ministry of Social Affairs & Women's Promotion	Situational analysis & feasibility studies	1 week- long session in March, 1992	3 of 8 micro- projects reviewed during follow-up were deemed feasible; IRCOD requested training for its staff
DRDR/ Central Region	Ministry of Rural Develop- ment	Situational analysis & feasibility studies	1 week- long session in June, 1992	follow-up session, scheduled for Nov., 1992, was not held; DRDR requested CARE's assistance in reviewing its ongoing micro- projects
FED/ Bassar	Ministry of Rural Develop- ment	Technical training in rice cultivation (long-term technical assistance)	July, 1992 - March, 1993	FED/Bassar considers hiring CARE rice expert after PACD; yields increased despite light & late rains
SOTOCO	Cotton para- statal	Training of trainers; financial mgt. of a fumigable warehouse	2 week- long sessions in March- April, 1992	Unknown. CARE later ended collaboration since SOTOCO did not facilitate follow-up.

Two other intermediate organizations, the Departments of Women's Promotion (Condition Féminine) and Cooperation, Mutuels, and Credit (DCMC) sought CARE's assistance. In the first case, a needs assessment was conducted. However, no training took place since the client had not yet secured donor funding for it. In the second case, a needs assessment was scheduled for late November, 1992, but did not materialize because of the strike.

(b) Associations and NGOs

CARE collaborated with six associations and NGOs. It offered to these clients a combination of management and technical training.

Organization	Type of organ.	Type of training	Time frame	Results of training
APGA (Association for the Promotion of Ag. Groups)	Association of producer groups	technical, financial, & general management training in vegetable gardening	3 week-long sessions between March & July, 1992	participants later trained colleagues; some groups increased yields or cultivated surface area; impact on incomes not yet available
Don Bosco	Intl. NGO	Training of trainers; financial management	2 week-long sessions in June & Oct., 1992	Don Bosco revised its curriculum for apprentices; unknown since follow-up, scheduled for Dec., 1992, did not occur
CEPUMAC	Local NGO	Organizational development	1 3-day session in June, 1992	Board of Dir. put CARE recommendations into practice; SYNORSUD, consortium of CEPUMAC & 5 local NGOs, requested assistance in developing training program
UCJG (Young People's Christian Union)	Local NGO	Situational analysis & feasibility studies	1 week-long session in Sept., 1992	Follow-up, scheduled for Dec., 1992, was not held. Informal reports of positive impact.

13

FONGTO (Federation of NGOs in Togo)	NGO umbrella organization	Situational analysis & feasibility studies	1 week-long session in June of 1992	No follow-up as CARE awaited formulation of micro-projects by individual NGOs; 3 member organ. sought CARE's training assistance
UGAZA (Union of Ag. Groups in the Zio & Avé)	Association of 31 producer groups	Feasibility studies on proposed micro-projects; negotiation training	Dec., 1992 - Apr., 1993	UGAZA gets \$6,000 matching grant (3:1) to launch grain marketing activity

(2) Strengthening the TU's capacity

A twelve-day seminar, whose goal was to gain a better understanding of basic financial management, was held for CARE's trainers in July, 1992. Needs assessments had shown that this subject was in high demand among client institutions, but CARE's staff was not well prepared to deliver a high quality module on it. A training of trainers seminar conducted by a Senegalese consulting firm was organized for the four members of the TU. (A new staff member, with a management degree and extensive experience in micro-enterprise management training, was added just before the seminar.)

(3) Developing training materials

Training manuals were developed on the following themes:

- financial analysis of projects;
- financial management for carpenters;
- financial management for vegetable gardening;
- administrative management for (producer) groups; and
- technical analysis for breeding small ruminants.

C. Group Promotion (GP) Unit

CARE's withdrawal from the Zio and its support of UGAZA were the major activities of the GP component. The remaining ones were mostly subsumed by the SEAD and Training Units (the hydrotiller and UGAZA, respectively).

(1) Withdrawal from the Zio

A phased withdrawal was begun in March, 1992 upon the completion of the GPAs' work plans for the coming growing season. As for the turnover, GOT officials sensibly decided not to try to duplicate CARE's operation in the Zio. Obligated to scale back its activities, the Ministry of Rural Development is pursuing a policy of "withdrawal" and, at the same time, "responsabilisation" of the

farmers (rendering them responsible). The Regional Director for Rural Development indicated that his department would give priority to UGAZA, which represents the best means for attaining this goal.

The TRIPS facilities in the Zio, the sub-office in Mission Tové and two warehouses on loan from the government, will be turned over to the GOT in May, 1993, upon the signature of the Project Implementation Letter by the three partners.

(2) UGAZA

Founded in March, 1991 at the initiative of the 31 GPAs and representing over 800 members, UGAZA provides a means for CARE to continue its support of the GPAs in the Zio in a more cost-effective way. Until recently, UGAZA had not yet fulfilled its original goal of helping its members to market their produce. In September-October, 1992, members of UGAZA's executive committee along with the GP and Training Units, conducted an extensive marketing study to determine which crop(s) had the greatest immediate potential for UGAZA's members to produce and market successfully. In December, 1992, the TU examined the feasibility of UGAZA's proposed grain marketing initiative, using the SEAD Unit's computerized program of financial analysis, and determined that it was in fact promising.

CARE originally intended to provide UGAZA with a loan to help launch this initiative. However, with the project shutdown, this was no longer feasible, so CARE, with the approval of AID and the GOT, made a 3:1 matching grant of \$6,000 to UGAZA in April, 1993. The project staff is confident that this recent collaboration has substantially increased the management capacity of UGAZA and has helped to prepare it for the post-project phase.

(3) The rototiller situation

In November, 1992, with the impending arrival of the hydrotillers, CARE repossessed all the remaining Yanmar tillers on the perimeter because of loan default, pursuant to the terms of the contract. However, the non-arrival of the hydrotillers created new problems: a void of mechanized tillage services on the perimeter and threats of looting from disgruntled former rototiller owners. Eventually, the GOT sold a new rototiller, procured by TRIPS, to each of the three GPAs involved in rice production for \$2,000. It is unclear whether this stopgap measure will defuse the situation.

25