



PD-ABP-797

Catholic Relief Services  
Small Enterprise Development  
Matching Grant Program

## ANNUAL REPORT-GRANT YEAR III



In Fulfillment of  
AID/FVA/PVC Grant  
OTR-0158-A-00-8240-00

*Photo:* Members of the Village Bank of Da'ara Chisse rejoice in their first loans of \$75 each. Despite months of drought, this Senegalese village bank has operated in the Sahel for two years with a 100% repayment rate.

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## EXECUTIVE SUMMARY

On 30 August 1988, AID signed into effect the CRS Small Enterprise Development (SED) Matching Grant Program. The Grant is centrally funded through the AID/FVA/PVC Office and is valued at \$5 million (\$2.12M AID and \$2.88M CRS). The purpose of the program is to build CRS' institutional capacity in small enterprise through the establishment of an SED Technical Unit (SED TU) at CRS headquarters and the implementation of SED pilot programs in Bolivia, Peru, Thailand, Togo and Senegal. The program is to be implemented over five years.

three years of implementation, CRS has made significant progress in testing and developing a theory and methodology for an approach to SED which is in keeping with the agency's emphasis on participation and local institution building. The approach focuses on strengthening the community organization of the self-employed poor as a key to helping them unlock their individual socioeconomic potential. In the grant methodology, CRS assists "people's organizations" (representing the poor) by strengthening those local "NGO intermediary organizations" that empower the poor to design, organize and manage their own service delivery systems.

The SED pilot programs are yielding good results because the people feel ownership in the program organizations, regulations and management systems. During the grant, 4,968 loans have been made thus far to 2,274 borrowers with an average on time repayment of 98%. Management and technological training is reaching 500 participants. Preliminary impact analysis indicates the programs are increasing the income, self-confidence, savings and health of participating families.

The pilot programs are also beginning to see a rapid growth in local institutional capacity. From Grant Year II to Grant Year III, the number of participating people's organizations and NGO intermediary organizations has increased from 25 to 52 and from 9 to 11 respectively. During this period, the total dollar value of loans which these institutions processed increased 430%. Since many of the institutions never managed credit prior to the grant, this growth represents a substantial increase in institutional capacity.

Each pilot program is also facing major challenges. CRS/Peru is implementing its SED Pilot Program in an increasingly dangerous operating environment. CRS/Thailand must develop a strategy for graduating village banks which have now matured in their program. CRS/Togo is having difficulty moving beyond the one institution participating in its program. Although CRS/Senegal's village banks are still demonstrating 100% repayment rates, the participating villages are experiencing severe drought. CRS/Bolivia must move beyond the testing stage of its methodologies and take them to scale.

In Grant Year III, SED TU outreach services to countries outside of the pilot programs substantially increased. This was a result of growing collaboration between

SED TU and the regional offices in strengthening SED capacity. SED TU trained over 71 CRS staff this year. It has also organized 122 days of technical assistance for countries outside of the pilot programs. Finally, SED TU has processed 285 orders from CRS field offices for SED information publications. The demand for SED TU services is, however, outstripping its current manpower. At times, this has led to difficulties in producing documentation in a timely manner.

In Grant Year IV, SED TU will continue to work with the regional offices to extend SED technical capacity in the agency through a global network of CRS national staff. In this year, CRS will also consider submitting a proposal for a sequel matching grant program and expanding the manpower of SED TU.

Estimated expenditures for Grant Year III total \$1,409,654 or 87% of the budget for this period. Expenditures from 1 September 1988 through 31 May 1991 totaled \$1,876,624. Budget projections for Grant Year IV total \$1,380,257. In the remaining two years of the Program, CRS expects to be able to program all of the matching grant financial resources.

As for future trends, CRS has now developed a proven "know-how" in both poverty lending and micro-enterprise development. Although micro-enterprise development with poor business people and CRS will always support it, poverty lending holds more promise for CRS because it focuses on the poorest of the poor or the traditional recipients of CRS food programs. CRS is also finding that its poverty lending programs tend to reach more people and have greater possibilities for financial sustainability than its micro-enterprise programs. Moreover, CRS is now one of the few PVOs with a proven track record in poverty lending and it is an area in which CRS may be able to develop a comparative expertise.

The following report first discusses the institutional context within which the grant is being implemented and the underlying program methodology and principles. The report then provides a comparative analysis of pilot program performance, a review of the operations of the SED Technical Unit at headquarters and a discussion of the monitoring and evaluations systems. The report closes with an operation plan for Grant Year IV and a financial analysis. Detailed reports for each of the pilot programs are included in addendum to this document.

## I. BACKGROUND

As this century closes, the rapidly changing global environment poses fundamental challenges to the values and working modes of International PVOs. The inability of governments around the world to cope with the growing scope of dehumanizing poverty, environmental degradation, and deeply stressed social structures places pressures on voluntary organizational networks to fill the gaps like never before.

Having a 40 year history in Third World assistance, CRS has sought like many US PVOs to keep pace with evolving local needs and development technologies. The dictates of a PVO's technical capability and resource base often define, however, the limits of its capacity to be responsive to such changes. Indeed, many US PVOs are facing the prospects of being left with systems and infrastructure which are increasingly anachronistic in the context of changing global needs. The issue then that CRS and other US PVOs face is reassessing their role in light of the evolving world order and retooling their organizational capability accordingly. It is in this context of institutional debate that CRS has implemented the SED Matching Grant Program.

At first glance, the SED Matching Grant may seem to be at odds with many of the organizational trends within CRS. CRS is shying away from a sectorally oriented project approach to development which seeks to compartmentalize poverty eradication methods into neat technical categories: SED, MCH, Child Survival, Environment Resource Management, et.al. There is general consensus in the agency that the organization of the poor is the key to overcoming the obstacles to their growth and hence local institutional development has emerged as the gravitating force in CRS programming.

CRS is, moreover, circumspect about the global infrastructure of expatriate professionals characteristic of some development agencies because these systems can be expensive and undermine local organizational initiative. Hence, CRS centers its focus on not only strengthening the organization of the poor, but in enhancing the capability of local institutional intermediaries and professionals to facilitate the process.

A priori, the SED Matching Grant's emphasis on the development of an in-house technical capability in small enterprise promotion seems to contradict such trends: the program is sectorally focused and is developing a technical assistance role for CRS in addition to that of the local institutional intermediaries.

In keeping with the larger trends within CRS, the SED Matching Grant team has thus sought to implement a programmatic approach to SED which goes beyond sectoral development and centers on strengthening the organizational networks of the self-employed poor. At the same time, the team has attempted to increase awareness within CRS about how an internal technical assistance capability can help the agency realize its larger aspirations in institution building. Indeed, the team has argued that regular analysis of the technical content and impact of projects can help CRS cumulate its project activities into solid building blocks towards the agency's larger purpose. The SED team

has advocated that such analysis can help CRS consolidate disaggregated project portfolios and develop a technical design for its programs with the scope, duration and higher levels of organizational systems to achieve long-term institutional sustainability.

The SED Matching Grant is now only in its fourth year of implementation. Although many in CRS believe that the approach of the SED Matching Grant Program holds some promise for the future of CRS programming, it is still too early for the agency to make definitive conclusions. As the grant progresses, the SED matching grant team must continue to analyze the results of the pilot programs and demonstrate that the methodologies which they are yielding are in keeping with CRS' long-term development agenda. What follows is a look at the matching grant program methodology and how it is evolving.

## **II. PROGRAM METHODOLOGY**

After reviewing lessons learned from the global micro-enterprise model, CRS developed a set of design standards for high performance programming (HPP) in SED prior to beginning grant implementation. CRS applied these standards in the design of the matching grant pilot programs.

The purpose of HPP design standards is to improve the level of participation, scale, sustainability and impact in SED projects. These standards flow from a development theory which the SED Technical Unit has sought to articulate progressively during the grant. In developing its theory, SEDTU has drawn on the lessons learned from the pilot programs as well as from the work in institution building emerging in the field particularly in the Africa region.

What follows is a discussion of CRS' HPP design standards (underscored) and the theory in which they are grounded. The discussion is organized around the assumptions underlying CRS' SED intervention at the levels of the participant, people's organization, intermediary institution and CRS itself. A summary of the HPP standards is provided at the end of this section in Box 2.

### **II.A. Participant**

Most poor families in the developing world rarely earn stable salaried wages. The most common way that they earn their livelihood is through a variety of precarious self-employment schemes. The multitude of these activities, no matter how modest, collectively constitutes a potential engine for decentralized growth. CRS has progressively realized that providing the self-employed poor with services to expand and strengthen the viability of these activities can serve as a long-term solution to reinforcing the economic security of their families and communities.

In its SED HPP methodology, CRS thus seeks to develop programs which use an incremental or "step by step" approach in helping participants gradually build their self-confidence, skills and asset base. This approach helps to promote an impact that endures. For example, loan sizes start small and increase with the borrower's

performance and experience. Business skills and technology training is gaged to the level of need.

In its SED programs, CRS is thus moving away from one-shot development interventions which have little impact on the long-term economic security of the family. At the same time, its SED interventions do not seek to transform the activities of a village market woman into large scale enterprise overnight. CRS' SED programs only offer a "starter" system which provides the poor with a ticket to greater participation in a free market economy.

## **II.B. Institutional Levels**

The poor cannot easily overcome obstacles to their economic growth alone. Establishing organizational discipline in their communities is a key to unlocking their individual socioeconomic potential. Such organization can allow the poor to leverage their access to resources and build the asset base of their own families. In CRS' HPP SED methodology, participants are encouraged to draw on the increases in their new skills and in the economic security of their families in order to strengthen the management capability and asset base of their community organizations. This allows the community to move towards greater economic independence from outside subsidies.

These organizations of the poor we will refer to as people's organizations. They could include associations of women, villagers, urban neighbors, tradesmen, street vendors, farmers, fishermen, parishioners, youth and others.

People's organizations are comprised of the poor themselves and are directed by their elected representatives. People's organizations may be managed by members or by professionals whom the membership appoints. They are thus to be distinguished from development intermediary organizations which are managed by professionals who are not directly accountable to the poor.

In CRS' HPP SED methodology, the role of the local NGO intermediary organization is one of developing the capacity of people's organizations and not one of managing their agenda for them. CRS' role is catalyzing the development of both people's organizations and intermediaries through institutional networking, technical assistance and program financing. The theory behind the role of each of these institutional actors is discussed below. A summary of institutional definitions is provided in Box 1. The text will make reference to the variety of CRS partners using their acronyms. See Appendix B for a profile of participating partners and how they fit into the SED institutional typology.

**Institutional Mapping: a CRS SED Typology of Local Organizations.**

**People's Organization:** a mutual benefit association organized and made up of poor people and directed by their elected representatives.

**Non-governmental Organization (NGO) Intermediary:** a private institution directed by professionals that provides services either directly to the poor or through people's organizations.

**Tier:** an organizational level within an institutional superstructure. *For example, a trade association is a first tier people's organization which provides services to its members and represents their interests; a trade federation is a second tier people's organization comprised of a number of trade associations; a trade confederation would be a third tier people's organization.*

**Box 1**

**II.B.1. People's Organizations**

Because achieving economies of scale is a key to success in a free market system, the small scale nature of the enterprise activities in which the poor engage makes it difficult for them to survive. People's organizations can serve as effective vehicles for allowing the self-employed poor to achieve economies of scale in gaining access to capital, technology, raw materials and markets. Here are a few examples from the SED pilot programs.

A Senegalese community credit association allows fifty families to organize and collectively borrow \$3000 from a financial intermediary. They will then divide the larger loan into smaller loans of \$60 each at a 30% interest rate instead of the 100% rate they normally pay the moneylender. Their mutual guarantee hedges the risk, and the size of the community loan makes it feasible for the financial intermediary to make the loan. A trade association operating in rural Togo pools resources to send a master blacksmith to Mali in order to learn techniques in the forging of durable shovels. He then transfers the technology to other members of his trade guild allowing the member blacksmiths to capture part of the shovel market in their local rural economy which had previously been dominated by European imports.

Savings mobilization is a second important tool for strengthening the organizations of the poor. CRS' HPP SED programs are structured to help participants break out of subsistence and to start generating an economic surplus part of which can be captured

in savings. The savings becomes the key through which the poor can embark on a staircase out of poverty and secure their economic future. At the family level, savings can be used to leverage more credit allowing the family to establish a cycle of economic growth and reinvestment. Collectively, the savings adds up to an insurance fund against natural and man-made calamities to which the poor are so susceptible. The people's organization can also use the savings as a guarantee with which they can leverage larger amounts of credit from commercial banks. Hence, people's organizations can offer the poor with a vehicle for collective capital formation and for leveraging outside capital resources thus making the capitalist system work for them too.

Developing the social services capability of people's organizations is another important component of CRS' HPP SED methodology. The economic mutual support structures of people's organizations create for the increases in community income, management capacity and capital liquidity which can allow them to undertake a collective social services agenda. Savings can be apportioned towards community funds for health, education, and infrastructure development. Since governments increasingly do not have sufficient resources to foot the bill for the swelling numbers of the poor, the social service needs of the poor may often have to be met largely through the mobilization of their own resources. CRS is only now considering introducing such techniques in the pilot programs, but examples of this approach to self-financing social services do exist within and outside of CRS.

Another important component of CRS' SED HPP programming is facilitating the development of "second and third tier" people's organizations. Second tier institutions, such as a village federation, typically represent a number of community level people's organizations. Such institutions can become building blocks in the development of higher organizational superstructures which allow hundreds of communities and thousands of participants to wield their collective economic and political strength in a region. These superstructures, such as an Indian village confederation (a third tier organization) which comprises 13 federations (second tier organizations) and 240 village associations (first tier organizations), can collectively achieve economies of scale, leverage resources and lobby local governments for their rights.

These superstructures of people's organizations best succeed when they evolve from the bottom-up. The hope that these superstructures offer is that they can provide the economic and organizational backbone to people's movements so that they can grow to a national scale. The SED Pilot Program in Senegal is working through such a village movement which is seeking to harness the economic energy of thousands of villagers across the country. Indeed, supporting people's movements on a national and international scale may be one way in which PVOs can facilitate developmental solutions which are commensurate with the magnitude of current global poverty.

#### II.B.2. Intermediaries

If we assume that it is through their own organization that the poor will be able to bring about the structural change necessary to their equitable growth, one might ask what institutions who work on their behalf presume their role to be in such a process.

Do NGO intermediary institutions provide palliative services to the poor simply to clean up the debris from inequitable socioeconomic structures? Do intermediaries seek to legitimize their roles to perpetuate their own institutions instead of devolving as much responsibility as possible to people's organizations?

Conversely, can NGO intermediaries be key actors in the strengthening of people's organizations and in the empowerment of their membership? In CRS' HPP SED methodology, the assumption is that the latter is possible if the programs of the NGO intermediaries are designed so that the people's organization has a major responsibility in the management of the delivery system. We find that not only does this allow for greater empowerment of the poor, but it creates for economic efficiencies which reinforce prospects for program sustainability. Indeed, an important component of CRS' HPP SED methodology is designing service delivery systems which are affordable to the poor and which they can financially sustain.

The empowerment occurs from allowing the people to make decisions about the types of services they need and how those services will be provided. This engenders a sense of ownership which makes the participants more willing to pay for the services and to be less reliant on outside subsidies. The economic efficiencies result from the ability of the NGO intermediary to delegate to the people's organizations the responsibility for direct implementation of services to individuals. Instead of tailoring its services to individuals, the NGOs can work with the management committees of people's organizations which in turn work with the individual members.

The NGO loan officer who was providing 40 individual loans now provides 10 larger loans to the management committees of 10 people's organizations each of which make loans to 50 individual members. By delegating some of the responsibilities to the people's organization, the officer is thus able to deliver 500 loans instead of just 40. Similarly, people's organizations reduce the overall management costs through their reliance on volunteer networks or modestly salaried para-professionals. The NGOs in turn redirect their current staff and resource capacity to service the needs of the people's organizations. As a result, the NGO intermediary is able to reach more people in a more sustainable way at a lower cost.

For example, FIE is a micro-enterprise credit institution in Bolivia which had struggled unsuccessfully for years to cover the costs of its program. Through the matching grant, they reoriented their delivery systems so that they delegate the responsibility for the management of individual loans to trade associations. In turn, their staff trains the management committees of trade associations. FIE has been able to now cover the costs of the program and increase the involvement of the participants.

Convincing NGO intermediaries of the advantages of such an approach, however, is not always easy. It brings the risks of allowing the people more responsibility for the results. NGOs are sometimes hesitant to take such risks and divest themselves of decision-making responsibilities.

### II.B.3. CRS

From this vision of what we are trying to achieve at the grassroots with the SED Matching Grant, we are able to work backwards along the organizational pipeline and identify what is required of CRS' internal systems to implement such an approach.

In High Performance SED Programming, CRS seeks to cumulate its lessons learned and know-how so that it can become a knowledgeable source for techniques in institutional development, a facilitator of local organizational linkages a catalyst for social change. This process is promoted in the SED Pilot programs by testing out small, defining what works, refining systems and methods into programming technologies, and expanding to reach large numbers and achieve economies of scale. This approach allows CRS to consolidate disaggregated project portfolios and increase its impact on local organizational systems.

The SED Technical Unit seeks to advocate for such an approach in CRS through a "micro" and "macro" strategy. The "micro" strategy focuses on the development of the five grant pilot programs as examples of high performance SED programming. The "macro" strategy focuses on extending this capacity to the institution as a whole. These strategies and their results are discussed further under the SED Pilot Programs and headquarters sections respectively.

## CRS Principles for High Performance Programing ("HPP") in Small Enterprise Development

### Participant

- \*Use an incremental or "step by step" approach in providing SED services that participants gradually build their self-confidence, skills and asset base
- \*Develop methods to help participants capture savings from increases in their income allowing the family to establish a cycle of economic growth and reinvestment

### People's Organizations

- \*Encourage participants to draw on the increases in their new skills and in the economic security of their families in order to strengthen the management capability and economic asset base of their community organization (people's organization)
- \*Assist people's organizations in building upon the increases in the community income, management capacity and capital liquidity which their mutual economic support structures bring so that they can also undertake a collective social services agenda
- \*Design programs that allow people's organizations to develop higher organizational superstructures which permit hundreds of communities and thousands of participants to wield their economic and political strength in a region

### NGO Intermediaries

- \*Support the programs of NGO Intermediaries that are designed so that people's organizations have a major responsibility in the management of the delivery system
- \*Structure service delivery systems so that they are affordable to the poor in order that they can financially sustain them over time

### CRS

- \*Test out small, define what works, refine systems and methods into programming technologies, and expand to reach large numbers and achieve economies of scale
- \*Manage programs so that CRS cumulates its lessons learned and know-how and becomes a knowledgeable source for techniques in institutional development, a facilitator of local organizational linkages a catalyst for social change

Box

### **III. REVIEW OF PROGRAM PROGRESS BY COUNTRY**

CRS is implementing SED Matching Grant pilot programs in five countries: Bolivia, Peru, Senegal, Thailand and Togo. CRS field offices and the SED Technical Unit designed these programs based on CRS' High Performance Programming (HPP) principles discussed above. The pilot programs serve as a laboratory system in which CRS can test and refine SED methodologies appropriate to CRS values. The "micro strategy" for the grant is to develop HPP SED pilot programs which can yield programming methodologies for wider application in the agency. The "macro strategy" is to disseminate the lessons learned to all CRS field offices.

The SED services which the pilot programs are developing include a variety of approaches to credit, savings mobilization, management training, marketing, technological retooling, raw materials acquisition, literacy training, and group organization. In addition, the pilot programs have developed services designed to improve the strategic planning, management capacity and cost-recovery structures of peoples organizations and NGO intermediaries.

This section provides a comparative overview of the pilot program performance. The discussion starts with a look at the outreach of the programs in terms of numbers of participants reached and organizations served. This is followed with a review of the services which the pilot programs are providing to the participants. The next discussion focuses on the methods the pilot programs are using to foster local institutional development. Finally, the section concludes with a summary of the overall pilot program performance relative to CRS' HPP principles.

Short progress reports for each of the pilot programs and their up-dated logframes can be found in Appendices A. Detailed discussions of each of the programs are provided in addendum to this report.

#### **III.A. Pilot Program Outreach**

The pilot programs are working through a variety of institutional networks to support participants who are undertaking a myriad of different self-employment activities.

##### **III.A.1. Individual Participation**

Year III of the Matching Grant marked a stage where the pilot programs rapidly expand their services and more than doubled the number of participants. Over 2,700 people, sixty-five percent of them women, were able to receive credit, training and technical assistance to strengthen their self-employment activities. (See Figure 1)

**Making A Living: Self-employment Themes Supported by  
the Matching Grant Program**

Masonry	Blacksmithing	Soldering
Tailoring	Sewing	Carpentry
Tanning	Sericulture	Fish Farming
Cattle Fattening	Seed Oil Production	Coffin Making
Gem Cutting	Watch Repair	Hair Dressing
Electronics Repair	Taxi Driving	Baking
Cash Cropping	Plumbing	Upholstering
Tile Laying	Shoe Making	Food Processing
Soap Production	Rick-Shaw Services	Auto Painting
Auto Repair	Farm Machine Repair	Petty Commerce

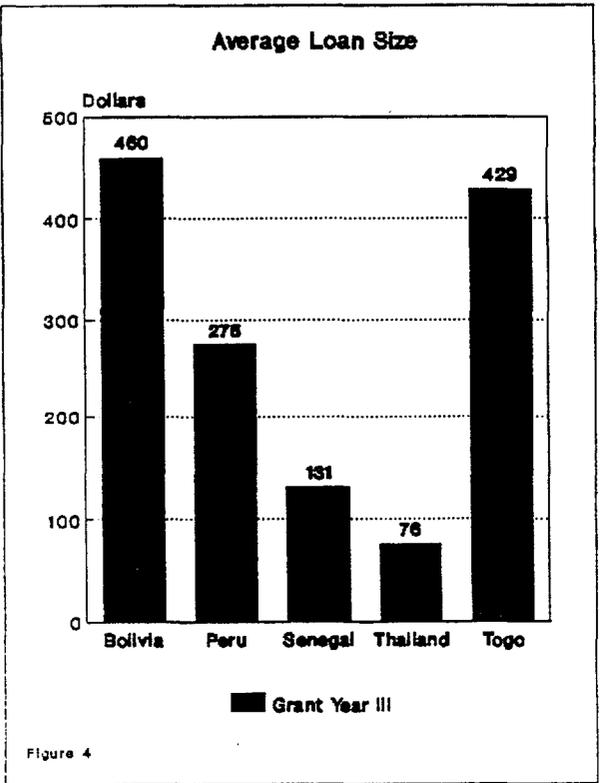
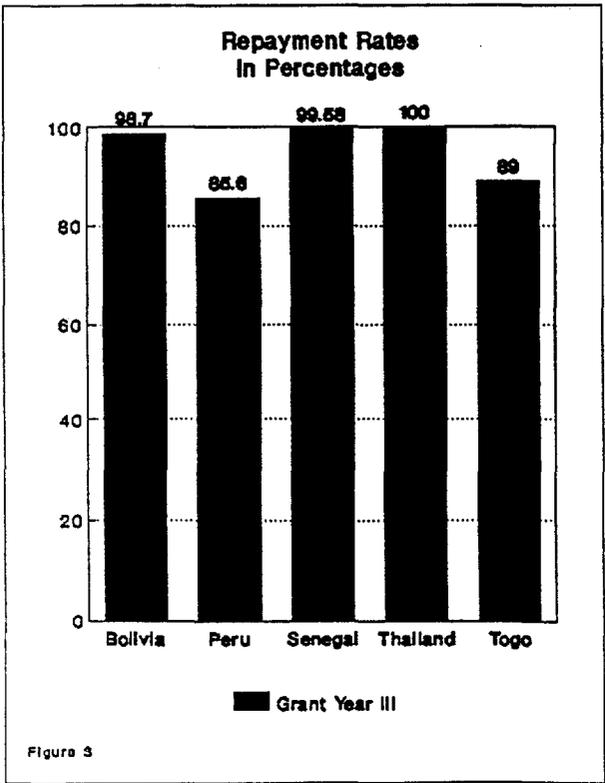
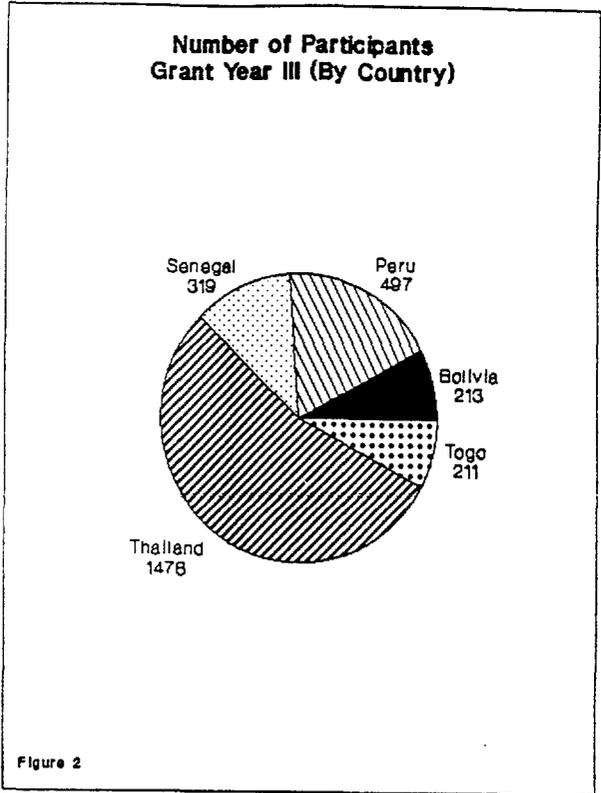
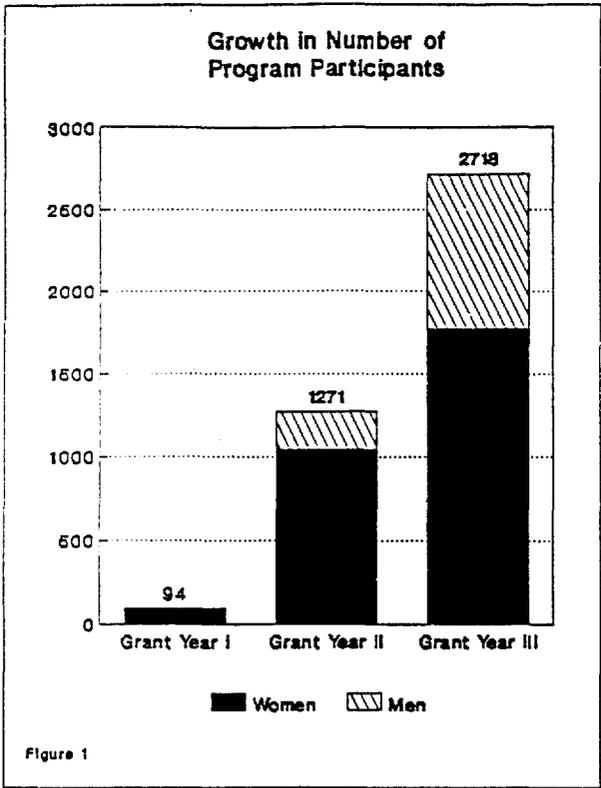
Box 3

The range of activities represented in Box 3 also gives an indication of the range in the economic levels of the participants in the program. The skills and capital which a village market woman needs are not as extensive as those which an auto mechanic needs. CRS works with both of these participants because they are both poor. The level of poverty of the village market women tends, however, to be much more severe. During the grant, CRS has thus evolved two methodologies for reaching these different levels: poverty lending and micro-enterprise development.

Poverty lending focuses on the poorest of the poor: these are often rural people, particularly women, who do not have stable salaried wages or much in the way of fixed assets and skills. CRS' village banking programs in Senegal and Thailand use this approach. They help villagers organize their own banks through which they can access a series of small self-help loans to undertake rapid turnover investments. These investments tend to be petty trading, cottage industry, animal fattening and other activities which do not take complex skills or much capital. Over 75% of matching grant participants fall into this category.

The remaining participants are supported through micro-enterprise programs which focus on entrepreneurs such as carpenters with a fixed asset base, special skills, employees, a reliable market and often a shop. Pilot programs in Bolivia, Peru, and Togo use this approach. In addition to credit for working capital, these programs also provide fixed asset loans, market assistance, management training and technological services.

While many in the PVO community believe that reaching the poorest of the poor would be more difficult than the more established micro-entrepreneurs, CRS has found that its poverty lending programs are less expensive, reach more people, attract greater



numbers of women and have better chances for financial sustainability than the micro-enterprise programs. The statistical performance of CRS/Senegal and CRS/Thailand credit portfolios relative to those of the other programs supports some of these conclusions. These two programs show a capacity to scale up their services the most rapidly to reach large numbers. CRS/Thailand's 1478 participants comprise half of the total number being served in the matching grant program. Having started a year late, CRS/Senegal will reach similarly large numbers at the beginning of Grant Year III. (See Figure 2) These two programs are also demonstrating the highest repayment rates. (See Figure 3). The average loan size of CRS/Senegal and CRS/Thailand is also markedly smaller than that of the other programs: this is an indication that they are reaching poorer participants. (See Figure 4).

CRS will maintain a commitment to both approaches. These statistics do not consider the relative overall employment generation of the two programs. Micro-enterprise development may have more of a "trickle down" impact than poverty lending creating more jobs. One measure of efficiency here would be the cost per job created. CRS' SED MIS cannot generate these statistics yet. Such data may reveal more about the advantages of micro-enterprise development. Poverty lending, however, offers many apparent advantages for CRS which will make it a promising methodology in the future of CRS programming.

### III.A.2. People's Organization

Almost all of the 58 people's organizations participating in the program are "first tier" organizations: they are working directly at the community level and are a part of the day to day life in the particular neighborhood or village where they operate. These people's organizations tend to be either trade associations in urban areas or village banks in rural areas. In urban areas, the self-employed poor can often most easily organize themselves around their trade or profession. In rural areas, the self-employed poor tend to organize themselves around their village community. The membership of these people's organizations vary from 16 to 930. Each has an elected leadership structure. Several of these organizations also have professional or para-professionals whom they pay from the revenues generated by their services.

In some cases, these people's organizations have sophisticated organizational structures and a strong asset base. The GIPATO Trade Association in Togo has a hierarchical decision-making structure, professional service staff and a sizable inventory of premises with offices, vehicles and an inventory of goods and equipment to support its services. In other cases the structures can be very simple. In Thailand, the village women elect a management committee for their village bank and meet in the tin-roofed village watt (Buddhist temple) twice a month.

In a few cases, these people's organizations establish "second tier" organizational structures which provide support services to the first tier people's organizations. CRS/Senegal's principal partner, for instance, is a federation of 30 village associations whose president, coordinator and support staff are responsible for organizing the village banks, training their members and handling the financial transfers to and from each

village at the end of a cycle. By working with the federation, CRS has been able to develop a low-cost program for introducing and replicating village banks which combines the efficiency of using a core team of people at the federation level with the empowerment of a decentralized and participatory decision-making structure.

### III.A.3. NGO Intermediaries

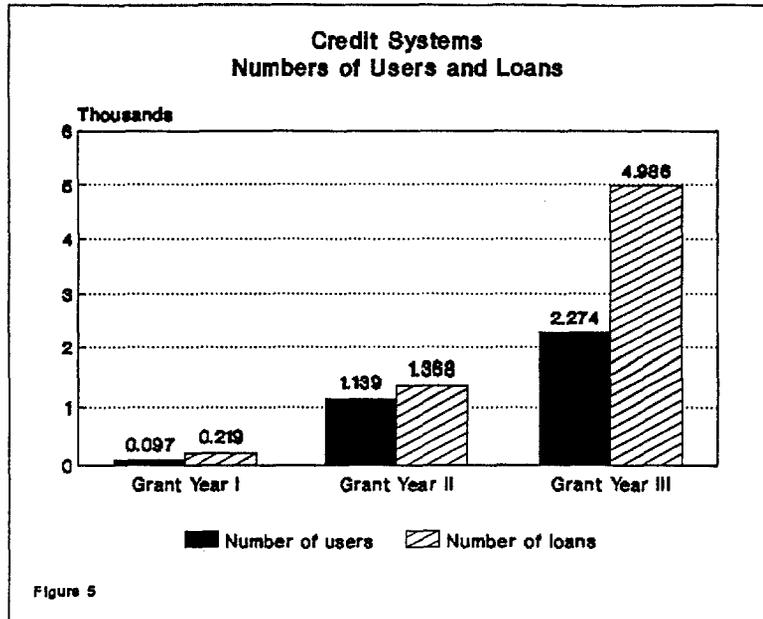
Where there are no second tier support structures, most of the people's organizations in the pilot programs are receiving support from local NGO development intermediaries. These intermediaries are privately owned foundations and institutions directed and staffed by experienced professionals who are nationals of the pilot country. The pilot system has developed a network of 11 NGO intermediary partners who assist the people's organizations in providing basic services to their members while reinforcing their management capacity so that they can assume more responsibility in the development of their communities over time.

DESCRIPTION	GY 1	GY 2	GY 3
# of Participants	94	1,271	2,718
% women	100%	82%	65%
People's Organizations			
1st tier	3	25	58
2nd tier	0	1	1
Non-Gov't Organizations			
1st tier NGOs	2	9	11
2nd tier working Groups	0	2	2

In the case of two of the pilot programs, Bolivia and Peru, the institutional system has evolved to an even higher level. Both of these pilots have developed a "second tier" organization for NGO intermediaries. This second tier organization is a working group of NGO intermediaries. It provides its members with a consultative forum in which they can share information, coordinate activities and interventions and apply their collective expertise to the improvement of each other's methodologies, systems and programs in order to better serve the communities with whom they work.

### III.B. Pilot Program Services

The change in the numbers of participants reached from 94 in Grant Year I to 2,718 in Grant Year III demonstrates the growth in institutional capacity to provide services. (See Figure 5) The expansion was the result of a rapid replication of the credit and savings systems in all five pilots, and the emergence of a strong non-financial services package in Peru which emphasizes training and technical assistance. The following section discusses pilot program services in credit, management training and technical training and reviews their performance in terms of scale, impact and sustainability.



### III.B.1. Credit and Savings

#### Scale

The number of borrowers in the credit and savings programs totaled 2,274. This service thus reached approximately 84% of all the participants in the pilot system. In Grant Year III, the number of loans grew by over 260%. The total value of loans increased by over 430%. About 3,600 loans were delivered from June of 1990 through May of 1991 for a total value of \$487,996. This brought the cumulative number of loans to 4,986 worth \$600,423 for the first three years of the SED Matching Grant.

Credit and Savings Systems (cumulative totals)

Description	GY 1	GY 2	GY 3
1. Number of users	97	1,139	2,274
2. Credit			
a. # of loans	219	1,368	4,986
b. ttl \$ value	5,348	112,427	600,423
c. avg loan size	58	82	120
d. repayment			
- on-time	100%	98%	98%
- in arrears	0%	2%	1.7%
- in default	0%	0%	.3%
3. Savings			
a. # of savers	97	1,165	2,090
b. ttl \$ value	1,750	21,408	71,792
c. avg savings/person	18	18	34
d. ratio of s/c*	33%	19%	12%

The village banking programs continued to lead the way in the number of participants, loans made and total loan value. This was despite the fact that the programs had the lowest average loan sizes.

Sustainability

With this increase in the volume and value of loan activities, the combined credit programs continued to register a very strong repayment performance with 97.87% of the capital being repayed on-time, 1.78% in arrears and .35% in default (default meaning more than two months overdue).

These high repayment rates have been one element of an emerging sustainability strategy that combines positive interest rates, reaching large numbers of borrowers and low cost structures. Most of the credit systems that are currently in place now have the potential for long-term sustainability.

The Senegal village banking program is farthest along. Its low-cost structure has allowed it to become operationally sustainable at the first and second tier people's organizational level. In one year, the program collected \$2,900 in interest which more than covered its \$2,160 in direct expenses at these levels.

Theoretically, the credit program with artisans in Togo has also reached operational self-sustainability. Revenues from interest exceeded program expenses at the

people's organization level by a two to one margin. The largest share of revenues, however, falls under the category of interest due (60%) versus interest paid (40%). This implies that the program is generating enough of a volume in loans to meet its expenses but is not recuperating enough of the interest from those loans to pay expenses in a timely fashion. A high arrears rate (11%) is the major culprit behind this problem.

CRS/Togo Credit & Savings Program Income Statement

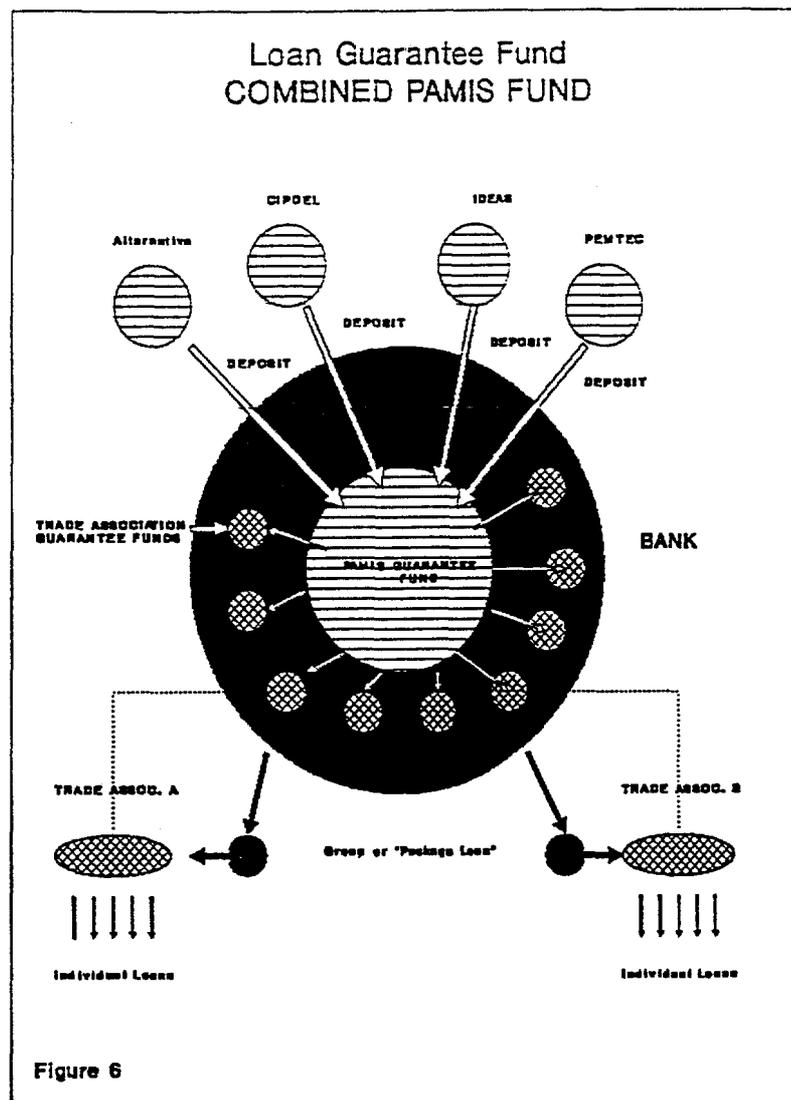
	GY III	% share
<b>Receipts</b>		
1. interest collected	\$ 1,468	39.7%
2. interest receivable	\$ 2,202	59.6%
3. other fees	\$ 27	0.7%
<b>Total Receipts</b>	<b>\$ 3,697</b>	<b>100.0%</b>
<b>Total Expenses</b>	<b>\$ 1,946</b>	<b>n/a</b>
<b>Net Revenues</b>	<b>\$ 1,751</b>	<b>n/a</b>

Unlike the African programs, the Thailand pilot program works with both people's organizations and NGOs. This more complex institutional network has the potential for reaching more people, but the added cost makes reaching operational sustainability more difficult. While the village banks are covering their costs at the village level, the NGOs are not fully meeting their operational expenses. This is because the program has underestimated the supervisory costs involved and underpriced their credit services with interest rates that are too low (10-12%). The NGOs are now in the process of developing more cost-conscious extension models, expanding their community bank portfolio and investigating the possibility of increasing their interest rates. This may allow them to achieve operational sustainability by the end of GY IV.

For Bolivia and Peru, the picture is less clear. Peru is faced with an operating environment which at best can be classified as "hostile". Although substantially improved from last year, inflation still averaged 120% per year. Effective rates for credit in the formal lending sector are now averaging 24% per month. With increasing costs and declining revenues, micro-entrepreneurs have had difficulty in meeting these kinds of obligations. This has led to the significant default rates in the Peru portfolio (14.4%). The prognosis, however, is that the financial climate will continue to improve. CRS/Peru has steadily increased the amount of resources it is devoting to credit. At the same time, it has sought to develop more effective methodologies that can help local trade associations develop sustainable programs over time.

The result is the development of a new, highly innovative credit methodology that combines the informal sector capital of the trade associations with the formal sector capital of Peruvian banks in a multi-tiered system of guarantee funds (See Figure 6). This system will mobilize the savings of local microentrepreneurs through their trade associations for deposit in local banks. The deposit will serve as a loan-loss reserve

against whatever amount the bank agrees to lend to the trade associations and their members. In addition, the four NGOs in the working group have agreed to pool their capital to create one large guarantee fund which will back lending to the trade associations until their savings reaches a sufficient size. Theoretically, it appears sustainable. It has, however, yet to become fully operational.



The CRS/Bolivia pilot program is testing a number of credit methodologies. It is now only beginning to consolidate lessons for wider replication. The small-scale and experimental nature of the tests have made it difficult to determine how sustainable the methodologies would be if they were applied on a wider-scale. This problem has been

compounded by the fact that both CRS/Bolivia and its partner NGOs lacked experience in cost-modeling and sensitivity analysis. Now that they have sufficiently explored the question of which methodologies are most effective, the NGOs are beginning to apply some of the findings on a larger scale.

For example, FIE is one participating partner which has developed a group lending methodology for trade associations through the tests. As a result, it has established a credit line that is reaching 630 micro-entrepreneurs through 21 trade associations all of which is backed by one loan officer. The methodology has allowed it to reshape its cost and revenue structure so that after years of trying, the institution now has an operationally sustainable credit line.

Despite the progress made in all the pilots, none is as yet positioned to fully guard against decapitalization (inflation), cover the real cost of capital (borrow money at real rates of interest to relend to NGOs and People's organizations in their system) or sustain an apex institution that could serve as a financial intermediary. In order to be able to become fully financially sustainable, they will have to restructure their interest rates substantially (particularly in Togo, Senegal and Thailand). This is an issue that the program will be addressing over the next two years.

### Impact

The impact of the credit and savings programs on the economic security of the participants seems to have been positive. Although most of the evidence is anecdotal at this stage, surveys from a series of internal evaluations indicate that the majority of the participants interviewed felt that the credit programs had contributed to an increase in their incomes. In Thailand, 97% of the villagers surveyed in two villages reported that their annual incomes had increased moderately from between \$40 to \$200 over the past year. In Bolivia, 16 enterprises which were systematically tracked over one year showed an average increase in real income of 8%. In Togo and Senegal, all of the participants interviewed felt that they had improved their incomes and pointed to their savings as a measure of that growth (\$92 per participant in Senegal and \$82 in Togo).

In addition to income gains at the individual level, several other economic benefits were also revealed through interviews with beneficiaries (See Box 4). In Senegal, villagers stated that the village banks had reduced their dependence on local moneylenders, reduced the level of seasonal outmigration during the dry season, reduced their vulnerability to droughts, reduced time spent by women on menial chores and increased the ability of villages to invest in minor infrastructural improvements. All five pilots were also reporting that people's organizations were beginning to use revenues from credit services to invest in fixed assets that could serve the community. This ranged from tools or machinery in trade associations to seed cereal banks or millet machines in local village banks.

**In Their Own Words: Senegalese Villagers on Village Banking**

**\*\*\*\* Impact on Village Life\*\*\*\***

"We are not dealing with moneylenders anymore."

"Women used to go to other villages to buy goods. This can take a long time, sometimes half a day. Now goods are available in the village and they don't have to walk as far."

"We don't have to pledge our agricultural tools to get a loan."

"I don't have many complaints. Actually, it has many advantages. It has reduced the consequences of the drought, everyone benefits because the money circulates in the village and the bank belongs to the village."

"Before, at around this time in the year, we would have to go and work in other people's fields to earn 1,000 francs to buy food. Now with the loan, we can invest it and earn at least that much to cover our needs."

"Before we worked during the rainy season and then stopped. We would eat what we had produced during the dry season. Now we work all year."

"It has raised hopes. My capital has doubled."

"I don't have to deal with moneylenders anymore, especially this year with the drought. I would have had to go to a money lender to borrow money to buy food."

"I used to carry everything on my head. Now I have a cart."

Box 4

Beyond the emerging economic impact of these types of credit programs, there is a social and political impact that is also taking place within the communities. The villagers surveyed in Thailand for instance, believed that the village bank had played a role in improving the nutrition and health of their families because they were now able to buy more food (including meat) and finance medical emergencies. In addition, 72% of the villagers surveyed reported that they had made home improvements since joining the bank ranging from buying a dish pan, to installing a new door, a new window or even a latrine. In Senegal, one village had been dominated by a powerful and corrupt headman for decades. They organized for the first time to strip him of his power when he stole the money from the village bank. People who never before had spoken out against this man, publicly reprimanded him for having deceived them. By bringing him before the police, they forced him to make good on what he owed, turned him out of office and organized a new management committee for the village bank.

Finally, the demand for credit services continued to outpace the capacity of the pilot systems to provide loans. Participating trade associations and village banks have been faced with pressures from people in neighboring areas to expand their membership and provide more loans. In Senegal for instance, the number of villages in the federation with which CRS is working grew from 13 to 30 and membership in these village associations doubled from 600 to 1,200. Surrounding villages fueled most of this growth with their petitions to expand the program. The program had previously only planned to reach 13 villages over the course of the grant.

### III.B.2. Management Training and Technological Retooling

#### Scale

In Grant Year III, the pilot programs expanded their training services. Nearly 500 people have now received training in bookkeeping, inventory management, marketing and several other subjects designed to improve their ability to manage their self employment activities. Peru and Togo also developed programs which incorporated technological retooling components designed to modernize the productive technologies used in many of these workshops and introduce new products which would be more competitive in both local and export markets.

Training at the Enterprise Level (# of participants)

Description	GY 1	GY 2	GY 3
Management Training	0	156	471
Technological Retooling	0	20	98
Total	0	176	569

### Sustainability

Despite these positive results, the technological retooling programs suffered from the same basic problems that are common to all SED training programs. They are relatively expensive and have failed to develop any sort of cost recovery system that could guarantee their financial self-sufficiency. The lack of viable cost-recovery strategies and affordable training programs is still a major frontier that has yet to be conquered by any of the pilot programs. In Year IV, there will be an increasing emphasis on the development of cost-recovery strategies in all of these programs that will hopefully enhance the sustainability of the services.

### Impact

The impact of the management training programs is difficult to determine. CRS/Peru has developed the most extensive program in this area. They noted that all of the businesses which had received training were still operating. This is no small feat for a country whose continued economic decline has seen thousands of businesses decapitalize and collapse. In the last two years, aggregate demand shrank by over 60% and production costs rose by over 400%. CRS/Peru even noted that some businesses which had received training had record increases in their profit margins (5%) because the training had allowed them to tap into more stable and lucrative export markets. For the other programs, the benefits are not so easily discernible. CRS/Bolivia has tested a management training program with several different kinds of target groups and noted that 90% of the participants have adopted the techniques in their workshops. Since the training was coupled with credit and technical assistance, it is difficult, however, to determine what its relative contribution was to the profitability of the business activity. The overall net effect of these services seems positive: the businesses participating in the program recorded steady increases in sales, fixed assets and employees. This indicates that a certain amount of growth is taking place.

In contrast, enterprises participating in the technological retooling programs have markedly increased their incomes. The majority of these cases can be linked directly to their participation in these training programs. Perhaps the best example of this is in the CRS/Togo Pilot Program where the introduction of eight new products on the local market has allowed the members of four guilds to increase sales and capture more profits. To date these new technologies have generated \$46,836 in new orders which have generated \$17,000 in profits for the artisans and their trade association.

### III.C. Pilot Program Approaches to Institutional Development

The dynamics of institutional development in the pilot programs are very much grounded in the local organizational environment. The local SED institutional capacity varies widely across all three continents. Bolivia is a country that has received extensive foreign aid and one whose government has taken a special interest in the informal sector. The local SED NGO intermediaries are thus very sophisticated. Accordingly, CRS focused its intervention on bringing NGO intermediaries together in a working group to

exchange their already highly developed know-how in SED. Conversely, Togo is a country which receives relatively little foreign aid and whose government has not given the informal sector much attention. As a result, SED is a rather new concept on the local scene and there are no local NGO intermediaries which have substantial SED experience. Hence, the pilot program here works directly with a second tier people's organization.

The lesson we have learned from this is the importance of "institutional mapping". The typology of institutions which is discussed in Section II of this report evolved from SEDTU's struggles to come to terms with the wide variance in the levels of people's organizations and NGO intermediaries with which it is working across the three continents. In each of the pilot programs, we found it very important to map out the organizational network through which pilot program services were to be provided. The network might be simple comprising a trade association which serves 20 trade guilds or it might be complex comprising a working group of SED NGO intermediaries which services trade associations which then service trade guilds.

In order to assist CRS offices in strengthening these organizational networks, SEDTU has learned that it must draw upon a variety of SED institutional development techniques ranging from methods for villager managed accounting systems to those for organizing a loan guarantee fund in a commercial banking system.

Although the pilot programs have not yet been able to hone their methods to the level of tried and proven institutional development technologies, they have begun to cumulate a variety of techniques to local SED institutional development. The following section reviews the methods which the pilot programs are using to strengthen first people's organizations and then NGO intermediaries.

### III.C.1. Supporting the Development of People's Organizations

The SED pilot programs have worked with local NGO intermediaries in developing training programs for people's organizations. They are designed to increase the participatory dynamics within these organizations, the general management capabilities of their leaders, and the transfer of skills within the organizational networks. Pilot programs have developed training methodologies to address each of these three themes.

#### *Participation and Solidarity*

The first theme is increasing the participation and solidarity of people's organizations. CEDLA is a participating NGO intermediary which has developed a training program called "participation and change". The program is designed to educate members of trade associations about the role of the organization, their rights and responsibilities within it, and the role they can play in making it more viable. Other pilot programs are conducting similar kinds of training exercises for enhancing the cohesion of people's organizations.

### Management of Service Activities

The second theme focuses on helping people's organization leaders to become better business managers. Several pilot programs are developing training programs for trade association leaders which would give them the tools necessary to manage their organizations more effectively. The training includes basic concepts in how to facilitate group meetings, plan strategies and implement ideas as well as skills development in the business management of organizational assets, credit funds and enterprise activities.

Training trade association leaders in business administration is needed because many of the services these organizations are seeking to provide constitute enterprise activities in and of themselves. As trade associations grow, they tend to diversify their services and invest in economic activities which become increasingly more sophisticated. These activities can range from a raw material supply store to a retailing service for the membership. GIPATO is a trade association in Togo which has developed into a diversified service enterprise earning over \$130,000 annually in gross revenues. Although these revenues are used to maintain and expand services to the membership, the association is in many ways operating like a medium-scale enterprise. Yet, the people who manage it are micro and small entrepreneurs who have difficulty in keeping books, analyzing cashflows and preparing business plans.

There is therefore a need at the people's organization level for the development of sharper management skills in order for the services to survive and grow. This need to train people's organization leaders in business management techniques is also relevant to the village banking programs. The growing capital base, diversified credit lines, and increasing management costs push the management skills of the village bank leaders to their limits. The village banking programs are accordingly developing similar training programs.

### Skills Transfer

Finally, the third theme in people's organizational development is training leaders not only to manage assets on behalf of the group, but also to share their acquired skills with other members. The idea is to determine to what extent the people's organizations can begin to assume responsibility for training their own members instead of relying on relatively more expensive technical institutions and NGOs for the provision of these services.

For example, both the Bolivia and Togo programs have begun training programs for people's organizations that will teach them not only better business management skills, but also how to train others in their organizations as well. Togo's program selected 32 artisans from 27 guilds for a year long management training course which included a component in teaching them how to serve as technical consultants and trainers for their own guilds. In Bolivia, FIE has worked on establishing training committees within several trade associations with whom they work in developing a management training curriculum and program for the rest of the members. Key leaders in the association are then trained to run this program.

The implication of these three types of training programs is that the people's organizations are assuming greater responsibility for the direct delivery of services to individuals and for the management of program resources. In effect, the people's organizations are becoming akin to "retailers" of services.

In turn, the NGO intermediaries are transforming themselves into "wholesalers" of these resources and services. Their trainers are becoming trainers of trainers and their loan officers are becoming central bankers who can capitalize smaller loan funds. Finally, the NGO intermediaries which once provided technical assistance to individual micro-enterprises are now providing management consultancy to the people's organizations themselves as they grow into small and medium-scale enterprises which provide self-financing services to the micro-enterprises.

Training at the PO's Level			
Description	GY 1	GY 2	GY 3
1. organizational dev.			
a. # of POs	0	3	45
b. # of participants	0	53	151
2. PO management			
a. # of POs	3	3	29
b. # of participants	20	11	878
3. Skills Transfer			
a. # of POs	0	1	5
b. # of participants	0	20	46
4. Total			
a. # of POs	3	4	68
b. # of participants	20	73	990

### III.C.2. NGO Intermediaries

In Senegal and Togo, CRS matching grant activities are implemented exclusively at the level of people's organizations. In Bolivia, Peru and Thailand, CRS works through 11 different NGO intermediaries which in turn work with people's organizations. These institutions have received financial, technical and training assistance for the development of their service methodologies, staff and management systems. These three institutional development components are discussed below.

#### Promoting and Transferring Methodological Innovations

Much of the advances in SED have depended on the creative work of NGO intermediaries struggling to innovate and improve service methodologies for assisting the self-employed poor. These methodologies are in constant need of refinement. Once

proven and tested, mechanisms need to be put in place to transfer innovations through organizational networks which can extend local SED institutional capacity. Two approaches are discussed below which CRS is using to promote and transfer methodological innovations among NGO intermediaries. The first is the *NGO Working Group approach* and the second is the *NGO Support Center approach*.

The NGO Working Group approach was developed by CRS offices in Bolivia and Peru. The approach seeks to spur methodological innovation and improve institutional performance by bringing together NGO intermediaries into a common working forum in order to review and share insights about each other's programs. The group meets regularly, shares staff resources, and identifies issues that can be tackled jointly. It is a rigorous and sometimes difficult process which forces each organization to compare its performance and impact in view of what others are accomplishing.

In Bolivia, CRS facilitated the formation of the Committee on Microenterprise Development (COMED) which is comprised of three local SED NGO intermediaries: FIE, CEDLA and PRODEM. Together, these institutions analyze the strengths and weaknesses of their current service delivery methodologies, develop a research agenda for addressing critical gaps in their performance and test new methodologies designed to increase both the impact of their services and the efficiency of their service delivery systems.

CRS facilitates the committee meetings and the development of the research agenda while also providing the risk capital necessary for these institutions to try new approaches that will improve their performance. To date, the Bolivian program has tested eight methodologies combining credit and training for local microentrepreneurs. These tests have helped two of the COMED partners consolidate their overall service delivery approach.

FIE has developed a new credit line for associations that has helped them expand their program from 300 to 3,000 entrepreneurs. CEDLA has opened an autonomous micro-enterprise service institution known as IDEPRO. It will now apply the methodologies developed in its tests on a scale designed to reach several thousand microentrepreneurs. Both institutions have been able to secure additional funding from other donors to help fuel the expansion of these programs.

The CRS/Peru pilot program applies a similar "working group approach". It has a more ambitious purpose of developing not only new methodologies for serving local microentrepreneurs, but the elements of a broader micro-industrialization strategy that they could then promote in order to create real structural changes in the local economy. The working group is known as "PAMIS" (Promotion of an Alternative Micro-Industrialization Strategy). Along with CRS, it is composed of four Peruvian NGOs (Alternativa, CIPDEL, IDEAS and PEMTEC).

Like Bolivia, the group is focusing on refining their current service delivery methodologies in order to increase cost-effectiveness and impact. In addition to assessing each other's strengths and weaknesses, the group has also spurred each organization

towards greater institutional specialization. Alternativa is thus beginning to focus on credit, PEMTEC on marketing, and CIPDEL on training.

CRS/Thailand has developed a different approach to promoting and transferring innovation. In the working group approach, CRS plays a facilitator's role in encouraging local institutions to tinker with their already established methodologies. In CRS/Thailand's support center approach, they have introduced village banking to NGO intermediaries which was an entirely new methodology to Thailand. To do this, CRS/Thailand developed an SED NGO Support Center that not only provided technical assistance in the introduction of the village banking methodology, but whose role was also to help build the NGOs' organizational capacity in SED and specifically in participatory village credit and savings systems. Three NGO intermediaries are now participating in the program and have established 26 village banks which are people's organizations serving 1,478 women in Northeastern Thailand.

#### Staff Development

During the matching grant, CRS has also sought to expose NGO staff members to new ideas and techniques. In Grant Year III, Bolivia, Peru and Thailand provided training to over 100 NGO staff members from over 30 institutions. This training ranged from intensive workshops in developing institutional monitoring and evaluation systems (Peru); to refining the application of a particular credit methodology (Thailand and Bolivia); to more generalized workshops on SED programmatic and geographic coverage within a particular country (Bolivia).

In addition to these kinds of training exercises, the pilot programs sponsored some cross-exposure trips for staff-members from various NGOs. NGO staff members from Peru travelled to Colombia and Bolivia to see how other NGOs who were implementing similar programs were dealing with or had overcome particular problems. Bolivia also sent an NGO staff member to Colombia for similar reasons.

#### Management Systems Development

The pilot programs also provide technical assistance to NGO intermediaries to help them improve their programming management systems. The pilots have helped local NGOs standardize their extension systems through the development of manuals in credit, business administration and even exporting. NGOs have received assistance in improving cost-accounting and cost-recovery procedures, developing management information systems, and installing computerized tracking of their credit programs.

In Thailand, CRS directly provides this support to the NGO intermediaries and is thus acquiring a considerable expertise in their development. Conversely, Bolivia and Peru simply facilitate the process through contracting local experts to provide these services. Although possibly more simple, the latter approach reduces the prospects for CRS' internalizing its own know-how in the strengthening of NGO intermediaries.

### III.D. Summary of Pilot Program Progress

In the Grant Year II Annual Report, we noted that the performance of the pilot system should not only be evaluated based on the quantitative statistics. Rather, the performance of the system should also be measured qualitatively against the High Performance Programming (HPP) principles outlined above in Section II. As a result, a "Pilot Program Performance Matrix" was developed last year to determine how the pilots were progressing in relation to each of the principles. (See Figure 7)

Based on a comparative assessment with last year's matrix, the pilot program has made significant progress towards attaining the HPP principles. Performance is still very uneven, however, both in terms of how standards are being met and which pilots are meeting them.

On the positive side, each pilot program is demonstrating a capacity to refine service delivery methodologies. Only the village banking programs, however, have further developed that capacity into systems and methods that are now part of CRS' SED development "know-how". The South American pilot programs are beginning to demonstrate that capacity, but most of the know-how resides with their counterparts and consultants and has not been more broadly institutionalized into any sort of in-house capacity. The same holds true for Togo.

On the other end of the spectrum, none of the pilots features an organizational structure such as trade or village bank confederations for reaching thousands of people. Almost all of the programs are in a phase of methodological consolidation at the first and second tier people's organization levels. Expanding program services on a larger scale beyond this level would be problematic at this point.

This does not mean, however, that the pilots do not have the potential to reach thousands. CRS/Thailand is already serving 1,500 participants. The programs in Bolivia, Peru and Senegal are on the verge of accomplishing a similar scale. Only the program in Togo (whose Detailed Implementation Plan only provided for 200 artisans) will not achieve this standard with the resources from the Matching Grant. The CRS/Togo program does not have the financial resources to accomplish this. The design was restricted to developing "viable models" which could be replicated in other localities. This has been accomplished. SEDTU and CRS/Togo are now exploring means for developing proposals that could replicate the pilot experience on a broader scale.

In summary, the service capacity of the pilot system has continued to expand both in the numbers being reached and in the types of services being developed. This increase in activity has led to some innovative developments in service methodologies and institutional development strategies which we will continue to refine over Grant Year IV. For further details about the individual pilots, refer to Appendix A.

PILOT PROGRAM PERFORMANCE MATRIX  
PRINCIPLES OF HIGH PERFORMANCE PROGRAM

	BOLIVIA	PERU	SENEGAL	THAILAND	TOGO
PARTICIPANT LEVEL					
1. Builds confidence, skills and income of participants	yes	yes	yes	yes	yes
2. Allows family to establish a cycle of economic growth	weak savings component	weak savings component	yes	yes	yes
PEOPLE'S ORGANIZATIONS					
3. strengthens management capacity and economic assets of community	yes	yes	yes	yes	yes
4. promotes sustainable social services through links to economic support structures	no	no	yes literacy program	no	no
5. promotes higher organizational superstructures reaching thousands	not yet	not yet	not yet	not yet	not yet
NGO INTERMEDIARY					
6. support programs that maximize PO responsibility in delivery system	yes	not yet	yes	yes	yes
7. structure services so they are affordable to poor	not yet	not yet	yes	yes	not yet
CRS					
8. tests small and refines systems and methods into prog. technology	starting to	not yet	yes	yes	yes
9. cumulate lessons learned and know-how	not yet	not yet	yes	yes	not yet

Figure 7

*Z6a*

#### **IV. HEADQUARTERS MANAGEMENT: SED TECHNICAL UNIT OPERATIONS**

While the focus of the grant "micro-strategy" has been on implementing a high performance system of pilot programs, the focus of the "macro-strategy" has been on extending that capacity to the agency as a whole. The SED Technical Unit (SEDTU) is charged with balancing the management of both strategies.

As we have been indicating in the grant documentation, the establishment of SEDTU at headquarters is a pilot exercise in and of itself. The Technical Unit is the only formal office at headquarters which provides technical assistance to field offices in the implementation of development projects. The SEDTU team has sought to demonstrate to CRS how a centralized technical capacity can help headquarters cumulate the agency's development know-how, transfer innovations across regions and assist the field in meeting the methodological frontiers they face in their development programs. In so doing, SEDTU has also sought to demonstrate that technical support does not have to be tyrannical. The SEDTU team attempts to act as a technical sounding-board and help field staff to shape and clarify their own ideas.

In Grant Years I & II, SEDTU focused its energies on the development of the pilot system. In Year III, SEDTU maintained its support to the pilot programs. At the same time, SEDTU stepped up the number of its institutional strengthening activities aimed at increasing the SED capacity of the agency as a whole. These activities include training, technical exchange, research and information dissemination. They are discussed below. The section concludes first with a discussion of some of the external linkages SEDTU is making to support CRS' SED efforts and then a review of current SEDTU staffing issues.

##### **IV.A. Training**

In Year III, SEDTU brought its training program up to the level of full-scale implementation. SEDTU trained 71 CRS staff from 19 countries including all three regions and 5 headquarters departments. On a scale of 1-5, participants gave the workshops an average rating of 4.4.

The content of the workshops focused on developing an understanding of the elements of high performance SED programs. The material was designed to show the differences between the architecture of low-impact PVO projects and ones which had the scale, methods and organizational systems for sustainability, participation and significant eradication of poverty.

SEDTU facilitated the workshops using a participatory approach which focused on bringing out the collective knowledge of the group. SEDTU would then seek to sharpen the insights of the group by introducing SED theory and reviewing lessons learned from other SED programs around the world.

The response from the participating countries to the workshops was very positive. Many of the sub-regional offices are seeking to develop consensus on programming

standards and guidelines for SED programs. The SEDTU workshops in Central America and Southeast Asia seemed to help facilitate this process.

While these Year III workshops focused on developing general SED programming skills, SEDTU needs to develop a sequel workshop series in Year IV which covers more specialized material depending on the needs of the participating countries. The areas in which there is particular interest include: economic analysis, financial cost-modeling, monitoring & evaluation, institution strengthening techniques, and methods for financial intermediation. In Year IV, SEDTU will also need to work with the regional offices to focus its training agenda on the development of a core group of national staff who can extend the SED technical capability of the agency.

#### **IV.B. Technical Exchange**

SEDTU cannot respond to all of the country requests for technical exchange visits because of manpower constraints. SEDTU's long-term technical assistance strategy is to focus on the training of national staff who can in turn provide technical assistance to neighboring countries. SEDTU also manages consulting contracts for field offices who request this.

During Year III, SEDTU provided 77 days of technical assistance to the pilot programs. SEDTU directly provided 37 days of technical assistance to the following CRS countries outside of the pilot system: India, Colombia, El Salvador, the Philippines, and Benin. SEDTU managed the contracting of an additional 85 days of technical assistance in Peru, Costa Rica, the Philippines, and Indonesia. SEDTU thus orchestrated 199 days of technical assistance in Year IV. Furthermore, SED Pilot Program Managers provided technical assistance to neighboring countries including Ecuador, Peru, Paraguay, Cape Verde, the Gambia, Cambodia, and India.

SEDTU also sponsored exposure trips of CRS staff to high performance SED programs. During these trips, eleven CRS staff and five counterpart staff from a total of ten countries visited seven different projects.

#### **IV.C. Research**

In Year III, SEDTU began to implement a research agenda to draw larger lessons learned from CRS programs in and outside the pilot system. SEDTU organized a study and workshop to review CRS/Colombia's experience in the formation of an apex institution. The institution grouped together over 20 local micro-enterprise NGOs in order to leverage their access to loan capital and technical assistance.

As a sequel to the Colombia study, SEDTU organized a study with PVC/GEMINI funding to review generic methods for developing apex organizational models in the implementation of micro-enterprise credit programs. The purpose of the study is to identify methods for scaling-up CRS SED programs so that they are sustainable while remaining accountable to participating people's organizations. Participating countries include Thailand, Senegal and Colombia.

SEDTU also sponsored and organized a study to review the lessons learned in the implementation of food programs in Indonesia and the Philippines which used credit as a transition strategy towards self-reliance. The study developed conclusions about when food is compatible with credit at the levels of the participants, people's organizations and intermediaries and when such linkages lead to problems.

Finally, SEDTU participated in a World Bank/Gemini study to review the lessons learned from its village banking programs.

#### **IV.D. Information Dissemination**

Information dissemination represents one way in which SEDTU can reach all CRS country programs with some modicum of support for their SED initiatives. Indeed, it is access to information on current SED methodologies that CRS field offices often cite as being their foremost need. In Grant Year IV, SEDTU processed orders for over 285 publications from forty CRS field offices. SEDTU also began the publication of a quarterly newsletter for project managers which focuses on SED methodologies. The newsletter will have a circulation of 800 reaching CRS staff and counterparts.

#### **IV.E. External Linkages**

In Year IV, SEDTU advanced CRS linkages with government agencies, other PVOs and donors. CRS has actively worked with the AID GEMINI program to exchange lessons learned and advocate for an AID agenda to strengthen the SED capacity of multi-sectoral PVOs. In this year, CRS has undertaken two research projects with GEMINI which are discussed above. SEDTU also organized a series of PVO workshops on village banking/poverty lending. This led to the formation of a Poverty Lending Committee operating under the aegis of the Small Enterprise Evaluation and Education Network. CRS, Freedom from Hunger and FINCA are the lead organizers of the committee. Finally, SEDTU has assisted CRS' External Affairs Department in launching several campaigns to educate CRS donors about SED.

#### **IV.F. Staffing**

SEDTU staff currently consist of an SED Program Manager, SED Field Coordinator and SED Program Assistant. Limits of SEDTU manpower remains a stumbling block to responding to the needs of the field in SED support services. Staff turnover of the SED Program Assistant position has further strained the capacity of the team this year. SEDTU is currently exploring the possibility of hiring an additional SED Technical Assistant. See Appendix C for an updated SEDTU logframe.

## **V. MONITORING AND EVALUATION**

### **V.A. Monitoring Systems**

Current monitoring of pilot programs is being carried out under a system that follows a cycle of planning, scheduling, short-term review for accountability, and rapid response from headquarters on the administrative needs and technical issues that develop during pilot program implementation. From their detailed implementation plans, logical frameworks and operational schedules (GANTT Charts), the pilots have developed the larger perspective on what they are aiming to produce by when.

Using these planning and scheduling tools as a basis for operations, the pilot programs are asked to report on a monthly basis to the Regions and the SED Technical Unit using short status reports. The Technical Unit is supposed to respond to these Monthly Operations Memorandums (MOM) with a rapid turn-over time, acknowledging their activities, discussing issues, scheduling technical assistance and tracking progress.

Of the five pilots, three (Bolivia, Peru and Thailand) are now submitting MOMs on a regular and timely basis. Two pilots (Senegal and Togo) are still late and infrequent with their MOMs. For Togo, the format was simplified and the requirements for information were reduced to a monthly data sheet, but this has still not led to timely submittals.

Responses from the SED Technical Unit to the field have been erratic. In most cases SEDTU has met the turnaround time of 15 days. With frequent travel and an increasing array of competing obligations, SEDTU has struggled in too many cases to respond on-time. SEDTU must generate 60 response notes a year to 12 MOMs which each of the five pilot programs submits.

### **V.B. Evaluation**

Four internal evaluations were completed for the pilot programs in Bolivia, Peru, Thailand and Togo. Members of the SED Technical Unit participated in all the evaluations and were responsible for the write-ups. In Togo and Thailand, the team was supplemented by external consultants. In Peru and Thailand, the team included a pilot program manager from another country. The evaluations were on the whole well received and contributed to the refinement of the detailed implementation strategies at the pilot level and the consolidation of lessons learned for the overall SED Matching Grant Program. The heavy time requirements involved in preparing, conducting and writing the evaluation reports was underestimated by SEDTU. In the case of Bolivia, this greatly diminished the utility and impact of the evaluation because SEDTU did not submit a report until the end of GY III (one year after the fieldwork). All the other reports were completed and submitted to the country programs in timely fashion.

An external evaluation reviewing the impact of the Matching Grant on CRS as an institution is also currently underway. The evaluation is reviewing the performance of the SEDTU and two pilots (Bolivia and Senegal). A final draft should be completed by early November 1991.

## VI. GRANT YEAR IV OPERATIONAL PLAN

In Grant Year IV, the SED Technical Unit will need to balance its support of the pilot programs as they near the end of the grant with the need to continue the dissemination of the lessons learned to all CRS field offices. The essential elements of the Year IV Operational Plan are listed below. A balance sheet of Grant Year III accomplishments and Grant Year IV objectives is presented in Figure 8.

- \* Consolidate SEDTU techniques for SED High Performance Programming and develop a manual documenting SEDTU's development theory and methodologies.
- \* Assist the pilot programs in implementing expansion plans, institutionalizing their cumulated know-how and developing strategies for post-grant activities
- \* Strengthen the exchange of lessons learned between the pilot programs through cross-exposure visits and a pilot managers' workshop
- \* Continue to work with the regional and sub-regional offices in defining how SEDTU can leverage its limited resources with their own in order to meet the needs of their field offices in SED training and technical support
- \* Conduct SED general workshops in the sub-regions which were not reached in Year III; build upon the successes of the Year III field training program and develop specialized training packages tailored to regional needs;
- \* Continue to advance SEDTU's research agenda in the areas of scaling-up, participant control, poverty lending, non-financial services, institutional strengthening, SED program management systems, and self-financing social services;
- \* Work with the regional and field offices to develop the design for a sequel matching grant program; the proposal would be submitted to PVC/AID in August 1992 for implementation in September 1993.

# CRS/AID SMALL ENTERPRISE MATCHING GRANT

## Year III Accomplishments

1. SED training program for non-pilot personnel gained high momentum. Trainings were done for staff of 23 country programs plus 25 local counterparts. Content included high performance SED programming, community based credit and savings, non-financial microenterprise development methods, and SED monitoring and evaluation.
2. Information and resource dissemination services touched every CRS country program. In addition to quality materials on SED methods, resources included poverty lending materials and a CRS SED newsletter.
3. Pilot programs gained full operationality. They all started functioning from the paradigm of "High Performance SED Programming". All operationalized an MIS system.
4. SEDTU gained agency-wide legitimacy, not just as managing the MG but as disseminating ideas and technical assistance that are leading CRS development programming. There is tangible evidence of a pulling away from an older paradigm based on small projects to a new one.
5. CRS increased outreach to Congress, AID, GEMINI and others about SED and poverty lending. It formed a PVD group to promote outreach of SED methods to poorest of the poor. Research was sponsored on new PL institutions.

## Year IV Agenda

1. Emerging new CRS paradigm of SED and development programming needs to be systematically articulated, written down.
2. Pilots need collective evaluation, lessons shared. They need to scale up more and devise plans for program continuity beyond Matching Grant.
3. Training momentum must continue, include new and higher areas (sustainability, local institution building). Basic SED training must be done with all parts of agency.
4. SEDTU should continue and deepen TA relationship with three sub-regions: CAP, C4 and Dakar. This will serve as an operating model for the rest of the agency.
5. SEDTU: reappraise staffing, fill critical replacements without losing momentum.
6. Continue to build and strengthen methods in poverty lending, including formation of local PL organizational networks, non-formal materials for management and microenterprise dev. at group and individual levels.
7. Need concept paper, form consensus on next MG phase.

**VII. FINANCIAL SUMMARY**

The AID-CRS Matching Grant is valued at \$4,997,000 of which AID is contributing \$2,125,000 and CRS is contributing \$2,872,000.

Total expenditures from September 1, 1988 through May 31, 1991 were \$1,876,624. AID's share of this amount was \$829,987 or 44% of total expenditures.

As noted in the table below, the rate of total expenditures has steadily increased with each grant year.

**Expenditures by Grant Year**

	GY 1	GY 2	GY 3*	Total
AID Share	111,878	272,022	446,087	829,987
CRS Share	123,217	347,344	576,076	923,420
Total	235,095	619,366	1,022,163	1,753,407

\* expenditures for September 1, 1990 thru May 31, 1991

For year three, \$1,623,835 had been budgeted and approximately 63% of these resources had been expended through the first three quarters. The SED Technical Unit estimates that expenditures for the fourth quarter of GY III will total \$387,491. This means that we will have expended approximately 87% of the resources budgeted in GY III. For Grant Year IV, the budget has been set at \$1,380,257. This will maintain the current level of expenditures which is now on a pace to liquidate MG resources by the end of Grant Year IV. Detailed budget figures are presented in Appendix D.

**APPENDIX A: PILOT PROGRAM  
SUMMARIES & LOGFRAMES**

THAILAND

SUMMARY OF THAILAND PILOT PROGRAM  
GRANT YEAR III (1990-1991)

The Thailand pilot program began operating in September of 1988. It has a total budget of \$1,070,000 (20% of the total resources for the Matching Grant).<sup>1</sup>

The purpose of the CRS/Thailand SED pilot program is to work with local NGOs to develop a community banking methodology for providing self-help loans to poor village women in Northeast Thailand. In Phase I (9/88-8/91), the program was expected to establish a CRS community banking Support Center that would work with at least three NGOs, 30 community banks and 1,500 villagers. The interest income flows from the village banking programs were to cover recurring costs at the bank and NGO level. In Phase II (9/91-8/93), CRS/Thailand is to consolidate lessons learned and explore options for creating an intermediary institutional structure to sustain an expansion of community banking in Northeast Thailand.

As of May, 1991, CRS/Thailand has developed an effective community banking methodology and established the Support Center. The Center is working through three NGOs and 26 community banks reaching 1,478 villagers. The program has made 3,640 loans worth \$275,163 and has registered a 100% on-time repayment rate.

The banks are covering all of their operating costs. The NGOs have collected over \$5,000 in interest to cover their recurring costs but have yet to reach operational sustainability. The program design underestimated the extent to which the NGOs required management advisory services in retooling their organizational capacity to incorporate "cost-recovery centers".

As the portfolio expands, the Center needs to refine its systems in monitoring at the village level and in NGO cost tracking (in Phase II, the number of village banks will be expanded to 37). CRS/Thailand will also need to begin exploring how the SED Support Center can serve as an intermediary institutional mechanism for expanding the program to reach a scale of tens of thousands of borrowers. This will entail exploring new sources of funds while also developing services that can efficiently introduce the methodology to new institutions and support them in its implementation.

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK THAILAND

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>I. To establish a community banking system in North East Thailand.</p>	<p>Conduct SED community bank workshop for local NGO's and CRS/TH staff.</p>	<p>Two SED participatory workshops for NGO's in community banking methodology during the need assessment phase.</p>	<p>N/A</p>	<p>N/A</p>
	<p>Select local NGO and support them in establishing the test community bank.</p>	<p>Formation of two test banks in Surin province and participatory evaluation workshop involving NGO's and villagers held at the end of need assessment phase.</p>	<p>N/A</p>	<p>N/A</p>
	<p>Conduct participatory evaluation of the test community bank and design an SED/TH community bank extension program.</p>	<p>Thirty community bank operated through the participation of at least three NGO's in Phase I.</p>	<p>Done</p>	<p>Expand to 37 banks</p>
	<p>Select local NGO's to implement SED Community banking program in NE communities, develop SED Community banking promotion manual and provide technical for selected NGO;s</p>	<p>Annual SED community banking promotion workshop and participatory evaluation held in Phase I.</p>	<p>Done</p>	<p>1 workshop</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK THAILAND

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>II. Introduce alternative enterprise development for the poor communities.</p>	<p>Promote saving and small enterprise investment among community bank members.</p>	<p>Community bank progress record and enterprise survey conducted by NGO's and SED/MIS developed for enterprise survey.</p>	<p>Done</p>	<p>Same</p>
	<p>Develop a technical assistance system based on the needs of NGO's and communities.</p>	<p>Technical assistance system developed by direct involvement of NGO's for each bank after the first year of bank operation.</p>	<p>Done</p>	<p>N/A</p>
	<p>Conduct a workshop for NGO's to share experience in enterprise promotion.</p>	<p>Enterprise development session is an important section of annual SED community banking promotion and participatory evaluation workshop.</p>	<p>Done</p>	<p>N/A</p>
	<p>Provide information services and assistance to NGO's in planning with communities to create a long term plan of community revolving fund for enterprise development</p>	<p>CRS/SED and NGO's developed supporting structure for community bank regional association development at the end of Phase I.</p>	<p>Done</p>	<p>N/A</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK THAILAND

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>III. Develop the capacity of CRS/Thailand and select local NGO's to test, refine and implement a community banking methodology appropriate to rural Thailand.</p>	<p>Establish a CRS/Thailand SED field office as a community banking support center.</p>	<p>CRS/SED community banking support center established in Surin province at the start-up of phase I. enterprise survey.</p>	<p>N/A</p>	<p>N/A</p>
	<p>Introduce to local NGO's a community banking methodology and provide a systematic CRS/SED technical assistance to NGO's in the management of their community bank portfolio.</p>	<p>Prototype computerize CB's cost model and MIS developed in grant year I.</p>	<p>N/A</p>	<p>N/A</p>
	<p>Develop a computerized cost model and management information system (MIS) to track the performance of bank members and NGO's with the view towards maximizing benefits and cost-effectiveness</p>	<p>CRS/SED CB's monitoring and reporting procedures developed in grant year I and SED staff monitoring visit to the community at the start-up of the CB and at the end of the first and second cycle and at the end of the first year.</p>	<p>N/A</p>	<p>N/A</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK THAILAND

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>IV. Devise plan for creating intermediary institutional support to community banks at the end of the pilot program.</p>	<p>Create a revolving trust from which NGO's can allocate seed capital fund to continue the community banking program in Thailand</p>	<p>Revolving trust fund established and mechanism for fund operation developed by involvement of NGO's at the end of Phase I.</p>	<p>Not Done</p>	<p>Feasibility or trust to be pursued</p>
	<p>Establish a working committee of SED NGO's to coordinate activities, share methods, and develop an agenda for the role of local NGO's in fostering the expansion and support of CB's movement in NE Thailand</p>	<p>Formation of NGO's working committee and quarterly meeting of the committees to plan for a working agenda.</p>	<p>Not Done</p>	<p>To be done</p>
	<p>Conduct annual workshop for community banking with the village leaders and NGO's to facilitate the development of local and regional CBs association.</p>	<p>Semi-annual and annual meetings of village leaders and NGO's held.</p>	<p>Done</p>	<p>Same</p>
	<p>Devise plan for phasing down CRS/SED supports to NGO's in CBs and progressively develop a role of revolving trust fund board of trustees comprised of representatives from the village leaders and NGO's</p>	<p>Formation of the revolving trust fund board of trustees by the start-up of phase II.</p>	<p>Not Done</p>	<p>To be done year V</p>
		<p>Proposed plan of revolving trust fund operation adopted and submitted to CRS and board of trustees by the beginning of the last grant year</p>	<p>N/A</p>	<p>Year V</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK THAILAND

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>V. Develop CRS/ Thailand (TPD) capacity to assist local NGOs in integrating SED principles of participatory management, self-financing and cost effectiveness in community development.</p>	<p>TPD organizes periodic strategy session between each program areas monitoring staff to coordinate intergrated activity among NGOs to strengthen the institutional building principle and methodolgy.</p>	<p>Monthly and Quarterly progress report on SED disseminating among TPD staff and TPD strategic plan on program operation and SED integration.</p>	<p>Done</p>	<p>Same</p>
	<p>TPD develop a strategy with selected NGOs for promoting community participatory management self-reliance, and cost-effective principle into all CRS/Th development programs.</p>	<p>TPDs strategic plan developed for NGO's institutional building.</p>	<p>Done</p>	<p>N/A</p>
	<p>TDP conduct periodic participatory evaluation with NGOs to determine impact on institutional building and assess future direction for partnership development.</p>	<p>Annual evaluation among NGOs working with TPD.</p>	<p>Done</p>	<p>Same</p>

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**BOLIVIA**

SUMMARY OF BOLIVIA PILOT PROGRAM  
GRANT YEAR III (1990-1991)

The Bolivia pilot program began operating in October of 1989. It has a total budget of \$768,784 which amount to 15% of the total resources for the Matching Grant.<sup>1</sup>

The purpose of the Bolivia pilot program is to strengthen the service capacity of urban trade associations, local development intermediaries (NGOs) and CRS Bolivia in the area of micro-enterprise development. The program is centered in La Paz and El Alto and is currently working with seven trade associations and three local NGOs.

The three local NGOs are CEDLA, FIE and PRODEM. Together with CRS they have formed a working group known as the Committee on Micro-Enterprise Development (COMED). COMED analyzes the strengths and weaknesses of each institution's current service delivery approach and helps them develop a research agenda for addressing critical gaps in their performance. The institutions then develop tests (which are reviewed and approved by COMED) which are designed to try out (on a small-scale) either entirely new service approaches or modifications in existing ones. The lessons from these tests are then institutionalized into the broader programs.

To date, two COMED partners (CEDLA and FIE) have completed eight tests with seven trade associations. These tests have provided 213 micro-entrepreneurs with 267 loans worth \$122,913. The combined repayment rate was 98.57%.

The tests also looked at a variety of training services with 150 micro-entrepreneurs receiving training in organizational management, business administration, credit management, indexed credit and collateral management and a variety of other issues.

In terms of impact on the individual trade associations, the tests have shown that it is possible to develop a sustainable service capacity at the trade association level that is complementary to the work of the development intermediaries.

The new methodologies for working with trade associations has led to the development of an expanded service capacity within the NGOs. CEDLA, for example, has received authorization from its Dutch funding sources to establish IDEPRO, the institute through which credit and training services will be delivered to trade associations. FIE has

opened a new line of credit and training services for trade associations with financial support from the IDB and COTESU. They have also developed COMFIE, a trading house which provides inputs to enterprises while marketing their products.

The pilot has also contributed to the institutional development of CRS/Bolivia by improving the knowledge of its staff and serving as a mechanism for transferring lessons learned and methodologies to new counterparts outside the pilot program. The standards that have been developed within the pilot are now also applied in every other SED project in the Bolivia Program.

In Grant Year IV, the pilot will continue to move forward with its core research and development activities while expanding the dissemination of its lessons to a broader community of NGOs. At the same time, the size of the working group will be expanded from four to seven institutions as Banco Sol, IDEPRO and PRISMA join the working group. Finally, CRS/Bolivia will more systematically address the issue of how to not only institutionalize the working group approach for the long-term, but also what its own role and technical know-how will need to be in order to serve as an effective partner in the micro-enterprise field.

PERU

SUMMARY OF PERU PILOT PROGRAM  
GRANT YEAR III (1990-1991)

The Peru pilot program began operating in June of 1990. It has a total budget of \$751,943 (15% of the total resources for the Matching Grant).

The goal of the Peru Pilot Program is to develop and promote an alternative micro-industrialization strategy designed to assist Peruvian micro-manufacturers. The strategy is focusing on developing the institutional capacity of urban trade associations to provide basic training, financial, marketing and other services to their members.

This capacity is being developed through the creation of basic, sustainable organizational and service delivery models for the trade associations themselves; and through the retooling of local non-government organizations already providing services to this sector. The latter primarily involves shifting the targeting of services from individuals to groups. A key objective is to improve the scope and financial sustainability of current NGO programs by improving the efficiency of services and increasing the ability of these organizations to recover costs.

The specific elements of this strategy are being developed and refined through a working group of NGOs known as "PAMIS" (Promotion of an Alternative Micro-Industrialization Strategy). The members of PAMIS are Alternativa, CIPDEL, IDEAS, PEMTEC and CRS/Bolivia.

Since the program began operating in June of 1990, the PAMIS working group was formed and has met a total of 15 times over the last year. The participating NGOs have provided credit, training and marketing services to entrepreneurs from 15 trade associations.

Approximately 500 entrepreneurs have received training in management, marketing, credit training and a number of technical courses in order to improve the viability of their businesses. In addition, 43 entrepreneurs received 53 loans valued at \$14,594. The on-time repayment rate for these loans was 85.6% with 14.4% of the portfolio in default. The high default rate is directly related to the harsh political and economic environment.

Local market opportunities have virtually disappeared at a time when operating costs have increased thus placing many businesses on the brink of bankruptcy. In addition, the pilot supports enterprises in areas that have been heavily infiltrated by Sendero Luminoso whose activities have severely disrupted local community life and impeded the ability of both CRS and its partners to provide rigorous followup.

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK PERU

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>I. Contribute to the definition, through collaboration with several NGO's and trade associations of a practical industrial development strategy for micro-manufacturing that is appropriate for the Peruvian crisis and address:</p> <ul style="list-style-type: none"> <li>*marketing</li> <li>*financial services</li> <li>*organization</li> <li>*technology retool</li> <li>*management train</li> <li>*policy change</li> </ul>	<p>From a working group of NGO's that will define an applied research agenda that will contribute to defining a PVO's industrial development strategy for the sector of manufacturing micro enterprises</p> <p>Define research agenda for specific subsectors and appoint lead investigators</p> <p>Pool materials, identify resources, eliminate overlap or re-invention among PVO's and trade associations.</p> <p>Set-up a SED documentation center and information system.</p> <p>Sponsor university graduate research (student thesis) to define micro enterprise populations, problems and solutions of specific subsectors.</p>	<p>Group meets monthly. Annual research and application agenda. Working papers.</p> <p>Marketing and micro business development strategies.</p> <p>Resource inventory. NGO's obtain and use each others materials.</p> <p>Documentation Center.</p> <p>Ten thesis sponsored in a five year period Thesis and papers.</p>	<p>-Regular monthly meetings -Research agenda completed and approved</p> <p>Done</p> <p>Resource inventory completed</p> <p>Phase I completed</p> <p>Activity discontinued</p>	<p>-Regular monthly meetings -Research agenda YR IV</p> <p>N/A</p> <p>Phase II completed by end of YR IV</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK PERU

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>II. Strengthen trade associations and/or producer groups to redefine how to provide cost effective, sustainable micro enterprise development services.</p>	<p>Establish an M &amp; E &amp; L system that will assess and continue to refocus research, tests, and services according to criteria for "appropriate micro-manufacturing industrialization strategy."</p>	<p>M &amp; E &amp; L system set-up, provides quantitative and qualitative program analysis.</p>	<p>Preliminary system established</p>	<p>Refine system</p>
	<p>Provide through trade associations training and financial services to micro-manufacturers. Train association to sustain these services.</p>	<p>Training services provided to two or micro-manufacturers. Trade associations trained and graduate from NGO services.</p>	<p>Over 400 micro-manufacturers trained 2 trade associations trained</p>	<p>500 trained 2 trained</p>
	<p>Assist trade association to develop plan for technical and financial sustainability.</p>	<p>Trade associations sustainability plans (yearly)</p>	<p>Not done</p>	
	<p>Sponsor periodic meetings or workshops among trade associations to exchange and develop marketing intelligence, assistance approach and sustainability models.</p>	<p>Three joint workshops /conferences per year</p>	<p>Done</p>	<p>3 for YR IV</p>
	<p>NGO/trade associations collaborate to define on subsector basis how micro business people can respond to crisis.</p>	<p>Preparation and dissemination of crisis response by radio, forums, pamphlets, short trainings.</p>	<p>Not done</p>	<p>Activity discontinued</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK PERU

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>III. To assist diverse micro-manufacturing subsectors to devise marketing strategies to meet the challenge of constricting and/or dislocated markets; and in the case of the tool and dye subsector, assist in defining the nature of retooling that will lead to increased markets and sales.</p>	<p>By subsector, conduct market research on new local, national and international markets and test new possibilities.</p>	<p>Publish analysis for improved marketing in garment, shoes, carpenters, metalwork, tool and dye makers, service artisans. Ten tests of new market mechanisms.</p>	<p>Not done</p>	<p>1 study for shoemakers</p>
	<p>Prepare training materials and deliver training to enable micro-manufacturers to prospect and/or take advantage of new market</p>	<p>Eight training per yr Documented market training packages for various subsectors.</p>	<p>Done</p>	<p>Ongoing</p>
	<p>Analyze with working group of NGO's, trade associations, and micro entrepreneurs the advantages and disadvantages of different marketing possibilities.</p>	<p>Periodic Publications</p>	<p>Done</p>	<p>Ongoing</p>
	<p>Disseminate new marketing ideas.</p>	<p>Twice monthly radio programs.</p>	<p>Not done</p>	<p>Abandoned</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK PERU

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>IV. To strengthen PVO's through both intensive and extensive assistance and learning dissemination to assist the urban micro enterprise manufacturing sector.</p>	<p>Technical assistance to trade associations to prepare and carry out marketing activities (brokers, wholesalers, trade fairs, etc.)</p>	<p>Per year, eight district trade associations increase the quantity, quality and type of marketing services to members.</p>	<p>Done</p>	<p>Same</p>
	<p>For micro tool and dye makers, do industrial analysis of whether and how they can retool in an affordable way to overcome dislocated markets.</p>	<p>Study and technical proposal for retooling. Two tests per year of retooling. Two new machine prototypes</p>	<p>Abandoned</p>	
	<p>Strengthen strategic planning of 4 principal counterpart agencies.</p>		<p>Being done</p>	<p>Continued</p>
	<p>NGO counterparts leverage additional resources to carry out and expand research and technical assistance to trade associations and micro manufacturers.</p>		<p>N/A</p>	<p>To be investigated</p>
	<p>Conduct operations research (study, test, refine, test) that continues to refine assistance for an improved micro enterprise industrialization policy.</p>		<p>Being done</p>	<p>Continued</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK PERU

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>VV. To enable CRS to attain sectoral impact with its urban SED assistance, and to increase the amount and quality of its technical assistance to local SED counterpart institutions.</p>	<p>Hold annual conference and/or participate in annual conference of the "Comite Interinstitucional" to share learnings.</p> <p>Transfer learnings about micro manufacturer assistance strategy to NGO's outside of Lima.</p>			
	<p>Facilitate the working group.</p> <p>Deepen knowledge of sectoral and subsectoral needs, solution and assistance strategy to micro manufacturers.</p>	<p>Quarterly reports analyzing progress and future agendas; program service statistical and analysis of sectoral impact.</p> <p>Assistance strategies and methods documented by subsector.</p>	<p>Done (monthly)</p> <p>Being done</p>	<p>Continued</p> <p>Ongoing</p>

**SENEGAL**

SUMMARY OF SENEGAL PILOT PROGRAM  
GRANT YEAR III (1990-1991)

The Senegal pilot program began operating in March of 1991. It has a total budget of \$751,943 (15% of the total resources for the Matching Grant).<sup>1</sup>

The purpose of CRS/SN's SED pilot program is to promote micro-enterprises at the grassroots level, in collaboration with selected local institutions.

Two partner institutions were selected for the first phase of this program. The first organization, EGABI, is a relatively young association composed of rural farmers which was created in 1986. It covered 13 villages at the beginning of this project and has now grown to 30 villages. The second organization, CMD, is composed of over 800 artisans and was created by the government to promote and support the artisanal sector.

The most important activity in this pilot for both institutions is the provision of credit. Based on the FINCA model, a village bank credit program was started in March 1990 with EGABI. A credit program managed by the artisans was also introduced to CMD in February 1991. These credit programs are accompanied by training in the management of credit, the financial management of associations and literacy.

By using the FINCA model, CRS's staff has also been introduced to the principles of managing credit funds in a systematic manner. This project, along with new orientation taken as part of their Africa-wide Institution Building strategy, has also prompted CRS/SN to think more about the sustainability of its other projects. As a result of these changes in approach, several of CRS/SN's projects now include a credit component and/or profit oriented activities.

In Grant Year IV, CRS/SN will expand both the EGABI and CMD programs to reach more beneficiaries. At the same time, it will increase its management assistance to these institutions in order to improve both their strategic and financial management systems and capacity. Finally, CRS/SN will begin exploring options for the development of an apex institutional structure that can ensure the continued expansion of the village banking program over time.

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK SENEGAL

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
I. Strengthen solidarity groups.	Organize information seminars for members.	More solidarity groups	Ongoing	Same
II. Strengthen institutions.	Provide group loans and take group guarantees through partners.	Better repayment rate	Ongoing	Same
	Provide subsidies for logistics.	Better SED services	Ongoing	Same
	Provide training to management of partner.	Better design and management of projects	Ongoing	Same
III. Promote savings linked to credit.	Institutions in acc, project feasibility, management of loans.			
	Provide seed to village associations and artisans.	More financial autonomy for individuals	Ongoing	Same
	Match savings with loans.	Sustainable credit program	Ongoing	Same
IV. Ameliorate SED environment.	Carry out feasibility studies at the request of member banks.	More time for income generation	Ongoing	Same
	Provide training for the management of collective activities.	More INV opportunities	Ongoing	Same
V. Test integrated SED approaches.	Create training module in accounting for credit. Accounting for NGO's.	Replication of program	Ongoing	Same

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**TOGO**

SS

SUMMARY OF TOGO PILOT PROGRAM  
GRANT YEAR III (1990-1991)

The Togo pilot program began operating in September of 1989. It has a total budget of \$465,351 (9% of the total resources for the Matching Grant).<sup>1</sup>

The goal of the Togo Pilot Program is to develop a methodology for strengthening the capacity of trade associations to provide and sustain services to their member artisans. These services include credit, savings and training programs in management and technological retooling.

The initial strategy was to identify one association with whom to begin these activities and develop the overall program methodology. As a result, CRS/Togo singled out the Groupement Inter-Professionelle des Artisans du Togo (GIPATO) in the town of Sokode as its initial partner.

To date, CRS/Togo has initiated training programs in technological retooling and management training which have benefitted 58 artisans. It has also developed a credit and savings program that is serving over 200 artisans. This program has provided 179 loans worth \$ 76,753. The on-time repayment rate has been 89%. This performance was a significant increase over last year's rate of 51%.

The expansion of the savings and loan program, the creation of the technological retooling program, and the subsidy to the supply store to increase its inventory and range of products have had the most direct impact on the institution. Along with the tool rental program which was already in existence, they have been able to meet the most direct concerns (felt needs) of the artisans and led to an increase in both the number of members and their participation in the organization's activities. They have served to also enhance the prestige of GIPATO within Sokode and, more importantly, artisan confidence in the institution.

In Grant Year IV, the pilot will concentrate on shoring up the financial and organizational sustainability of these services in Sokode, develop cost-recovery mechanisms for the training programs, evaluate the effectiveness of the management training strategy and expand services to two new GIPATO's in new localities.

Finally, since this is the final year for the Togo pilot, a second phase proposal will be developed to apply the methodologies that have been developed with Sokode with 3-5 new GIPATO's.

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK TOGO

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>I. To develop and practice a methodology for the financial and organizational development of producers associations.</p>	<p>Make and present a training module to explain cooperative business development and ta assist members to analyze sources of income and expenses.</p>	<p>Training presented to GIPATOCIP and documented in cooperative business development.</p>	<p>Module developed</p>	<p>Training to be applied in GY IV</p>
	<p>Make an annual budget and plan with GIPATO-Sokode and other producer associations whom CRS-T assists which includes a strategy for increasing local earnings and asset base.</p>	<p>Business plan made and updated annually for each organization with whom CRS works.</p>	<p>Not done</p>	<p>To be done GY IV</p>
	<p>Advise producer organization how to set up financial accounts and controls. Work with FUCEC on a credit administration system.</p>	<p>Evaluation of each organization's financial management system and identification of recommended improvements.</p>	<p>Done GY III</p>	<p>Training of staff/new systems to be developed GY IV</p>
	<p>Make and present a training module to assess organizational viability vis-a-vis recruitment of new/ members, deu collection quality of participation equal access to benefits of men and women</p>	<p>Organizational needs assessment presented to GIPATO, training module documented for future use.</p>	<p>Needs assessment done GY II Plan presented GY III</p>	<p>N/A</p>

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK TOGO

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>II. To develop a rural artisan small enterprise training program.</p>	<p>For each association CRS-T assists, make a yearly organizational development plan with concrete benchmarks.</p>	<p>Local organizational development plan, updated annually.</p>	<p>Not done</p>	<p>To be done GY IV</p>
	<p>Define and test a model for increasing the production, management, and marketing skills of a variety of local artisan.</p>	<p>4 apprenticeships to introduce technology innovations per year. 4 production training consultancies in Sokode. Intensive management training/business analysis of 20 artisans per group. 7 short management seminars for 75 artisans.</p>	<p>Done  32 artisans being trained  2 short seminars completed</p>	<p>4 apprenticeships 4 consultants  32 artisans to complete training</p>
	<p>Form a network of local craftsmen, technical instructors, entrepreneur and training institutes that can be used to demonstrate and teach improved production technology.</p>	<p>Network of Contacts formed.</p>	<p>Done</p>	<p>Expansion of network</p>
	<p>Construct training class with GIPATO-Sokode and make an agreement with G/S about how many will benefit and how the training will be sustained.</p>	<p>GIPATO has targets for participate strategy for locally sustaining training.</p>	<p>Training class built</p>	<p>Training sustainability to be developed</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK TOGO

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>III. To establish a self-sustaining credit and savings system appropriate for the financing of rural artisans.</p>	<p>Collaborate with CARE/TRIPS program to design and document an artisan management training replicable among associations, cable among associations. It should include analysis of management weaknesses as well as good practice. It should provide exercises and problems appropriate for semi- &amp; non-literate artisans. It should have trainer guides. The cases, games and exercises should reflect a variety of enterprises of both male and female artisans.</p>	<p>At least 20 modules, exercises, cases, and other artisan training materials produced per year.</p>	<p>Amended - BCGO Developed modules</p>	<p>Begin tracking system</p> <p>Refine policies and procedures</p>
	<p>Install a small enterprise monitoring and evaluation system.</p>	<p>20 GIPATO artisans participate in small enterprise monitoring system.</p>	<p>32 artisans identified</p>	
	<p>Establish a CRS fund for artisan credit and define the policies and procedures required for producer associations to access this fund. Credit access related to saving</p>	<p>Account established for CRS funds; system set up to disburse and collect payment. Policies and procedures for local associations written in French.</p>	<p>Fund established</p>	

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REVISED SED MATCHING GRANT LOGICAL FRAMEWORK TOGO

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>IV. To transfer methodologies and CRS technical assistance to rural producer association other than GIPATO-Sokode.</p>	<p>Make and present a training module to local associations on a credit and savings program, how it operates and how to access the CRS fund.</p>	<p>Training presented, documented (FUSEC collaboration)</p>	<p>Module developed applied to two new localities</p>	
	<p>Train GIPATO's credit committee to administer and collect a larger volume and size of loans.</p>	<p>GIPATO makes 100 loan per year with at least 90% on-time recovery.</p>	<p>100 loan target achieved 89% repayment rate</p>	<p>100 loans 90% repayment</p>
	<p>Transfer this credit and savings methodology to other producer associations after it is tested and refined with GIPATO.</p>	<p>Three other producer associations set credit and savings system.</p>	<p>2 other producer associations</p>	
	<p>Do institutional needs assessment and select 3-4 other associations.</p>	<p>3-4 other institution selected institutional needs assessments performed; needs assistance contract signed.</p>		<p>To be done GY IV</p>
	<p>Hire and adopt a second trainer.</p>	<p>Second trainer hired.</p>	<p>Not done</p>	
	<p>Arrange training visits by other associations to GIPATO.</p>	<p>GIPATO serves as learning model.</p>	<p>GIPATO serving as model</p>	<p>Continue</p>
<p>Make a training needs assessment and adapt the management training curriculum to local need</p>	<p>Training programs established in other associations. Each association has plan for subjects involved.</p>	<p>Not done</p>	<p>To be investigated</p>	

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK TOGO

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>V. To develop the technical assistance capacity of CRS/Togo and methodology to build up local producer associations.</p>	<p>Assist other association to make business and organizational development plans.</p>	<p>Annual plans.</p>	<p>Not done</p>	<p>Not planned</p>
	<p>Hire, train and give technical back-stopping to CRS/Togo small enterprise program manager and training coordinator.</p>	<p>Personnel description complete. Yearly review</p>	<p>Done</p>	<p>Same</p>
	<p>Define short term consultant and trainer personnel; form resource network for artisan producers.</p>	<p>Personnel described located.</p>	<p>Done</p>	<p>Same</p>
	<p>Add to CRS library in such areas as:                      *analysis of types of artisan small enterprise                      *micro business and mgmt. training materials                      *cooperative business development                      *forming groupd and cooperative education.</p>	<p>Various manual, modules, notes.</p>	<p>Done</p>	<p>Same</p>
	<p>Document evolving CRS/Togo methodologies and results of management training, credit savings; organizational development.</p>	<p>20 materials produced per year</p>	<p>Materials produced</p>	<p>Same</p>
	<p>Establish participatory evaluation system CARE/TRIPS &amp; do critical analysis identify needed improve.</p>	<p>Yearly evaluation.</p>	<p>Amended</p>	<p>N/A</p>

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**APPENDIX B: COUNTERPART  
PROFILES**

LIST OF CRS PARTNERS PARTICIPATING IN  
SED MATCHING GRANT PROGRAM

I. BOLIVIA

A. Development Intermediaries

1. First Tier

- a. CEDLA: research and policy think tank that has specialized in labor issues and the urban informal sector.
- b. FIE: an experienced NGO which has specialized in base group organization, credit and training programs.
- c. PRODEM: NGO specializing in solidarity group organization and credit delivery affiliated with Accion Int'l.

2. Second Tier

- a. Committee on Micro-Enterprise Development (COMED)

Working group of three Bolivian NGOs and CRS/Bolivia that meets regularly to design, test, review and disseminate new programming methodologies.

B. People's Organizations: urban trade associations

II. Peru

A. Development Intermediaries

1. First Tier

- a. Alternativa: NGO that has been working in the informal sector for the last ten years. It concentrates its programming areas in health, production, human rights and employment.
- b. CIPDEL: An NGO that has been working in the informal sector for 11 years providing technical assistance to trade unions, manufacturing workshops and associated groups.
- c. IDEAS: A multidisciplinary NGO that has been supporting the poorest sectors of Peru for the last 12 years.
- d. PEMTEC: An NGO new to the SED sector that specializes in the organization of efficiency groups and marketing services.

## 2. Second Tier

- a. Promotion of an Alternative  
Micro-Industrialization Strategy (PAMIS)

Working group of four Peruvian NGOs and CRS that coordinate programming interventions in Lima.

- B. People's Organizations: urban trade associations, guilds, production groups and efficiency groups.

## III. SENEGAL

### A. Development Intermediaries

None

### B. People's Organizations

#### 1. First Tier

- a. village banks in thirteen villages
- b. Chambre de Metiers de Djourbel (CMD): A trade association with 900 members in the town of Djourbel.

#### 2. Second Tier

- a. EGABI: Association of 30 villages who have organized themselves to develop services in agriculture, literacy, food processing and credit.

## IV. Thailand

### A. Development Intermediaries

#### 1. First Tier

- a. CULT: National federation of Credit Unions affiliated with the World Council of Credit Unions.
- b. FIAM: NGO specializing in income generation programs.
- c. RFA: Small NGO specializing in organization of villages and rural income generating programs.

#### 2. Second Tier

- a. SED Support Center: CRS staffed center that provides training, technical assistance and financial intermediation to local NGOs in village banking program.

B. People's Organizations

1. First Tier: 26 village banks
2. Second Tier: none

V. Togo

A. Development Intermediaries: none

B. People's Organizations

1. First Tier

- a. GIPATO: Interprofessional trade association regrouping 26 guilds. Provides credit, training, marketing, tool rental and input supply services to its membership.

**APPENDIX C: SED TECHNICAL UNIT  
LOGFRAME**

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK (BASED ON SEDTU DIP NOV 89)

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>I. Create SED Technical Unit</p>	<p>Monitor Performance and refine design for institutional upgrading over time</p> <p>Procure technical expertise (expand consultants from 2-4)</p> <p>Refine MG financial &amp; activity monitoring systems to incorporate performance of SEDTU</p> <p>Keep Executive Office apprised of SED activities and work with regions in improving programming fundraising</p> <p>Develop materials for donor education and fundraising</p>	<p>Annual Report for Grant Year III</p> <p>contracts with at least 4 different consultants</p> <p>Financial systems designed and online</p> <p>MIS includes SEDTU</p> <p>4 briefings a year to Executive Office</p> <p>One SED strategy session with regions</p> <p>2 articles</p>	<p>Annual Report GY III completed</p> <p>8 consultants contracted for various tasks</p> <p>financial system is operating</p> <p>MIS does not include SEDTU</p> <p>4 briefings w/ Deputy Exec Dir.</p> <p>3 meetings of SED Advisory Committee</p> <p>1 newsletter 1 issues paper on credit</p>	<p>Annual Report GY IV</p> <p>Maintain network of 5-6 consultants</p> <p>Collect more comprehensive expense information/produce quarterly reports on commitments, deposits, and expenses</p> <p>Computerize SEDTU activity indicators</p> <p>4 briefings</p> <p>4 SED Advisory Committee Meetings</p> <p>3 newsletters</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK (BASED ON SEDTU DIP NOV 89)

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>II. Increase knowledge within CRS of SED methods and programming skills, and create greater comparative inter-agency understanding and consensus about a CRS SED approach.</p>	<p>Develop Agency wide training plan</p> <p>Develop technical personnel of SEDTU</p> <ul style="list-style-type: none"> <li>- contract one trainer</li> <li>- research other organizations on how they provide technical assistance</li> </ul> <p>Train and hold seminars for CRS sub-regional, regional and home office staff</p> <p>Establish an SED information service and library. Distribute resource materials</p> <p>Document SED guidelines, methodologies and results</p>	<p>agency wide training plan</p> <p>1 contractor on line for technical support to unit</p> <p>1 paper reviewing institutional strategies</p> <p>3 subregional workshops</p> <p>Library 4 mailings a year</p> <p>2 documents</p>	<p>preliminary regional assessments on training needs</p> <p>1 contractor hired to provide TA in developing training materials and designs</p> <p>not done</p> <p>3 subregional workshops; 2 headquarters workshops</p> <p>Functioning library and resource listing w/300 titles</p> <p>4 mailings of resource listing to 40 countries</p> <p>285 documents distributed</p> <p>not done</p>	<p>Training Plan and TA strategy for Africa, Latin America and SE Asia</p> <p>Expand training curriculum and materials w/ contractor</p> <p>on hold</p> <p>3 subregional workshops</p> <p>Add 50 titles</p> <p>4 mailings</p> <p>Distribute 300 documents</p> <p>1 policy paper on credit</p>

REVISED SED MATCHING GRANT LOGICAL FRAMEWORK (BASED ON SEDTU DIP NOV 89)

OBJECTIVE	PROPOSED ACTIVITIES FOR GRANT YEAR III	BENCHMARK INDICATOR	ACCOMPLISHMENTS GY III	PROPOSED GY IV
<p>III. To establish an SED pilot program and learning laboratory system which will define and test new and better methods within CRS for microenterprise assistance and SED programming</p>	<p>Further develop MIS system to include institutional development indicator</p>	<p>indicator in MIS</p>	<p>partially developed but not incorporated into MIS</p>	<p>further research and refinement with proposed method for assessing institutional growth presented by end of GY IV</p>
	<p>As personnel permits, increase numbers of SED learning lab systems for CRS programs</p>	<p>two SED learning labs added to five pilots</p>	<p>not done</p>	<p>on hold</p>
	<p>Review all Pilot MIS' and fill gaps</p>	<p>5 systems reviewed and upgraded</p>	<p>5 systems reviewed 4 upgraded</p>	<p>upgrade Bolivia MIS</p>
<p>Evaluate Pilot Projects; disseminate results</p>	<p>3 internal evaluations</p>	<p>4 internal evals completed 1 external eval underway</p>	<p>no evaluations scheduled for GY IV</p>	

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**APPENDIX D: FINANCIAL REPORTS**

TABLE 1

SED MATCHING GRANT  
FINANCIAL PROFILE OF THE PROJECT

## BUDGETED VERSUS ACTUAL EXPENDITURES, GRANT YEAR I

YEAR I  
1 SEPTEMBER 1989 - 31 AUGUST 1990

PROJECT ELEMENTS	A.I.D.		CRS		TOTAL	TOTAL
	BUDGET	EXPENDITURE	BUDGET	EXPENDITURES	BUDGET	EXPENDITURE
<b>BOLIVIA COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$53,217.00	\$750.00	\$48,683.00	\$750.00	\$101,900.00	\$1,500.00
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$20,150.00	\$9,425.00	\$24,750.00	\$9,425.00	\$44,900.00	\$18,850.00
PROGRAM SUBTOTAL	\$73,367.00	\$10,175.00	\$73,433.00	\$10,175.00	\$146,800.00	\$20,350.00
<b>PERU COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$86,324.00	\$1,245.00	\$86,476.00	\$1,418.00	\$172,800.00	\$2,663.00
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$14,250.00	\$ .00	\$14,250.00	\$ .00	\$28,500.00	\$ .00
PROGRAM SUBTOTAL	\$100,574.00	\$1,245.00	\$100,726.00	\$1,418.00	\$201,300.00	\$2,663.00
<b>SENEGAL COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$ .00	\$ .00	\$ .00	\$508.70	\$ .00	\$508.70
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$ .00	\$ .00	\$ .00	\$4,184.86	\$ .00	\$4,184.86
PROGRAM SUBTOTAL	\$ .00	\$ .00	\$ .00	\$4,693.56	\$ .00	\$4,693.56
<b>TOGO COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$33,102.00	\$9,272.72	\$19,440.00	\$ .00	\$52,542.00	\$9,272.72
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$26,998.00	\$12,690.20	\$41,372.00	\$25,333.33	\$68,370.00	\$38,023.53
PROGRAM SUBTOTAL	\$60,100.00	\$21,962.92	\$60,812.00	\$25,333.33	\$120,912.00	\$47,296.25
<b>THAILAND COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$60,113.00	\$23,587.00	\$68,157.00	\$25,801.00	\$128,270.00	\$49,388.00
EVALUATION	\$1,800.00	\$170.00	\$1,800.00	\$170.00	\$3,600.00	\$340.00
PROGRAM MANAGEMENT	\$15,150.00	\$14,648.50	\$15,150.00	\$14,648.50	\$30,300.00	\$29,297.00
PROGRAM SUBTOTAL	\$77,063.00	\$38,405.50	\$85,107.00	\$40,619.50	\$162,170.00	\$79,025.00
HEADQUARTERS	\$80,600.00	\$31,324.91	\$80,600.00	\$31,324.91	\$161,200.00	\$62,649.82
TOTAL DIRECT COSTS	\$391,704.00	\$103,113.33	\$400,678.00	\$113,564.30	\$792,382.00	\$216,677.63
INDIRECT COSTS	\$33,294.84	\$8,764.63	\$34,057.63	\$9,652.97	\$67,352.47	\$18,417.60
TOTAL M G PROGRAM	\$424,998.84	\$111,878.00	\$434,734.00	\$123,217.23	\$859,734.47	\$235,095.23

TABLE 2

SED MATCHING GRANT  
FINANCIAL PROFILE OF THE PROJECT

## BUDGETED VERSUS ACTUAL EXPENDITURES GRANT YEAR II

YEAR II  
1 SEPTEMBER - 31 AUGUST 1990

PROJECT ELEMENTS	A.I.D.		CRS		TOTAL BUDGET	TOTAL EXPENDITURE
	BUDGET	EXPENDITURE	BUDGET	EXPENDITURE		
<b>BOLIVIA COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$89,650.00	\$26,811.64	\$89,650.00	\$37,088.36	\$179,300.00	\$63,900.00
EVALUATION	\$1,225.00	\$ .00	\$1,225.00	\$ .00	\$2,450.00	\$ .00
PROGRAM MANAGEMENT	\$15,875.00	\$38,851.36	\$15,875.00	\$25,999.62	\$31,750.00	\$64,850.98
PROGRAM SUBTOTAL	\$106,750.00	\$65,663.00	\$106,750.00	\$63,087.98	\$213,500.00	\$128,750.98
<b>PERU COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$86,324.00	\$37,277.58	\$86,476.00	\$29,158.59	\$172,800.00	\$66,436.17
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$14,250.00	\$5,114.69	\$14,250.00	\$10,030.14	\$28,500.00	\$15,144.83
PROGRAM SUBTOTAL	\$100,574.00	\$42,392.27	\$100,726.00	\$39,188.73	\$201,300.00	\$81,581.00
<b>SENEGAL COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$41,935.00	\$476.60	\$41,935.00	\$22,559.17	\$83,870.00	\$23,035.77
EVALUATION	\$1,287.00	\$ .00	\$1,288.00	\$ .00	\$2,575.00	\$ .00
PROGRAM MANAGEMENT	\$63,600.00	\$16,874.19	\$63,600.00	\$26,669.33	\$127,200.00	\$43,543.52
PROGRAM SUBTOTAL	\$106,822.00	\$17,350.79	\$106,823.00	\$49,228.50	\$213,645.00	\$66,579.29
<b>TOGO COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$26,435.00	\$8,601.67	\$26,435.00	\$26,524.47	\$52,870.00	\$35,126.14
EVALUATION	\$1,345.00	\$ .00	\$1,345.00	\$ .00	\$2,690.00	\$ .00
PROGRAM MANAGEMENT	\$19,070.00	\$56,278.03	\$19,242.00	\$41,003.38	\$38,312.00	\$97,281.41
PROGRAM SUBTOTAL	\$46,850.00	\$64,879.70	\$47,022.00	\$67,527.85	\$93,872.00	\$132,407.55
<b>THAILAND COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$91,170.00	\$17,403.23	\$91,170.00	\$42,828.82	\$182,340.00	\$60,232.05
EVALUATION	\$1,800.00	\$ .00	\$1,800.00	\$ .00	\$3,600.00	\$ .00
PROGRAM MANAGEMENT	\$15,700.00	\$12,810.33	\$15,700.00	\$28,058.58	\$31,400.00	\$40,868.91
PROGRAM SUBTOTAL	\$108,670.00	\$30,213.56	\$108,670.00	\$70,887.40	\$217,340.00	\$101,100.96
HEADQUARTERS	\$81,642.00	\$30,212.28	\$81,642.00	\$30,212.35	\$163,284.00	\$60,424.63
TOTAL DIRECT COST	\$551,308.00	\$250,711.60	\$551,633.00	\$320,132.81	\$1,102,941.00	\$570,844.41
TOTAL INDIRECT COST	\$46,861.18	\$21,310.49	\$46,888.81	\$27,211.29	\$93,749.99	\$48,521.77
TOTAL MG PROGRAM	\$598,169.18	\$272,022.09	\$598,521.81	\$347,344.10	\$1,196,690.99	\$619,366.18

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TABLE 3

SED MATCHING GRANT  
FINANCIAL PROFILE OF THE PROJECT

BUDGETED VERSUS ACTUAL EXPENDITURES, GRANT YEAR III

YEAR III\*

PROJECT ELEMENTS	A.I.D.		CRS		TOTAL BUDGET	TOTAL EXPENDITURE
	BUDGET	EXPENDITURE	BUDGET	EXPENDITURE		
<b>BOLIVIA COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$140,700.00	\$102,459.71	\$109,403.00	\$106,641.74	\$250,103.00	\$209,101.45
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$27,900.00	\$11,311.17	\$15,400.74	\$11,772.86	\$43,300.74	\$23,084.03
PROGRAM SUBTOTAL	\$168,600.00	\$113,770.89	\$124,803.74	\$118,414.59	\$293,403.74	\$232,185.48
<b>PERU COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$194,000.00	\$68,097.94	\$149,439.46	\$62,859.64	\$343,439.46	\$130,957.58
EVALUATION	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$23,382.50	\$21,911.17	\$13,382.50	\$20,225.70	\$36,765.00	\$42,136.87
PROGRAM SUBTOTAL	\$217,382.50	\$90,009.11	\$162,821.96	\$83,085.34	\$380,204.46	\$173,094.45
<b>SENEGAL COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$23,320.00	\$57,841.60	\$58,957.20	\$122,913.40	\$82,277.20	\$180,755.00
EVALUATION	\$ .00	\$580.80	\$2,000.00	\$1,234.20	\$2,000.00	\$1,815.00
PROGRAM MANAGEMENT	\$49,567.64	\$4,004.16	\$57,786.90	\$8,508.84	\$107,354.54	\$12,513.00
PROGRAM SUBTOTAL	\$72,887.64	\$62,426.56	\$118,744.10	\$132,656.44	\$191,631.74	\$195,083.00
<b>TOGO COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$27,475.00	\$19,700.11	\$32,575.00	\$20,504.19	\$60,050.00	\$40,204.30
EVALUATION	\$1,400.00	\$1,797.30	\$1,500.00	\$1,870.65	\$2,900.00	\$3,667.95
PROGRAM MANAGEMENT	\$19,500.00	\$11,964.51	\$17,500.00	\$12,452.86	\$37,000.00	\$24,417.37
PROGRAM SUBTOTAL	\$48,375.00	\$33,461.91	\$51,575.00	\$34,827.71	\$99,950.00	\$68,289.62
<b>THAILAND COUNTRY PROGRAM</b>						
PROGRAM ACTIVITY	\$90,422.00	\$21,853.03	\$199,328.76	\$50,990.40	\$289,750.76	\$72,843.43
EVALUATION	\$3,000.00	\$1,050.00	\$3,000.00	\$2,450.00	\$6,000.00	\$3,500.00
PROGRAM MANAGEMENT	\$19,362.00	\$14,964.00	\$9,362.45	\$34,916.00	\$28,724.45	\$49,880.00
PROGRAM SUBTOTAL	\$112,784.00	\$37,867.03	\$211,691.21	\$88,356.40	\$324,475.21	\$126,223.43
HEADQUARTERS	\$103,872.58	\$73,605.28	\$103,084.75	\$73,605.28	\$206,957.33	\$147,210.56
TOTAL DIRECT COST	\$723,901.72	\$411,140.78	\$772,720.76	\$530,945.76	\$1,496,622.48	\$942,086.54
TOTAL INDIRECT COST	\$61,531.65	\$34,946.97	\$65,681.26	\$45,130.39	\$127,212.91	\$80,077.36
TOTAL MG PROGRAM	\$785,433.37	\$446,087.75	\$838,402.02	\$576,076.15	\$1,623,835.39	\$1,022,163.90

\* Note: Budgeted figures are for 1 September 1990 - 31 August 1991;

TABLE 4

SED MATCHING GRANT  
FINANCIAL PROFILE OF THE PROJECT

PROJECTED BUDGET FOR LAST QUARTER OF GRANT YEAR III

YEAR III  
1 JUNE 1991 - 31 AUGUST 1991

PROJECT ELEMENTS	A.I.D. BUDGET	CRS BUDGET	TOTAL BUDGET
<b>BOLIVIA COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$16,415.00	\$17,085.00	\$33,500.00
EVALUATION	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$3,868.47	\$4,026.36	\$7,894.83
PROGRAM SUBTOTAL	\$20,283.47	\$21,111.36	\$41,394.83
<b>PERU COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$27,806.64	\$25,667.66	\$53,474.30
EVALUATION	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$7,303.72	\$6,741.90	\$14,045.62
PROGRAM SUBTOTAL	\$35,110.36	\$32,409.56	\$67,519.92
<b>SENEGAL COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$21,344.00	\$45,356.00	\$66,700.00
EVALUATION	\$960.00	\$2,040.00	\$3,000.00
PROGRAM MANAGEMENT	\$2,304.00	\$4,896.00	\$7,200.00
PROGRAM SUBTOTAL	\$24,608.00	\$52,292.00	\$76,900.00
<b>TOGO COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$9,689.49	\$9,309.51	\$18,999.00
EVALUATION	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$3,001.86	\$2,884.14	\$5,886.00
PROGRAM SUBTOTAL	\$12,691.35	\$12,193.65	\$24,885.00
<b>THAILAND COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$24,007.50	\$56,017.50	\$80,025.00
EVALUATION	\$ .00	\$ .00	\$ .00
PROGRAM MANAGEMENT	\$5,202.00	\$12,138.00	\$17,340.00
PROGRAM SUBTOTAL	\$29,209.50	\$68,155.50	\$97,365.00
HEADQUARTERS	\$24,535.10	\$24,535.10	\$49,070.20
TOTAL DIRECT COST	\$146,437.78	\$210,697.17	\$357,134.95
TOTAL INDIRECT COST	\$12,447.21	\$17,909.26	\$30,356.47
TOTAL MG PROGRAM	\$158,884.99	\$228,606.43	\$387,491.42

TABLE 5

SED MATCHING GRANT  
FINANCIAL PROFILE OF THE PROJECT

## PROJECTED BUDGET FOR GRANT YEAR IV

YEAR IV  
1 SEPTEMBER 1991 - 31 AUGUST 1992

PROJECT ELEMENTS	A.I.D. BUDGET	CRS BUDGET	TOTAL BUDGET
<b>BOLIVIA COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$47,460.00	\$65,540.00	\$113,000.00
EVALUATION	\$1,764.00	\$2,436.00	\$4,200.00
PROGRAM MANAGEMENT	\$16,841.58	\$23,257.42	\$40,099.00
PROGRAM SUBTOTAL	\$66,065.58	\$91,233.42	\$157,299.00
<b>PERU COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$34,375.00	\$103,125.00	\$137,500.00
EVALUATION	\$0.00	\$0.00	\$0.00
PROGRAM MANAGEMENT	\$11,953.50	\$35,860.50	\$47,814.00
PROGRAM SUBTOTAL	\$47,814.00	\$137,500.00	\$185,314.00
<b>SENEGAL COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$64,880.00	\$97,320.00	\$162,200.00
EVALUATION	\$1,200.00	\$1,800.00	\$3,000.00
PROGRAM MANAGEMENT	\$11,520.00	\$17,280.00	\$28,800.00
PROGRAM SUBTOTAL	\$77,600.00	\$116,400.00	\$194,000.00
<b>TOGO COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$36,586.08	\$39,634.92	\$76,221.00
EVALUATION	\$9,600.00	\$10,400.00	\$20,000.00
PROGRAM MANAGEMENT	\$12,636.00	\$13,689.00	\$26,325.00
PROGRAM SUBTOTAL	\$58,822.08	\$63,723.92	\$122,546.00
<b>THAILAND COUNTRY PROGRAM</b>			
PROGRAM ACTIVITY	\$89,423.40	\$208,654.60	\$298,078.00
EVALUATION	\$1,050.00	\$4,200.00	\$5,250.00
PROGRAM MANAGEMENT	\$20,808.00	\$48,552.00	\$69,360.00
PROGRAM SUBTOTAL	\$111,281.40	\$261,406.60	\$372,688.00
HEADQUARTERS	\$120,140.00	\$120,140.00	\$240,280.00
TOTAL DIRECT COST	\$481,723.06	\$790,403.94	\$1,272,127.00
TOTAL INDIRECT COST	\$40,946.46	\$67,184.33	\$108,130.80
TOTAL MG PROGRAM	\$522,669.52	\$857,588.27	\$1,380,257.80

# STATEMENT OF SUPPORT, REVENUE AND EXPENSES

for the year ended December 31 1990 with comparative totals for 1989 (\$000's omitted)

	1990				Total All Funds	
	Current Funds		Land, Building and Equipment Fund	Endowment Fund	1990	1989
	General Fund	Grant Fund				
<b>SUPPORT AND REVENUE</b>						
Support:						
Bishops' Committee allocation	\$ 9,020	\$ -	\$ -	\$ -	\$ 9,020	\$ 8,735
Operation Rice Bowl	7,277	-	-	-	7,277	2,841
Cash contributions	19,800	2,421	-	1,414	23,635	24,283
In-kind contributions:						
United States sources	8,345	88,555	-	-	96,900	114,024
Other	-	5,024	-	-	5,024	8,035
Government and international organizations:						
Ocean freight	-	40,982	-	-	40,982	48,938
Grants and agreements:						
United States Government	529	27,214	-	-	27,743	15,056
Other	142	1,100	-	-	1,242	2,964
Revenue:						
Investment and other income	4,334	2,807	86	977	8,204	6,998
Total support and revenue	49,447	168,103	86	2,391	220,027	231,874
<b>EXPENSES</b>						
Program services:						
General welfare	4,493	19,876	38	-	24,407	11,118
Disaster and emergency relief	12,075	46,877	91	-	59,043	39,222
Refugee relief and resettlement	752	4,592	10	-	5,354	14,427
Human development	22,813	97,044	179	-	120,036	161,188
Total program services	40,133	168,389	318	-	208,840	225,955
Supporting services:						
Management and general	11,316	-	734	5	12,055	10,862
Public awareness	980	-	-	-	980	924
Fundraising	4,905	-	-	-	4,905	4,245
Total supporting services	17,201	-	734	5	17,940	16,031
Relocation costs	-	-	-	-	-	3,571
Total expenses	57,334	168,389	1,052	5	226,780	245,557
Gain from termination of pension plan	2,914	-	-	-	2,914	-
Excess (deficiency) of support and revenue over expenses	\$ (4,973)	\$ (286)	\$ (966)	\$ 2,386	\$ (3,839)	\$ (13,683)

See accompanying notes to financial statements

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services  
 Project/Grant No.: OTR-118-AID-118-01  
 Grant Dates: 8.31.88 - 9.1.93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: Headquarters

Project Purpose: (limit to 40 words or less)

Through the resources provided by the Matching Grant, CRS will develop a solid institutional foundation from which it can expand its SED programming activities throughout the developing world.

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

First draft of SED Strategic Program Plan completed.  
 SED survey taken of CRS field offices and results tabulated and analyzed. Technical assistance given to each of the pilot programs and financial management systems installed.

Project Funding:

Year	I	Year	II	Year	III	Year	IV	Year	V	TOTAL
AIDS	31,325	AIDS	30,212	AIDS	73,605	AIDS	120,140	AIDS	146,267	401,549
PVOS	31,325	PVOS	30,212	PVOS	73,605	PVOS	120,140	PVOS	146,267	401,549
OTHER		OTHER		OTHER		OTHER		OTHER		
INKIND		INKIND		INKIND		INKIND		INKIND		
LOCAL		LOCAL		LOCAL		LOCAL		LOCAL		
TOTAL	62,650	TOTAL	60,424	TOTAL	147,210	TOTAL	240,280	TOTAL	292,534	803,098

Location in Country: (Region, District, Village - Be Specific)

Headquarters 1011 First Ave., NY, NY 10022

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Lawrence Yanovitch, SED Coordinator  
 (address) Catholic Relief Services 1011 First Ave., New York, N.Y. 10022  
 (phone) (212) 838-4700  
 Alternative - Grace Hauck, Grants Manager - same address

Local Counterpart/Host Country Agency: (if no PVO representative)

N/A

\*Complete separate sheet for each country program and headquarters.

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services  
 Project/Grant No.: OTR-01580A-00-8110-00  
 Grant Dates: 8/31/88 - 9/1/93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: CRS/BOLIVIA

Project Purpose: (limit to 40 words or less)

CRS/Bolivia will support activities of Bolivian NGOs in providing credit and technical assistance to small scale entrepreneurs (both merchants and producers).

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

Partnership with NGOs in La Paz established, local institutional capacity for integrating micro-enterprise and community development reviewed. Program concept paper negotiated with counterparts and design paper finalized.

Project Funding:

	Year I	Year II	Year III	Year IV	Year V	TOTAL
AID\$	10,178	65,663	113,771	66,065	127,772	383,449
PVO\$	10,175	63,087	118,414	91,233	102,466	385,375
OTHER						
INKIND						
LOCAL						
TOTAL	20,353	128,750	232,185	157,298	230,238	758,824

Location in Country: (Region, District, Village - Be Specific)

La Paz, Bolivia

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Christine Tucker - Catholic Relief Services-USCC  
 (address) Corneta Mamani No. 1973, La Paz  
 (phone) 591-2-3-23335, 3-52293

Local Counterpart/Host Country Agency: (If no PVO representative)

N/A

\*Complete separate sheet for each country program and headquarters.

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services-USCC  
 Project/Grant No.: OTR-0158-A-00-8240-00  
 Grant Dates: 8/31/89 - 9/1/93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: CRS/PERU

Project Purpose: (limit to 40 words or less)

Purpose is to provide management training to small businessmen for more effective use of credit and other available resources and to work with local intermediary organizations to develop their institutional capacity to provide technical services to small businesses and the informal sector.

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

Discussions held with local institutions on complimenting their micro-enterprise credit delivery systems with management training. Design document to be developed further and presented in Fall '89.

<u>Project Funding:</u>					TOTAL
Year I	Year II	Year III	Year IV	Year V	
AID\$ <u>1,245</u>	AID\$ <u>42,392</u>	AID\$ <u>90,009</u>	AID\$ <u>47,814</u>	AID\$ <u>157,504</u>	<u>338,964</u>
PVOS <u>1,418</u>	PVOS <u>39,188</u>	PVOS <u>83,085</u>	PVOS <u>137,500</u>	PVOS <u>151,788</u>	<u>412,979</u>
OTHER _____	OTHER _____	OTHER _____	OTHER _____	OTHER _____	_____
INKIND _____	INKIND _____	INKIND _____	INKIND _____	INKIND _____	_____
LOCAL _____	LOCAL _____	LOCAL _____	LOCAL _____	LOCAL _____	_____
TOTAL <u>2,663</u>	TOTAL <u>81,580</u>	TOTAL <u>173,094</u>	TOTAL <u>185,314</u>	TOTAL <u>309,292</u>	<u>751,943</u>

Location in Country: (Region, District, Village - Be Specific)  
 Lima, Peru

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Mark Moriarty - Catholic Relief Services-USCC  
 (address) Parque Internacional de Industrie y Commerico, Lima, Peru  
 (phone) 51-07-65

Local Counterpart/Host Country Agency: (If no PVO representative)

N/A

\*Complete separate sheet for each country program and headquarters.

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services  
 Project/Grant No.: OTR-0158-A-00-8240-00  
 Grant Dates: 8/31/88 - 9/1/93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: CRS/SENEGAL

Project Purpose: (limit to 40 words or less)

Project purpose is to build the indigenous institutional capacity in Senegal to provide effective management extension services to small scale enterprises.

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

Senegal sought approval to begin implementation a year early and conducted an institutional survey of local counterparts. Develops strategy for program components and reviewed lessons learned from EEC monetization for seed/cereal banks.

Submission of design papers targeted for Jan '90.

Project Funding:

	Year <u>I</u>	Year <u>II</u>	Year <u>III</u>	Year <u>IV</u>	Year <u>v</u>	TOTAL
AID\$	<u>0</u>	<u>62,426</u>	<u>62,426</u>	<u>77,600</u>	<u>92,871</u>	<u>295,323</u>
PVO\$	<u>0</u>	<u>132,656</u>	<u>132,656</u>	<u>116,400</u>	<u>71,693</u>	<u>453,405</u>
OTHER						
INKIND						
LOCAL						
TOTAL	<u>0</u>	<u>195,082</u>	<u>195,082</u>	<u>194,000</u>	<u>164,564</u>	<u>748,728</u>

Location in Country: (Region, District, Village - Be Specific)

Dakar, Senegal

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Michael Hastings Catholic Relief Services-USCC  
 (address) Immeuble des Eaux, 72, Blvd. de la Republique 1er Etage, Dakar,  
 (phone) 21-46-21, 22-22-75 Senegal

Local Counterpart/Host Country Agency: (If no PVO representative)

N A

\*Complete separate sheet for each country program and headquarters.

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services  
 Project/Grant No.: OTR-0158-A-00-8240-00  
 Grant Dates: 8/31/88 - 9/1/93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: CRS/THAILAND

Project Purpose: (limit to 40 words or less)

Purpose is to enable landless and small farmers to diversify income sources, away from primary commodities towards alternative land uses and value added processes; to provide management assistance and enable them to gain access to greater amounts of credit.

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

Pre-project feasibility analysis conducted, base-line data compiled and NGO workshop in community banking methodology sponsored. Two test women community banks inaugurated. Detailed implementation plans developing.

<u>Project Funding:</u>					<u>TOTAL</u>
<u>Year I</u>	<u>Year II</u>	<u>Year III</u>	<u>Year IV</u>	<u>Year V</u>	
<u>AID\$ 38,405</u>	<u>AID\$ 30,213</u>	<u>AID\$ 37,867</u>	<u>AID\$ 111,281</u>	<u>AID\$ 105,508</u>	<u>323,274</u>
<u>PVOS 40,619</u>	<u>PVOS 70,887</u>	<u>PVOS 88,356</u>	<u>PVOS 261,406</u>	<u>PVOS 282,946</u>	<u>744,214</u>
<u>OTHER</u>	<u>OTHER</u>	<u>OTHER</u>	<u>OTHER</u>	<u>OTHER</u>	
<u>INKIND</u>	<u>INKIND</u>	<u>INKIND</u>	<u>INKIND</u>	<u>INKIND</u>	
<u>LOCAL</u>	<u>LOCAL</u>	<u>LOCAL</u>	<u>LOCAL</u>	<u>LOCAL</u>	
<u>TOTAL 79,024</u>	<u>TOTAL 101,100</u>	<u>TOTAL 126,223</u>	<u>TOTAL 372,687</u>	<u>TOTAL 388,454</u>	<u>1,067,488</u>

Location in Country: (Region, District, Village - Be Specific)

Northeast Provinces - the Korat Triangle and Ubon-Udon area

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Michael McDonald - Catholic Relief Services-USCC  
 (address) 89/25 Vithayu Place, Site #14, Wireless Road, Putumwan District,  
 (phone) 252-4829, 4830, 4831, 4832, 4833 Bangkok 10500

Local Counterpart/Host Country Agency: (if no PVO representative)

N/A

\*Complete separate sheet for each country program and headquarters.

COUNTRY INFORMATION FOR  
A.I.D.-SUPPORTED PVO PROJECTS

Organization: Catholic Relief Services  
 Project/Grant No.: OTR-9158-A-00-8210-00  
 Grant Dates: 8/31/88 - 9/1/93  
 Funding Mechanism: M.G.  
 (i.e., MG, OPG, Contract, CA, Etc.)

\*COUNTRY NAME OR HEADQUARTERS: CRS/TOGO

Project Purpose: (limit to 40 words or less)

Purpose is to provide management training to rural artisans and to build the capability of local counterparts to provide technical services in credit management, marketing and production techniques.

Project Implementation:

Start Date: Sept. 1, 1988 Estimated Completion Date: August 31, 1993  
 Status: (limit to 25 words or less)

Pre-project feasibility analysis completed, institutional analysis and strategy for strengthening and widening the services of GIPATO developed. Experimental training in appropriate technologies initiated and design document finalized.

Project Funding:

					TOTAL
Year I	Year II	Year III	Year IV	Year V	
AID\$ <u>21,963</u>	AID\$ <u>54,879</u>	AID\$ <u>33,461</u>	AID\$ <u>58,822</u>	AID\$ <u>36,890</u>	<u>216,015</u>
PVO\$ <u>25,333</u>	PVO\$ <u>67,528</u>	PVO\$ <u>34,827</u>	PVO\$ <u>63,723</u>	PVO\$ <u>57,931</u>	<u>249,342</u>
OTHER _____	OTHER _____	OTHER _____	OTHER _____	OTHER _____	_____
INKIND _____	INKIND _____	INKIND _____	INKIND _____	INKIND _____	_____
LOCAL _____	LOCAL _____	LOCAL _____	LOCAL _____	LOCAL _____	_____
TOTAL <u>47,296</u>	TOTAL <u>132,407</u>	TOTAL <u>68,289</u>	TOTAL <u>122,545</u>	TOTAL <u>94,821</u>	<u>465,357</u>

Location in Country: (Region, District, Village - Be Specific)

Sokome, Togo

PVO Representative in Country: (if any) or Program Manager for Headquarters:

(name) Paul Miller Catholic Relief Services-USCC  
 (address) 9 Rue Brazza, Lome, Togo  
 (phone) 210662, 212088

Local Counterpart/Host Country Agency: (If no PVO representative)

N/A

\*Complete separate sheet for each country program and headquarters.