



WEST AFRICA REGIONAL PROGRAM (WARP)

**ACTIVITY: BANK TRAINING AND POLICY
DEVELOPMENT IN WEST AFRICA UNDER AFRICA TRADE
AND INVESTMENT PROGRAM (ATRIP)**

AWARD NO. 688-G-00-00-00360-00

**FINAL REPORT
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**PROJECT UNDER THE AUSPICES OF THE
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I. Executive Summary

USAID awarded Barents Group of KPMG Consulting Inc. (KPMG/Barents) a one-year African Trade and Investment Program (ATRIP) grant under the West African Regional Program (WARP) on September 20, 2000. USAID/Mali was given oversight responsibility for this grant award. KPMG/Barents began grant activities on November 29, 2000, and concluded them on December 21, 2001, after a 90-day no cost extension.

The total grant award was \$749,286, of which USAID's funded portion was \$546,280. The KPMG/Barents and West African combined cost share contribution was \$203,006. Upon completion of its grant award activity, KPMG/Barents had far exceeded its originally proposed cost share contribution and deliverables.

Grant Funding (USAID, KPMG/Barents and West African Cost Share)

As the table below indicates, the final grant funding was \$807,298, an increase of nearly 8% over the original funding of \$749,286.

<i>Cost Share</i>	<i>Proposed</i>	<i>Actual</i>	<i>Difference</i>
USAID	\$546,280	\$546,280	\$0
KPMG/Barents	\$152,506	\$230,359	\$77,853
West Africa	\$50,500	\$30,659	-\$19,841
Total Grant Funding	\$749,286	\$807,298	\$58,012

As originally proposed, the KPMG/Barents cost share contribution was \$152,506 and the West African cost share was \$50,500. As is clear from the table above, however, the actual KPMG/Barents cost share contribution was \$230,359, an increase of 51% and the West African cost share contribution was \$30,659, roughly \$20,000 less than proposed.

In the original proposal, the KPMG/Barents/West African cost share contribution was 27% of the total grant funding. The actual results show that the KPMG/Barents/West African cost share equaled 32% of the total grant funding.

Grant Deliverables

In its original grant proposal, KPMG/Barents projected training 180 bankers in three different banking-related topics in three different West African countries. Upon completion of the grant award activities, KPMG/Barents had trained 240 bankers in six different banking-related topics in three countries. On the next page, is a summary of proposed deliverables versus actual results achieved:

<i>PROPOSED</i>	<i>DELIVERED</i>
◆ Conduct <u>1</u> training and bank association needs assessment in <u>five</u> West African countries.	◆ Conducted <u>1</u> training and bank association needs assessment in <u>five</u> West African countries (Ghana, Mali, Nigeria, Senegal, and Togo).
◆ Conduct <u>3</u> Bank Association Diagnostics in the three West African countries selected (Ghana, Mali and Senegal).	◆ Conducted <u>3</u> Bank Association Diagnostics in the three West African countries selected (Ghana, Mali and Senegal).
◆ Conduct <u>3</u> Bank Training Diagnostics in the three West African countries selected.	◆ Conducted <u>3</u> Bank Training Diagnostics in the three West African countries selected. (Ghana, Mali and Senegal).
◆ Deliver <u>12</u> training seminars in the three West African countries selected (Mali, Ghana and Senegal).	◆ Delivered <u>20</u> training seminars in the three West African countries selected (Ghana, Mali and Senegal).
◆ Deliver <u>6</u> training seminars on international banking.	◆ Delivered <u>6</u> training seminars on international banking.
◆ Deliver <u>6</u> training seminars on credit analysis and credit management.	◆ Delivered <u>11</u> training seminars on credit analysis and credit management.
◆ Train <u>180</u> bankers from <u>three</u> West African countries in credit and international banking skills on-site in West Africa.	◆ Trained <u>240</u> bankers from (Ghana, Mali and Senegal) in credit and international banking skills on-site in West Africa.
◆ Train <u>18</u> bank employees from three selected West African countries in Training of Trainers (TOT).	◆ Conducted TOT seminars for <u>32</u> financial sector employees from Ghana, Mali and Senegal.
◆ Train <u>9</u> West African bank association personnel from <u>3</u> countries in modern association management skills.	◆ Trained <u>11</u> West African bank association personnel from Senegal in modern association management skills. ◆ Developed <u>1</u> qualitative diagnostic tool for a rural bank association in Ghana with 114 member banks.
◆ Assistance to bank associations for each of the <u>3</u> West African countries to expand their products and services.	◆ Provided assistance to bank associations for each of the <u>3</u> West African countries to expand their products and services.
◆ Conduct <u>1</u> <u>three-day</u> multi-lateral conference in Mali to discuss bank training and policy issues.	◆ Conducted one symposium each in Mali and Senegal for <u>four</u> days and <u>five</u> days, respectively, to discuss training and policy issues (debt recovery).

The originally proposed grant deliverables were modified in consultation with USAID/Mali, Jean Harman and USAID/Senegal, Joseph Van Meter, based on the diagnostics conducted. Since KPMG/Barents had completed the training deliverables well within the grant ceiling amount by September 30, 2001, it was granted a 90-day no cost extension. The purpose of the extension was threefold:

- ◆ To allow time for the planning and execution of three Debt Recovery Symposia in Ghana, Mali and Senegal, respectively;
- ◆ To allow time for additional training in three new topics in all three countries; Problem Loan Management, Financial Institutions Analysis and Training of Trainers (TOT); and
- ◆ To exhaust the remaining grant funds.

Due to a scheduling conflict, the Association of Rural Banks in Ghana requested that the symposium be delayed till 2002. Unfortunately, KPMG/Barents was unable to comply with the request because it exceeded the 90-day no cost extension period. All other activities planned for the no cost extension period were conducted.

Over the course of the grant, deliverables were submitted to USAID/Mali and/or Senegal as they were completed. Listed below are the deliverables that were presented to USAID/Mali and/or USAID/ Senegal during the grant:

- ◆ Preliminary Diagnostic Summary Report/December 2000;
- ◆ Ghana Banker Association Diagnostic Summary Report/February 2001;
- ◆ Mali Banking Association Diagnostic Report/March 2001;
- ◆ Senegal Banking Association Diagnostic Report/March 2001;
- ◆ Ghana Credit and International Banking Diagnostic/March 2001;
- ◆ Diagnostic of Credit and International Departments of Malian Banks/April 2001;
- ◆ In Depth Banking Training Diagnostic Summary Report/April 2001;
- ◆ ARB Qualitative Diagnostic Tool/May 2001;
- ◆ Senegal Symposium Report/November 2001;
- ◆ Credit Risk Management Participant Guide/French;
- ◆ International Banking Participant Guide/French;
- ◆ Curriculum Development Skills Participant Guide/French;
- ◆ Presentation and Facilitation Skills Participant Guide/French;
- ◆ Problem Loan Management Participant Guide/French; and
- ◆ Financial Institutional Analysis Participant Guide/French; and
- ◆ Session de Formation Sur Justice et Banque: Le Droit OHADA des Sûretés, des Procédures Simplifiées de Recouvrement et des Voies d'Exécution/French/Novembre 2001.

The deliverables below are being submitted with this final report:

- ◆ Training Infrastructure Documents/English and French;
- ◆ Credit Risk Management Participant Guide/English;
- ◆ Curriculum Development Skills Participant Guide (TOT)/English;
- ◆ International Banking Participant Guide/English;
- ◆ Presentation and Facilitation Skills Participant Guide (TOT)/English;
- ◆ Problem Loan Management Participant Guide/English;
- ◆ TraiNet Data;
- ◆ End of Course Statistics/April to December 2001; and
- ◆ Mali Symposium Report/January 2002.

II. Grant Proposal

In May 2000, Barents Group of KPMG Consulting Inc. (KPMG/Barents) submitted a revised ATRIP proposal to USAID. The objectives contained in the proposal were:

- ◆ To raise the professional skill level of the private banking sector in the international and credit departments of selected banks in order to improve their capacity to conduct international trade and expand domestic lending activities; and
- ◆ To develop the capacity of bank associations to provide needed services to their bank members and enable them to act as effective advocates of the banking community to their respective governments.

To achieve these objectives, KPMG/Barents proposed the following action plan:

- ◆ Training of a minimum of 180 bankers from three to be determined West African countries in credit and international banking skills on-site in Africa.
- ◆ Identifying a total of eighteen bank employees from the three selected West African countries to be future recipients of a subsequent-year training of trainer (TOT) program in selected credit and international banking skills and techniques in local African banks.
- ◆ Assistance to bank associations in the three selected West African countries to develop strategic and financial plans to improve the professional skill level, visibility and capacity of their respective bank associations, in order to better serve their memberships and exert greater influence on government economic and trade policy decisions. The project would include a program to monitor progress toward achievement of the goals of the plan.
- ◆ Assistance to bank associations in the development of a wider range of products and services targeted to their bank memberships as well as the refinement of bank association capabilities to influence legislation, regulation and government policy affecting the banking sector.
- ◆ Organization of a three-day conference in Mali among commercial bankers, bank association managers and government regulators and policy experts to discuss policy issues, bank association initiatives, regional activities that could improve the economic, investment and trade climate in West Africa, and other issues that affect the development of the banking sector in the region.

KPMG/Barents proposed to conduct the work of the project in eight phases over a twelve-month period, as follows:

<i>Delivery Date</i>	<i>Bank Training and Skills Development</i>	<i>Bank Association Institution Building</i>
Phase I September 2000	Preliminary diagnostic of the banking environment, activities and capacities of commercial banks in up to five target countries to determine the most appropriate targets for bank training and bank association institution building.	Preliminary diagnostic of the role and status of bank associations and the professional skills needed to build professional, effective bank associations in these countries.
Phase II October - November 2001	In-depth diagnostic of the training needs and capacities of commercial bankers in the three selected countries.	In-depth diagnostic of the activities and capacities of the bank associations in the three selected countries.
Phase III December 2000 - January 2001	Adaptation of course materials to an African context and development of case studies and other teaching aids based on diagnostic work.	Strategy development and materials preparation for creation of strategic and financial plans for bank associations.
Phase IV January - March 2001	Deliver pilot training in West Africa to commercial bankers in international banking and credit to include: Trade finance, Letters of credit, Foreign exchange, Government guarantee programs, Credit analysis Credit policy and process, and Credit portfolio management	Together with the bank associations, develop a strategic and financial plan for building the capacity of the bank associations to promote value-added services to their membership and influence government policy affecting commercial bank development
Phase V April 2001	Mid-term report preparation itemizing achievement of program outputs and benchmarks.	Mid-term report preparation itemizing achievement of program outputs and benchmarks.
Phase VI April - May 2001	Deliver training in Africa to additional bankers in credit and international banking and initial selection of African training of trainer (TOT) candidates for subsequent-year program.	Follow-up visits to bank associations in each country to provide technical assistance through management training and to assist in implementing the strategic and financial plans.
Phase VII June 2001	Final report preparation and submission of work/financial plan for subsequent year.	Final report preparation and submission of work/financial plan for subsequent year.
Phase VIII July 2001	Three-day conference in Mali and submission of final report.	Three-day conference in Mali and submission of final report.

KPMG/Barents was awarded the grant for \$546,280 effective September 20, 2000 and ending September 30, 2001. The grant stipulated that KPMG/Barents would provide a cost share contribution of \$203,006 bringing the total grant funding to \$749,286. In October, a 90-day no cost grant extension was approved through December 31, 2001 by USAID/Mali. This final report summarizes the technical assistance provided under this grant by KPMG/Barents.

III. Diagnostics

The preliminary diagnostic of the project began as Dr. Norman Baxter conducted a diagnostic in Ghana, Mali, Nigeria, Senegal, and Togo to determine which of the West African countries should receive assistance under the grant (see Appendix A). Between the period November 29 and December 16, 2000, Dr. Baxter visited 26 bank and non-bank financial institutions and four bank associations. He concluded that the grant would have the most visible impact in Ghana, Mali and Senegal, and USAID/Mali concurred.

Banker Training Diagnostics

Banker Training Diagnostics began with individual diagnostic on the credit and international banking training needs of the bankers in Ghana, Mali and Senegal. Dr. Norman Baxter performed the diagnostic in Ghana, Ms. Oren Whyche-Shaw conducted the diagnostic in Mali and Mr. Jacques Mamousse executed the diagnostic in Senegal. The primary purpose of the diagnostic was to assess the commercial bank credit and international department training needs and develop preliminary outlines for the credit and international courses. The scope of the diagnostic included:

- ◆ Conducting a diagnostic assessment in bank credit departments to determine their priority credit training needs;
- ◆ Conducting a diagnostic assessment in bank international departments to determine their priority international bank training needs;
- ◆ Identifying and visiting potential local training sites;
- ◆ Requesting that the local banking associations assume the task of providing local training support; and
- ◆ Submitting a detailed report on diagnostic activities.

Following is a summary of the Banker Training Diagnostics by country.

Ghana

Dr. Baxter conducted the diagnostic in Accra, Ghana March 5 to 16, 2001 (see Appendix B). He met with 22 individuals representing 16 institutions (banks, bank associations, donors, and other key entities). Based on the diagnostic, five topics surfaced for the credit training in Ghana:

- ◆ Risk Identification;
- ◆ Risk Assessment;
- ◆ Loan Monitoring;
- ◆ Problem Loans; and
- ◆ Financial Statement Analysis.

In addition, four topics surfaced for the international banking training in Ghana:

- ◆ Letter of Credit Documentation
- ◆ Trade Finance;
- ◆ Foreign Exchange; and
- ◆ Correspondent Banking.

Dr. Baxter also visited the National Banking College (NBC) in Accra and determined it was the best site to conduct future training under this grant. He also confirmed that the NBC would support the administrative and logistical tasks associated with training. The NBC agreed to provide the administrative and logical support as well as absorb the local training costs. USAID/Mali concurred.

Mali

Ms. Whyche-Shaw conducted the diagnostic in Bamako, Mali March 18 to 31, 2001 (see Appendix C). Ms. Whyche-Shaw met with 14 individuals that represented 13 institutions. Based on the diagnostic, several topics surfaced for the credit training in Mali:

- ◆ Financial and Credit Analysis;
- ◆ Credit Risks and OHADA;
- ◆ How to more effectively deal with non-performing loans;
- ◆ New credit products feasible within the UEOMA;
- ◆ Credit risk ratings; and
- ◆ Lending to SME.

In addition, several topics surfaced for the international banking training in Mali:

- ◆ Business English;
- ◆ Co-financing with International Organizations;
- ◆ Best Practices of International Commodity Trade Financing; and
- ◆ Basics of Foreign Exchange.

Ms. Whyche-Shaw also visited potential training sites in Bamako and Segou, Mali and collected information on the costs of training. During her diagnostic, Ms. Whyche-Shaw learned that the Association Professionnelle des Banques et Etablissements Financiers* (APBEF) in Mali would not commit to supporting the administrative and logistical tasks affiliated with training. The Secretary General of APBEF, Sekou Massa Kante, indicated that without details about exact costs and the program, he could not commit to support the training. When Ms. Whyche-Shaw visited the banks, they echoed Mr. Kante's concern. Therefore, upon her departure, the training site and the local administrative and logistical support for training were unresolved. USAID/Mali was informed of this outcome.

**The APBEF in Mali may be loosely termed a lobby organization on behalf of the local commercial banks. However, the APBEF also supports training for bankers on a limited basis. The same is true of the APBEF in Senegal.*

Senegal

Mr. Jacques Mamousse performed the diagnostic in Dakar, Senegal March 25 to April 5, 2001 (see Appendix D). He met with 20 individuals from 14 different banking and training institutions. Based on the diagnostic, Mr. Mamousse confirmed that:

- ◆ Banks welcomed the prospect of training in credit and international banking topics;
- ◆ Training materials should be adapted to the local environment; and
- ◆ Training should capitalize on the highly successful, interactive International Finance Corporation Credit seminar conducted earlier in the year by Tony Grier.

Note: KPMG/Barents subsequently secured Tony Grier as an instructor in Fall 2001 in Ghana, Mali, and Senegal.

Based on the results of the diagnostic, Mr. Mamousse indicated that the credit course should include the following topics:

- ◆ Credit and customer services for individuals;
- ◆ SME lending;
- ◆ Portfolio management; and
- ◆ Collateralizing loans.

Furthermore, he determined that the international banking course should include the following topics:

- ◆ International trade financing; and
- ◆ Foreign exchange risk.

Most importantly, Mr. Mamousse confirmed that the APBEF welcomed the training and would provide the administrative and logistical support required to conduct training in Senegal. He also learned that the APBEF was willing to contribute to local training costs. However given the APBEF's lack of local training management expertise, Mr. Mamousse suggested that it would be advisable to provide assistance to them. He also learned that training should be conducted initially in Dakar to attract the largest number of participants. USAID/Senegal concurred.

Banker Association Diagnostics

Ms. Lynda Swenson conducted the diagnostic in Ghana and Ms. Diana Osinski executed diagnostics in Mali and Senegal. The purpose of the diagnostic was to determine the capacity of the bank associations (1) to provide needed services to their bank members and (2) to act as effective advocates of the banking community to their respective governments. The scope of the diagnostic included:

- ◆ Conducting a diagnostic on the banker association to identify its strengths, weakness and potential areas for improvement;
- ◆ Determining priority areas for technical assistance; and
- ◆ Developing a preliminary plan for addressing priority areas for identified technical assistance.

Following is a summary of the Banker Association Diagnostics by country.

Ghana

Ms. Swenson conducted the diagnostic on the Ghana banker associations January 9 to 18, 2001 in Accra, Ghana (see Appendix E). During her diagnostic, Ms. Swenson met with the following bank associations in Ghana:

- ◆ Association of Rural Banks (ARB);
- ◆ Chartered Institute of Bankers (CIB); and
- ◆ Ghana Association of Bankers (GAB).

Ms. Swenson concluded that the most immediate need was to provide technical assistance to the Association of Rural Banks as it aimed to establish the APEX Bank in Ghana. Specifically, Ms. Swenson concluded that the ARB needed a diagnostic tool for assessing its member banks – financial condition, financial performance and management. Since ARB had recently lost its full-time technical advisor funded by the government of Denmark, it was determined that allocating grant funds to provide technical assistance to ARB would provide significant immediate impact in Ghana. USAID/Mali concurred.

Mali

Ms. Osinski conducted the diagnostic on the Association Professionnelles des Banques et Establishments Financiers (APBEF) in Bamako, Mali February 5 to 16, 2001 (see Appendix F). Ms. Osinski met with 25 participants that represented 20 institutions (APBEF members, donors, donor firms and other key entities). Based on the diagnostic, four actions were recommended to develop the capacity of the APBEF in Mali:

Award Activities

- ◆ Action 1 (Short Term): Support the formation of a Training Advisory Board to ensure training quality and confirm that APBEF-generated training products and services are appropriate and suitable for the Malian banking community.
- ◆ Action 2 (Short Term): Following the formation of the Training Advisory Board (TAB), a two to three day symposium should be developed to provide bankers, Ministry of Justice (MOJ) and Ministry of Economy and Finance (MOEF) personnel, along with the appropriate donors and key entities, with a venue to discuss and identify solutions to improve debt recovery.

Post-Award Activities

- ◆ Action 3 (Long Term): Conduct a Training of Trainers (TOT) Program to teach the APBEF and the banking community the key components of effective training programs.
- ◆ Action 4 (Long Term): Form Networking Groups to provide a banking community-based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the banking community should have a forum to share and collect information, as well as network with colleagues, in comparable positions.

USAID/Mali concurred with the above recommended actions.

Senegal

Ms. Osinski conducted the diagnostic on the Association Professionnelles des Banques et Etablissements Financiers (APBEF) in Dakar, Senegal February 19 to March 2, 2001 (see Appendix G). Ms. Osinski met with 31 participants representing 25 institutions (APBEF members, donors, donor firms and other key entities). Based on the diagnostic, four actions were recommended to develop the capacity of the APBEF in Senegal:

Award Activities

- ◆ Action 1 (Short Term): Support the formation of a Training Advisory Board to ensure quality and confirm that APBEF-generated training products and services are appropriate and suitable for the Senegalese banking community.
- ◆ Action 2 (Short Term): Following the formation of the Training Advisory Board (TAB), a two to three day symposium should be developed to provide bankers and MOJ personnel, along with the appropriate donors and key entities, with a venue to discuss and identify solutions to improve debt recovery up to and including arbitration and mediation.

Post-Award Activities

- ◆ Action 3 (Long Term): Conduct a Training of Trainers (TOT) Program to teach the APBEF and the banking community the key components of effective training programs.

- ◆ Action 4 (Long Term): Form Networking Groups to provide a banking community-based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the banking community should have a forum to share and collect information, as well as network with colleagues, in comparable positions.

USAID/Senegal concurred with the above recommended actions.

IV. Bank Training

KPMG/Barents conducted training for bankers in accordance with the original grant proposal in Ghana, Mali and Senegal (see Appendix H). In its original proposal, KPMG/Barents anticipated conducting 12 courses for 180 bankers. Below is a capsule summary of the actual training conducted under the grant award:

<i>Seminars and Participants</i>	<i>Ghana</i>	<i>Mali</i>	<i>Senegal</i>	<i>Total</i>
Number of Courses	6	7	7	20
Total Number of Participants	83	42	88	240
Number of Female Participants	14	13	22	56

KPMG/Barents conducted six international banking training seminars as originally proposed. KPMG/Barents also conducted eleven credit analysis and credit management training seminars, 5 more than proposed. In addition, KPMG/Barents conducted three Problem Loan Management and two Financial Institutional Analysis courses that were not originally proposed. Finally, KPMG/Barents conducted a Training of Trainers (TOT) course, one per country.

During the grant training activity, 60 (33%) more participants were trained than the originally proposed 180. There was significant female participation in the training as 56 (23%) of the total participants were women.

All training participants received a manual in English or French, depending upon the official language. Listed below are six participant manuals that were used during training:

- ◆ Credit Risk Management;
- ◆ Curriculum Development (TOT);
- ◆ Financial Institutions Analysis;
- ◆ International Banking;
- ◆ Presentation and Facilitation Skills (TOT); and
- ◆ Problem Loan Management.

The participant manuals were comprehensive and intended for use as a post-training on the job resource. All courses were interactive and included handouts, cases and exercises, in order for the participants to demonstrate their new acquired knowledge and how to apply it.

On the following page is a summary of the training seminars by course, country, date, and instructor:

CREDIT ANALYSIS AND CREDIT MANAGEMENT SEMINARS

<i>Seminar</i>	<i>Country</i>	<i>Date</i>	<i>Instructor</i>
1. Credit Risk Management	Ghana	4/23-4/27/01	Jerome Roderick
2. Credit Risk Management	Ghana	6/25-6/29/01	Jerome Roderick
3. Credit Risk Management	Senegal	7/16-7/20/01	Jacques Mamousse
4. Credit Risk Management	Mali	7/23-7/27/01	Michel Margueron
5. Credit Risk Management	Senegal	9/17-9/21/01	Jacques Mamousse
6. Credit Risk Management	Mali	9/24-9/28/01	Michel Margueron
7. Problem Loan Management	Senegal	10/15-19/01	Tony Grier
8. Financial Institutions Analysis	Senegal	10/22-26/01	Tony Grier
9. Problem Loan Management	Mali	10/29-11/2/01	Tony Grier
10. Financial Institutions Analysis	Mali	11/5-9/01	Tony Grier
11. Problem Loan Management	Ghana	12/10-14/01	Tony Grier

INTERNATIONAL BANKING SEMINARS

<i>Seminar</i>	<i>Country</i>	<i>Date</i>	<i>Instructor</i>
1. International Banking	Ghana	4/30-5/4/01	Mike McNertney
2. International Banking	Ghana	6/11-6/15/01	Jacques Mamousse
3. International Banking	Senegal	7/23-7/27/01	Jacques Mamousse
4. International Banking	Mali	7/30-8/3/01	Michel Margueron
5. International Banking	Senegal	9/10-9/14/01	Jacques Mamousse
6. International Banking	Mali	9/17-9/21/01	Michel Margueron

TRAINING OF TRAINERS SEMINARS

<i>Seminar</i>	<i>Country</i>	<i>Date</i>	<i>Instructor</i>
1. Training of Trainers	Senegal	9/3-9/7/01	Tony Grier
2. Training of Trainers	Mali	9/24-9/28/01	Tony Grier
3. Training of Trainers	Ghana	12/10-12/14/01	Tony Grier

The courses, instructors and training materials were highly rated by the participants (see Appendix I). The average course rating was 87%, the average instructor rating was 90% and the average training materials rating was 83%. On the next page, is a summary of the end of course evaluation statistics:

BANK TRAINING COURSE STATISTICS

Program Title	Instructor	City/Country	State Date	End Date	Number of Participants	Female Participants	Course Rating	Instructor Rating	Materials Rating
Credit Risk Management	Jerome Roderick	Accra, Ghana	04/23/01	04/27/01	15	1	No comparable data*	No comparable data*	No comparable data*
International Banking	Mike McNertney	Accra, Ghana	04/30/01	05/04/01	14	1	No comparable data*	No comparable data*	No comparable data*
International Banking	Jacques Mamousse	Accra, Ghana	06/11/01	06/15/01	21	6	No comparable data*	No comparable data*	No comparable data*
Credit Risk Management	Jerome Roderick	Accra, Ghana	06/25/01	06/29/01	27	7	No comparable data*	No comparable data*	No comparable data*
Credit Risk Management	Jacques Mamousse	Dakar, Senegal	07/16/01	07/20/01	21	7	75.00	81.67	67.50
International Banking	Jacques Mamousse	Dakar, Senegal	07/23/01	07/27/01	13	2	79.17	81.94	76.39
Credit Risk Management	Michel Margueron	Bamako, Mali	07/23/01	07/27/01	8	1	97.62	100.00	90.48
International Banking	Michel Margueron	Bamako, Mali	07/30/01	08/03/01	3	2	100.00	100.00	88.89
Training of Trainers	Tony Grier	Dakar, Senegal	09/03/01	09/07/01	16	1	87.04	92.59	83.33
International Banking	Jacques Mamousse	Dakar, Senegal	09/10/01	09/14/01	11	4	80.30	78.88	81.82
Credit Risk Management	Jacques Mamousse	Dakar, Senegal	09/17/01	09/21/01	12	2	86.11	90.28	80.56
International Banking	Michel Margueron	Bamako, Mali	09/17/01	09/21/01	9	3	85.00	91.67	80.00
Credit Risk Management	Michel Margueron	Bamako, Mali	09/24/01	09/28/01	13	3	91.03	93.59	74.36
Training of Trainers	Tony Grier	Bamako, Mali	09/24/01	09/28/01	3	1	94.44	94.44	94.44
Problem Loan Management	Tony Grier	Dakar, Senegal	10/15/01	10/19/01	10	5	75.00	81.67	67.50
Financial Institutions Analysis	Tony Grier	Dakar, Senegal	10/22/01	10/26/01	5	1	91.67	91.67	91.67
Problem Loan Management	Tony Grier	Bamako, Mali	10/29/01	11/02/01	2	1	91.67	91.67	91.67
Financial Institutions Analysis	Tony Grier	Bamako, Mali	11/05/01	11/09/01	4	2	87.50	95.83	83.33
Problem Loan Management	Tony Grier	Accra, Ghana	12/03/01	12/07/01	20	3	No comparable data*	No comparable data*	No comparable data*
Training of Trainers	Tony Grier	Accra, Ghana	12/10/01	12/14/01	13	3	87.50	90.28	86.08
					240	56	87.27%	90.41%	82.54%

*The Ghanaian National Banking College evaluation form was used to evaluate training. However, their evaluation form didn't provide sufficient data.

Immediately following the September 11 terrorist attacks on America, KPMG/Barents and USAID gave consideration to delaying the scheduled training for October in Mali and Senegal. Nevertheless, KPMG/Barents and USAID reached the joint decision to proceed with the training as scheduled.

Training Administration

Local training administration for the following items varied by country:

- ◆ Administrative and logistical support;
- ◆ Training room;
- ◆ Training equipment;
- ◆ Water, coffee breaks and lunches;
- ◆ Notebooks and pens;
- ◆ Reproduction of training materials; and
- ◆ Instructor transportation.

In Ghana, the National Banking College absorbed 100% of the local training costs. In addition, it handled all of the administrative and logistical issues affiliated with the local delivery of training. KPMG/Barents secured the instructors and provided NBC with a copy of the participant manual. The NBC indicated that its contribution equaled \$7,545.

In Mali, no support was provided by the APBEF. Instead, KPMG/Barents provided the administrative and logistical support with the assistance of the KPMG/Barents local coordinator, Ousmane Minta. This support included securing the training room and equipment, participant coffee breaks and lunches and notebooks and pens, and providing reproduction of the training materials. Participant fees were collected in Mali and covered 84% of the local training costs.

In Senegal, APBEF's Moussa Diop, with the support of the Training Advisory Board and the local KPMG/Barents local coordinator, Papa Mohamed Camara, provided the administrative and logistical support. The APBEF secured the training room and equipment, participant coffee breaks and lunches, and notebooks and pens. KPMG/Barents provided the reproduction of the training materials for two of the courses. The APBEF through participant fees paid for the reproduction for four of the courses. Participant fees were collected and covered 63% of the local training costs.

Clearly, Ghana provided the most local training support, followed by Senegal. No support was provided by Mali.

Training of Trainers

KPMG/Barents anticipated providing a Training of Trainers (TOT) program 18 West African bankers. In reality, KPMG/Barents trained a total of 32 participants in three countries. This was 14 (56%) more than planned in the original grant proposal. In Mali and Senegal, a total of four participants were from microfinance institutions (MFIs) at USAID's request.

Since the purpose of the TOT program was to build local West African training capacity, the one-week TOT program consisted of two courses:

- ◆ Curriculum Development -- Designed for new and current curriculum designers to assist them in creating effective, dynamic and performance based training materials using Instructional Systems Design Methodology; and
- ◆ Presentation and Facilitation Skills -- Designed for new and current instructors seeking to practice and improve the delivery of their presentations.

For consistence of delivery and evaluation, Mr. Tony Grier taught the TOT course in all three countries. However, the approach was different in each country due to the level of support from the local banker association. Mr. Grier worked diligently with each group of TOT participants to adapt the training program to the local training environment.

The best prepared and most comprehensive program was conducted in Senegal for 16 participants, 13 bankers and three MFI representatives. The newly formed Conseil Consultatif Pour la Formation (CCF) established selection criteria for the participants and also helped design several training infrastructure documents that were used during the TOT program in all three countries.

Note: The CCF and the training infrastructure documents will be discussed in more detail in the Training Infrastructure section of this report.

In Ghana, KPMG/Barents collaborated with the National Banking College and the local banking community to select the TOT participants. As a result, KPMG/Barents trained 13 highly qualified bankers in the TOT program in Ghana.

In Mali, due to the lack of the cooperation of the APBEF and the banking community, only two bankers and one MFI representative underwent the TOT program.

Following each TOT course, Mr. Grier prepared a summary of the training capabilities of the participants (see Appendix J).

The banking community in Senegal, through the newly formed CCF, “took ownership” of the USAID and KPMG/Barents training program and developed a training infrastructure. Therefore, the Senegalese banking community now has a sound training framework in place and solid experience in managing a local training program in conjunction with a major donor. Half of the ten-member CCF participated in the TOT program, which demonstrates the commitment of the CCF to establishing local training capacity. Thus, Senegal has a significant impetus for future in-country training and in fact, the CCF has plans to continue training in 2002.

V. Training Capacity

During the bank association diagnostic in Senegal and Mali, KPMG/Barents learned that member banks wanted their local bank association to be engaged in providing local training. However, the bank associations lack the knowledge and skill to do so. Therefore, they are largely dependent on overseas education, primarily in France.

Consequently, KPMG/Barents focused on assisting the APBEF in Senegal and Mali in establishing local training capacity. This entailed prompting the APBEF in both countries to establish basic training infrastructure. However, only the APBEF in Senegal agreed to take the next steps, form a Training Advisory Board (TAB) and start building the necessary training infrastructure. In Mali, the APBEF elected not to collaborate.

In Ghana, there was already significant local training infrastructure in place through the Chartered Institute of Bankers and the National Banking College. As a result, KPMG/Barents placed greater emphasize on upgrading training materials to international standards and expanding training methodology and techniques rather than building local training infrastructure.

Training Advisory Board

When the project began in Senegal, Amadou Kane of the Banque International Pour Le Commerce et L'Industrie du Senegal (BICIS) was the President of the APBEF. At his direction, the local banking community reviewed the initial diagnostic report and initial steps were taken to form APBEF's Training Advisory Board in June 2001. The purpose of the Training Advisory Board was to ensure training quality and confirm that APBEF generated products and services appropriate and suitable for Senegal's banking community.

The TAB (in French the Conseil Consultatif Pour la Formation) was formed on June 20, 2001 and consisted of ten individuals from ten different banks. On the following page is a list of the Training Advisory Board Officers and members:

<u>Bank</u>	<u>Member</u>	<u>Title</u>
Banque de L'Habitat du Senegal (BHS)	Ibrahima N'DIAYE	Responsable de la Formation
Banque International Pour Le Commerce Et L'Industrie du Senegal (BICIS)	Cheikh Bamba YOUM	Direction des Ressources Humaines et Formation
Banque Islamique du Senegal (BIS)	Pape Bouna SIDIBE	Chef de l'Administration du Personnel et de l'Equipement
Banque Senegalo-Tunisienne (BST)	Thierno Seydou Nourou SY	Sous-Directeur de l'Administration et des Ressources Humaines
Citibank	Madeline FALL BADIANE	Sous-Directeur Ressources Humaines
Compagnie Bancaire de L'Afrique Occidentale (CBAO)	Madeleine DIENG	Chef de Service Ressources Humaines
	Mamadou DIALLO*	Responsable Formation et Gestion des Carrieres
Credit Agricole	Daouda NGOM	Chef Departement Formation
Credit Lyonnais Senegal	Mbaye KHOUMA	Directuer des Ressources Humaines
Ecobank – Senegal	Soukeyna NIANG SAKHO	Directeur des Affaires Juridiques
Societe Generale de Banques du Senegal (SGBS)	Daniel AMATO	Responsable du Service Formation

*Representing Ms. DIENG.

Board Officers

President	Cheikh Bamba YOUM
Senior Training Advisor	Daouda NGOM
Senior Legal Advisor	Ibrahima N'DIAYE
Logistics Advisor	Pape Bouna SIDIBE
Secretary	Mamadou DIALLO

The TAB was instrumental in identifying participants for the training that followed. Each TAB officer provided leadership throughout. Most importantly, they helped to develop the needed training infrastructure for the APBEF in Senegal.

In Mali, by contrast, the APBEF declined to collaborate and no TAB was formed despite the offer of technical assistance from KPMG/Barents.

Training Infrastructure

During the Banker Training and Bank Association diagnostics in Senegal, it was noted that the APBEF would benefit from guidance on how to manage training. Therefore, Ms. Osinski developed a set of training infrastructure documents to use in conjunction with the TOT program and to manage the future development of local training programs, in cooperation with the TAB. Listed below are infrastructure documents that were developed, translated and finalized by the TAB, in English and French (see Appendix K):

- ◆ Instructor Selection Criteria
- ◆ Instructor Application Form
- ◆ Instructor Criteria Evaluation Form
- ◆ Instructor Commitment Letter
- ◆ Course and Module Design Document and Sample
- ◆ Design Standards/Templates to prepare:
 - ✓ Participant Guide/Manual
 - ✓ Leader's Guide/Manual
 - ✓ Overheads
- ◆ Instruction on How to Write Tests
- ◆ Application Form
- ◆ Marketing Flyer
- ◆ Course Evaluation Form and Corresponding Spreadsheet
- ◆ Instructor Skills Inventory Form and Corresponding Spreadsheet
- ◆ Training Entity Evaluation Form and Corresponding Spreadsheet
- ◆ End of Course Completion Certificate

With the support of the GTZ and the World Bank, the APBEF and Association Professionnelle des Institutions de Microfinance (APIM) are forming a joint training center in Mali. To assist them with their efforts, the training infrastructure documents prepared in Senegal were provided to the following organizations and individuals in Mali:

- ◆ APBEF's Sekou Massa Kante;
- ◆ Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ)'s – Roland Siebeke;
- ◆ Ministry of Finance – Babali Ba;
- ◆ USAID's Helen Binta Ballo; and
- ◆ Weidemann Associates – Zahia Lolila.

VI. Technical Assistance to Bank Associations

KPMG/Barents provided technical assistance to a bank association or, more broadly, the financial sector in each of the three West African countries, either to expand the existing services offered to their membership or to meet an identified need. Below is a brief recap of the technical assistance provided in each country.

Ghana

The KPMG/Barents consultant assigned to Ghana, Ms. Lynda Swenson, collaborated with the Association of Rural Banks (ARB), the Bank of Ghana (the central bank) and a consultant from DANIDA (the approximate Danish equivalent of USAID) to develop a diagnostic tool for use by the Rural Relief Manager of the Bank of Ghana in assessing the governance and management of the ARB member banks (see Appendix L). This tool was intended to supplement, not replace, the statutory and regulatory examination requirements of the Bank of Ghana, Bank Supervision Department. The tool was designed to be an aid to the Rural Relief Manager in evaluating the qualitative, rather than the quantitative aspects of management of the ARB member banks.

Senegal

In Senegal, Ms. Osinski developed contemporary, best practice training infrastructure documents to design, implement, market, and evaluate training, in conjunction with the newly established Training Advisory Board (TAB) of the APBEF. The TAB formed in Senegal to support the KPMG/Barents grant activity in 2001 subsequently used these documents. It should be noted that half of the ten TAB members participated in the TOT courses to better understand the contemporary training techniques and methodologies presented by KPMG/Barents. Clearly, the APBEF in Senegal is now positioned to expand its activity as a local training provider. Furthermore, since KPMG/Barents translated all of the training manuals used during its course offerings into French, the TAB has a basic library of contemporary bank training materials that may be used by local instructors in future.

Mali

In Mali, Diana Osinski of KPMG/Barents and Michel Margueron, KPMG/Barents consultant, repeatedly tried to develop a partnership with the APBEF, in order to provide technical assistance. However, Mr. Abdoulaye Daffe, President, and Mr. Sekou Massa Kante, General Secretary, provided little information about the APBEF and were not receptive to technical assistance.

Nevertheless, KPMG/Barents provided technical assistance to the financial sector in Mali as all of the training infrastructure documents prepared by the TAB in Senegal were shared with the donor entities currently engaged in establishing a joint training center for the banking and microfinance communities in Mali. Both GTZ (the approximate German equivalent of USAID) and the World Bank are in the early, planning stages of making the joint training center a reality. GTZ was particularly eager to obtain the set of documents from KPMG/Barents. (The training infrastructure document recipients are listed in the Training Infrastructure section of this report.)

VII. Symposia

In its original grant proposal, KPMG/Barents planned a conference for representatives of all three West African countries at the conclusion of the grant training and technical assistance activities in July, 2001. The intended purpose of the conference was to discuss the results of both the training and technical assistance in all three West African countries and policy issues, identify lessons learned and determine how the countries could best apply the training and assistance provided, perhaps on a cooperative, regional basis.

However, based on the results of the in-depth diagnostic assessments and the training conducted in Mali, Senegal and Ghana, KPMG/Barents proposed three separate symposia, each dedicated to a specific topic tailored to each country. USAID/Mali concurred that these proposed symposia would replace the single conference proposed originally.

A recurring theme that had emerged from the diagnostics and training in Mali and Senegal, in particular, was the issue of debt recovery. In these two Francophone countries, the banking community repeatedly stated that the current law is not being fairly applied in the courts. As a result, KPMG/Barents proposed to organize a symposium for the banking community and legal authorities, a forum for discussion of the core debt recovery issues and a dialogue on potential solutions, in each country. Furthermore, KPMG/Barents recommended that the bank association in each country take a lead role in organizing and conducting the symposium. KPMG/Barents' role would be to provide technical assistance and limited financial support from its USAID grant funds.

In Ghana, based on its work with the ARB and banker training experience, KPMG/Barents proposed to conduct a series of problem loan workshops for ARB member banks both in the capital and in the regions. The ARB agreed with this proposal but was unable to commit to holding the workshops in the fall of 2001, during the 90-day extension period, because of prior commitments and preparation for the golden anniversary of the ARB in November. The ARB requested that the workshops be held early in 2002 but, because the extension period of the grant activity expired in December, 2001, KPMG/Barents was unable to accede to the request of the ARB and the workshops were not held.

Following is a synopsis of the two symposia held in Senegal and Mali, respectively, in the fall of 2001.

Senegal

The first USAID-funded and KPMG/Barents supported West African Debt Recovery Symposium was conducted in Dakar, Senegal November 5 to 9, 2001 (see Appendix M). KPMG/Barents consultant Jacques Mamousse, assisted by the local KPMG/Barents coordinator, Papa Mohamed Camara, managed the organization and execution of the symposium.

Diana Osinski had initiated work on the symposium in the summer of 2001. At that time, she approached the Centre de Formation Judiciaire (CFJ) about jointly conducting a symposium because they had submitted to the APBEF a proposal to conduct training for judges that was similar to the Debt Recovery Symposium recommendation in her Bank Association Diagnostic Report. Several meetings were conducted between the TAB of the APBEF and the CFJ, and it was agreed that they would cooperate to organize and conduct the symposium, as well as share the associated costs with KPMG/Barents.

In the end, KPMG/Barents contributed \$5,000 under its USAID grant award, APBEF contributed approximately \$1,400 and the CFJ contributed approximately \$7,200 in the form of the symposium design, logistical support, meeting rooms, equipment, and materials.

The symposium agenda was as follows:

- ◆ One day on the presentation of the OHADA Uniform Act on Collateral, covering both personal guarantees and real assets;
- ◆ One day on the simplified debt collection procedures and the repossession means presented in the OHADA Uniform Act;
- ◆ One day on the measures to obtain assets other than real estate as collateral;
- ◆ One day on the measures to obtain real estate assets as collateral; and
- ◆ A half-day of three workshops on real cases presented recently in the courts.

Attendance ranged between 29 and 34 participants (see Appendix N). Approximately half of the participants were judges, one third were bankers and the rest were representatives from the debt collection process, such as lawyers. Women comprised 29% of the audience.

All participating parties acknowledged the symposium as a success. Most important, due to the agenda and structure of the symposium, a professional dialogue was established between the bankers and the representatives of the judicial system. They discussed various issues of mutual concern and both parties realized that they must maintain the dialogue to develop better communications and exchange of information among all participants in the debt collection system. All symposium participants expressed strong interest in organizing a follow-on symposium to continue the dialogue. As a result of the high-level, enthusiastic participation in, and quality of, the symposium activities, USAID/Senegal expressed satisfaction with the symposium.

Mali

The second, USAID-funded and KPMG/Barents supported West African Debt Recovery Symposium was conducted in Bamako, Mali December 18 to 21, 2001 (see Appendix O). KPMG/Barents consultant Michel Margueron managed the development and execution of the Symposium, assisted by the local KPMG/Barents coordinator, Dr. Ousmane Minta.

In the fall of 2001, Mr. Margueron approached the APBEF about working with KPMG/Barents to conduct the symposium. APBEF elected not to support the symposium, citing dissatisfaction with topics and timing and making it clear that the association wanted to operate at its own pace while maintaining its market share in the financial market. Mr. Margueron then approached the World Bank affiliate, Cellule de Gestion des Secteurs Juridiques et Financiers (CGSJF), about supporting the symposium. Once they discovered that they had nearly identical agendas and timetables, they agreed that they would collaborate to organize and conduct the symposium as well as share the costs. They then collaborated with the Ministry of Justice (MOJ) and the Ministry of Economy and Finance (MOEF), both of which were eager to make the symposium a reality and actively participated in preparing the symposium content.

The MOJ and the MOEF selected the two major themes of the symposium. Both themes were considered a source of continuous contention with the banking sector, as well as frequently in contradiction with the OHADA Legislation. The themes were as follows:

- ◆ Legal issues involving OHADA and national jurisdictions; and
- ◆ Financial techniques and creation of new instruments and entities to foster a real estate market, and the development of a secondary market to dispose of foreclosed real estate acquired by legal adjudication.

The United States Ambassador to Mali and the Mali Minister of Justice opened the Symposium. Both speakers stressed the importance of banks permitting new players to participate in the financial markets to strengthen and deepen the domestic market, while fostering competition. A total of fifteen speakers addressed twenty scheduled topics and subtopics. A representative of the Banque Centrale de L’Afrique de L’Ouest (BCAO) attended, as well as the Director of the Legal Department of the ECOWAS Fund in Lome, Togo.

The symposium was closed by the General Secretary of the Ministry of Justice and the General Secretary of the Ministry of Economy and Finance, who stated that the recommendations reached at the end of each panel would be reviewed by the appropriate departments in each ministry and further discussion would be scheduled in the future. Both officials thanked USAID/Mali and the World Bank for organizing the Symposium, a “first in Mali.”

The daily attendance during the Symposium averaged 75 participants. However, attendance reached 111 when the Ministry of Finance brought a delegation to address specific and narrow issues related to property transfer and real estate taxation. Approximately half of the participants were women.

The symposium was covered on national television each day and a one-hour program was also devoted to it. In addition, all newspapers provided coverage of the symposium.

Based on the high-level participation, the cooperation and support of the Ministry of Justice and the Ministry of Economy and Finance, and the promise of future such formally arranged discussions in the future, USAID/Mali expressed satisfaction with the symposium.

VIII. Cost Sharing

Under the terms of its USAID WARP/ATRIP grant award, KPMG/Barents was required to contribute a cost share equal to or greater than 27% of the total grant amount of \$749,286. In its original proposal, KPMG/Barents projected a total cost share contribution of \$203,000, 27% of the total grant funding. KPMG/Barents projected that it would provide \$152,500 of the cost share contribution and the West Africans would contribute \$50,500, equaling \$203,000.

As it turned out, the total cost share contribution equaled approximately \$261,000, an increase of \$58,000 (28%). This increase occurred because the actual KPMG/Barents cost share rose 51% from \$152,500 to \$230,359, more than offsetting the decline in the anticipated West African cost share from \$50,500 to \$30,659. As a result, the total grant funding increased from \$749,286 to \$807,298 and the KPMG/Barents - West African cost share contribution equaled 32% of the total grant funding (see Appendix P).

The table below details the proposed and actual grant cost sharing among USAID, KPMG/Barents and the West Africans.

<i>Cost Share</i>	<i>Proposed</i>	<i>Actual</i>	<i>Difference</i>
USAID	\$546,280	\$546,280	\$0
KPMG/Barents	\$152,506	\$230,359	\$77,853
West Africa	\$50,500	\$30,659	-\$19,841
Total Grant Funding	\$749,286	\$807,298	\$58,012

USAID Cost Share Contribution

USAID contributed \$546,280 toward the total grant funding of \$807,298. The funding from USAID covered the overseas costs of the expatriate instructors and advisors, their related travel expenses, translation of training materials, and KPMG/Barents overhead and general and administrative expenses.

KPMG/Barents Cost Share Contribution

The KPMG/Barents cost share contribution consisted of three primary cost categories, as follows:

◆ Home office project management	\$67,000
◆ Training materials and translation	\$70,000
◆ Overhead and general and administrative expenses	<u>\$90,000</u>
Total	\$227,000

West African Cost Share Contribution

The total West African cost share for the training conducted in Ghana, Mali and Senegal was approximately \$16,200. The total cost share for the Mali and Senegal symposia was approximately \$14,500. Therefore, the West African total cost share for the training and symposia was approximately \$30,700.

The table below shows the West African cost share contribution by country.

<i>Country</i>	<i>Cost Share Contribution</i>
Ghana	\$7,500
Mali	\$10,100
Senegal	\$13,100
Total	\$30,700

The Ghana cost share contribution was smaller than the other countries because no symposium was held in Ghana.

Cost Share by Country

Ghana Training

All training was conducted at the National Banking College (NBC) in Accra, which provided a modern and well-equipped setting to conduct the training. KPMG/Barents and the NBC made the joint decision not to charge an instructional fee because the NBC is supported by annual subscriptions from all the banks. The NBC made in-kind contributions (training site, coffee breaks and lunches, reproduction of training materials, and local transportation for the instructor) valued at \$7,500.

Ghana Symposium

As noted earlier, no symposium was conducted in Ghana.

Mali Training

All training in Mali was conducted at the Banque de Developpement du Mali (BDM) Training Center located in Bamako. APBEF's Sekou Massa Kante recommended a fee for training of 75,000 FCFA (\$107). This fee was charged for all courses except the Training of Trainers (TOT) because it was jointly determined that the TOT course was meant to build local training knowledge and skills within the financial sector. Therefore, no fee was charged for the TOT course. A total of 2,925,000 CFCA (approximately \$4,200) was collected for the six training courses conducted in Mali.

Mali Symposium

As noted earlier, the APBEF elected not to participate in or contribute to the symposium. As a result, KPMG/Barents identified another partner to provide the African cost share, the World Bank affiliate, Cellule de Gestion des Secteurs Juridiques et Financiers (CGSJF). The CGSJF contributed \$5,870 to the cost of the symposium, matching the contribution of KPMG/Barents from its USAID grant funding.

Senegal Training

Training in Dakar was conducted at two different sites, first at one of the local banks and then at a local hotel. APBEF's Training Advisory Board set the fee for training at 35,000 FCFA or \$50. This fee was raised for the last two courses to 75,000 FCFA to cover the additional costs of using the hotel. A total of 3,120,000 FCFA (approximately \$4,457) was collected for the six training courses conducted in Senegal.

Senegal Symposium

KPMG/Barents provided \$5,000 of USAID funding towards symposium costs and the APBEF contributed 1,000,000 FCFA (\$1,429). The CFJ provided 5,025,000 FCFA (\$7,179) in goods and services towards symposium costs. As a result, the Senegalese contributed \$8,608 towards symposium costs.

IX. Final Report Acronyms

APBEF	Association Professionnelle des Banques et Etablissements Financiers
APIM	Association Professionnelle des Institutions de Microfinance
ARB	Association of Rural Banks
ATRIP	African Trade and Investment Program
BCAO	Banque Centrale de L'Afrique de L'Quest
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BICIS	Banque International Pour Le Commerce Et L'Industrie du Senegal
CCF	Conseil Consultatif Pour la Formation (see TAB)
CFJ	Centre de Formation Judiciaire
CIB	Chartered Institute of Banks
CGSJF	Cellule de Gestion des Secteurs Juridiques et Financiers
ECOWAS	Fund for Cooperation, Compensation and Development
FCFA	West African Franc
GAB	Ghana Association of Bankers
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
MFI	Microfinance Institution
MOF	Ministry of Finance (Mali)
MOEF	Ministry of Economy and Finance (Senegal)
MOJ	Ministry of Justice
NBC	National Banking College
OHADA	Organisation pour l'Harmonisation du Droit Affairs
SME	Small to Medium Enterprises
TAB	Training Advisory Board
TOT	Training of Trainers
UEOMA	Union Economique et Monetaire de Ouest Afrique
USAID	US Agency for International Development
USG	US Government
WAEMU	West African Economic and Monetary Union
WARP	West Africa Regional Program

X. Appendix

- A Preliminary Diagnostic Summary Report/December 2000
- B Ghana Credit and International Banking Diagnostic/March 2001
- C Diagnostic of Credit and International Departments of Malian Banks/April 2001
- D In-Depth Banking Training Diagnostic Summary Report/April 2001
- E Ghana Banker Association Diagnostic Summary Report/February 2001
- F Mali Banking Association Diagnostic Report/March 2001
- G Senegal Banking Association Diagnostic Report/March 2001
- H TraiNet Data/December 2001
- I End of Course Statistics/April to December 2001
- J Training Capabilities/September to December 2001
- K Training Infrastructure Documents/English and French
- L ARB Qualitative Diagnostic Tool/May 2001
- M Mali Symposium Report/January 2002
- N Senegal Symposium Participant List/November 2001
- O Senegal Symposium Report/November 2001
- P Cost Sharing/December 2001

Appendix A:

**Preliminary Diagnostic Summary Report/
December 2000**

West Africa Regional Program (WARP)

Activity: Bank Training and Policy Development in West Africa

Award No. 688-G-00-00-00360-00

Preliminary Diagnostic Summary Report

December 21, 2000

Barents Group of KPMG Consulting LLC

Norman Baxter

Summary

Norman Baxter of Barents Group of KPMG Consulting LLC (Barents) conducted the preliminary diagnostic trip under this WARP activity by interviewing bankers from 26 banks and non-bank financial institutions and four bank associations while visiting five West African countries during the period of November 29 - December 16: Togo, Ghana, Nigeria, Mali, and Senegal. Meetings were held with the following institutions, associations and individuals with the help of KPMG Ghana, KPMG Nigeria, USAID/Mali, and the Commercial Section, US Embassy, Dakar, Senegal:

Country	Organization	Individual	Title
Togo	Ecobank – Togo	Tony Nzongola	Group Risk Management Head
	Ecobank – Togo	Richard	Group Human Resources Head
	Ecobank – Togo	Gabriel Lopes	Group Treasury Head
	Ecobank – Togo	Samuel Thompson	Deputy Group Risk Management Head
Ghana	Ghana Association of Bankers	Dan Kwamina Mensah	Executive Director
	Ghana Association of Bankers	Kojo Essah	Training Manager
	Bank of Ghana	E. Asiedu-Mante	Director, Banking Supervision Department
	Association of Rural Banks (ARB) Apex Bank, Ltd.	Emmanuel K. Kwapong	General Manager
	Association of Rural Banks - Ghana	Eric Osei-Bonsu	Chief Executive
	Association of Rural Banks - Ghana	Richard Mettle Addo	Assistant Director (Training)
	SSB Bank, Ltd.	Marian Barnor	General Manager for Strategic Management and Corporate Affairs
	SSB Bank, Ltd.	David Lawson	Business Advisor
	Ghana Commercial Bank, Ltd.	William Bray	Managing Director
	Standard Chartered Bank	Duke A.	Group Training Head
	Standard Chartered Bank	Florence Hutchful	Group Head, Human Resources
	Barclays Bank	Kobina Quansah	Managing Director
	Barclays Bank	Not introduced	Training Assistant
	Ecobank Ghana	Jean Aka	Managing Director
	Ecobank Ghana	Not introduced	Training Assistant

Nigeria	Financial Institutions Training Center	Dr. Oladimeji Alo	Director General
	Financial Institutions Training Center (FITC)	Dr. D. Ndackson	Director of Training
	United Bank for Africa	I.A. Loye	Principal Manager Training Administration
	Union Bank of Nigeria	T.O.I. Akinola	Executive Director
	First Bank of Nigeria	F. Abudu	Head, Human Capital
	Guaranty Trust	Aig Aig – Imoukhuede	Executive Director
	Guaranty Trust	Khafilat Araoye	Assistant General Manager
	Guaranty Trust	Esohe Adetola	Assistant Manager
	Ecobank – Nigeria	Andre Lalumiere	Executive Director
	Ecobank – Nigeria	Tokunbo Adewole	Head, Human Resources Unit
	Gulf Bank of Nigeria	Ahmed Tunde Popoola	Group Head, Domestic Banking Operations
Mali	Banque Malienne de Credit et de Depots	Salif Nambala Keita	Advisor to the Director General
	Banque de l’habitat du Mali	Mamadou Baba Diawara	President Directeur General
	Banque de l’habitat du Mali	Not introduced	Manager, Credit Department
	Banque international pour le Mali	Diakarya Keita	Acting Administrator
	Banque international pour le Mali	Not introduced	Credit Department Head
	Banque international pour le Mali	Not introduced	International Department Head
	Association Professionnelle des Banques et Etablissements Financiers (APBEF) (Bank association)	Sekou Massa Kante	Secretary General
	Banque de developpement du Mali-sa	Abdoulaye Daffe	President Director General (also president of the bank association)
	Credit Initiative	Cheick Fanta Mady Traore	Comptroller General
	Credit Initiative	Not introduced	Legal advisor
	Banque Nationale de Developpement Agricole	Moussa Kalifa Traore	President Director General
	Bank of Africa	Boureima Sylla	President of the Adminstrative Council
	Bank of Africa	Mamadou Baba Sylla	Assistant General Manager

	Ecobank – Mali	Kassim Kassabie	Managing Director
	Ecobank – Mali	Yves. A. Coffi Quam-Dessou	Unknown
Senegal	Compagnie Bancaire de l’Afrique Occidentale	Madeleine Dieng	Head, Human Resources
	Citibank-Senegal	Michael Grossman	Managing Director
	Ecobank-Senegal	Evelyn Tall	Managing Director
	Banque Internationale pour le Commerce e l’Industry du Senegal	Andre Gilles	Deputy Managing Director
	Banque Internationale pour le Commerce e l’Industry du Senegal	Mouhamadou Ndiaye	Director
	Banque Senegalo-tunisienne	Souleymane Ly	Director of Operations
	APBEF (bank association)	Mr. Diop	Secretary General

The purpose of the trip was to meet as many bankers and with as many bank associations as possible in order to determine the following:

- ◆ The current state of banker training in each country
- ◆ The local banker training capacity in each country
- ◆ The level of interest and enthusiasm for the training we will offer
- ◆ The presence and viability of banker associations in each country
- ◆ The level of interest and enthusiasm for the technical assistance we will offer to the banking associations, and
- ◆ The countries with the greatest need for training at this time

It is clear from the above table of banks and individuals interviewed that we were successful in meeting with the appropriate audience during the initial trip. Moreover, we found that there is genuine, serious interest in our program in every country that we visited. All of the banks, without exception, appear to recognize the importance of training for their institutions and banking sectors and are eager to participate in our program. Some banks, SSB Bank in Ghana and CBAO in Senegal, for example, are currently engaged in an active effort to improve the expertise and professional level of their personnel. These banks were the most enthusiastic about participating in our program.

The banks are interested in our proposed training topics, credit and international banking. They appear to be prepared to collaborate with us in defining the target audience of participants and the appropriate content for the two subject areas. They welcomed our approach of trying to make the training as practical and relevant for West Africa as possible.

The banks also expressed interest in cooperating in the area of taking the first steps toward a Train the Trainer (TOT) program. Many banks are interested in developing (or expanding) their own, in-house training capability through a TOT program.

Conclusion and Recommendation

Following our preliminary diagnostic trip to five countries in West Africa – Ghana, Nigeria, Togo, Mali, and Senegal – we have reviewed the following factors:

- ◆ Existing training programs in the banking sector
- ◆ Size and strength of banking sector
- ◆ Interest
- ◆ Apparent need for and local availability of training of the type we are offering, and
- ◆ Where our training program can achieve maximum effectiveness now

Based on our assessment of these factors, we recommend that we offer the training program and technical assistance included under our USAID grant to the banking sector and banker associations in Senegal, Mali and Ghana. We recommend that Togo and Nigeria not be included in the program at this time.

The banking sectors in all three countries recommended have indicated their interest in our training program and willingness to participate. They all have banking associations that have indicated their interest in coordinating and administering the training program and are interested in technical assistance. And, each country has a minimum of several potential training sites.

We believe that it is premature to offer training in Togo at this time due to the uncertainty in the banking sector. The banking sector in Nigeria is powerful, strongly training oriented, and already has a training center in Lagos, the FITC, that offers a broad curriculum for bankers of various levels. In addition, the Institute of Chartered Bankers offers certificate programs for bankers. Moreover, the largest banks have training centers for their employees. First Bank of Nigeria, for example, has five training centers around the country.

Given the evident strength in the Nigerian banking sector and its existing training programs, we believe that our program would simply be one of a myriad of training opportunities offered in Nigeria by the local banks or the FITC to their employees. Moreover, although the Nigerian banking community was certainly interested in our program, the need for training appears to be much greater elsewhere because of far fewer in-country training opportunities than in Nigeria.

By comparison with Nigeria, the smaller banking sectors in Ghana, Mali and Senegal would benefit most from our program because they do not have the depth and breadth of training possibilities available to the banking sector in Nigeria. At the present time, our program has the potential to have a more visible impact in the three countries noted than in Nigeria.

Appendix B:

**Ghana Credit and International Banking
Diagnostic/March 2001**

Ghana Credit and IB Diagnostic

Thursday, March 8

1. Met with Yaw Asante-Kwabia, ag specialist at the US Embassy and known to Michele Kennedy-Kouadio at USDA-FAS in Washington.

Yaw told me that the seemingly biggest obstacle to Ghanaian firms using US export guarantees was their inability to provide cash collateral to make the Ghanaian banks comfortable with the local risk. Given the collapse of the Ghanaian cedi, Ghanaian firms do not have enough liquidity to put up hundreds of millions of cedis as collateral. Currently, Yaw is putting together a program for 16 Ghanaian international bankers in trade finance in the US.

Follow-up: Call Yaw next week.

2. Met with Patience King at the National Banking College (NBC). We agreed that the NBC is the best site to conduct the training under our program and tentatively agreed on dates in April and June – April 23 and 30 (although the week of the 30th will be only four days because May 1 is a holiday), and June 11 and 25.

The NBC can reproduce the training materials and will provide for breaks and lunch. I told Patience that we would like to limit participants to 30 with her relevant full-time staff attending, as well. (She has five full-time staff to cover five different areas, including credit and international operations.)

Patience also noted that she had mentioned to Eric Osei-Bonsu of the ARB the possibility of developing a course targeted at his unitary rural banks. I suggested that we might explore putting together a course for the ARB and teaching it during the second round. I told her that I would broach the subject with Eric to get his reaction.

Follow-up: I promised Patience to send her a letter outlining our program. I also promised to revisit her at the end of next week following my meetings with the banks.

3. I had lunch with Bill Thomas of Ecobank, a former Citibanker with long-time Africa experience. On the international banking side, he said that local practitioners in letters of credit and trade finance are professional and have enough training and experience to be quite knowledgeable and do a good job. Non-practitioners could use training in LCs and trade finance, in order to understand better how these products function.

On the credit side, Bill thinks they could do a better job with their documentation, especially the language, replacing jargon with tighter legal language that is unambiguous.

He also believes that the banks do a relatively poor job of monitoring their loan portfolios from the credit administration perspective, not from the individual loan officer monitoring perspective.

He suggested that one problem area is analyzing credits given the hyperinflation of the last year or two – how to make sense of the financial statements given the hyperinflation.

Another problem area is how to analyze local credits that have some exposure somewhere to imports (most companies do because Ghana is a nation of importers) and how this can affect the health of the business. The foreign exchange issue is vital, given the collapse of the Cedi and the country's reliance on imports.

Follow-up: Schedule a meeting with Albert Essien of Ecobank. Bill recommended meeting with him because he is country risk manager for Ecobank – Ghana and well-informed on training needs in Ghana’s commercial banks.

4. Met with Mary Buako at the Chartered Institute of Bankers (CIB). I told her about the training we will offer and promised a copy of the training materials for her training institute. I also asked her to propose one or two of her trainers to participate, so that they might benefit from the training materials and approach. She said she would contact Patience King with her nominations.

Follow-up: Search for material on banking sector for non-bankers for Mary.

Friday, March 9

5. Met with Kwabena Appenteng, Private Sector Officer with the USAID Mission in Ghana.

We discussed at length the financial sector in Ghana and focused on the microfinance component more than commercial banks. Kwabena is not certain that the schedule for the implementation of the APEX Bank by the Bank of Ghana for the Association of Rural Banks is being adhered to closely.

Currently, Kwabena is working on several programs closely connected with the microfinance subsector. In particular, he is working with the susu collections system, which is a microfinance system indigenous to Ghana in existence for many years. In fact, he has scheduled a retreat with reps from the susu system for later this month (March). The purpose of the retreat is to identify the needs of the susu collections network and how it can become more effective in its activities. It will also review the relationship with the rural bank network that provides financing to the susu collection system for on-lending to its savers/depositors.

Essentially, there are susu collections agents (hundreds) nation-wide that mobilize small savings on a daily basis from the population. These collectors are active in and around the markets and know their customers extremely well. The funds collected are then deposited in local rural banks for security reasons. Evidently, the regional susu collections associations track these savings deposits.

According to the 2000 WB report on the rural financial sector, there are six regional associations of susu collectors that have joined to create one head body, a national society of susu collectors. The susu collectors pay no interest to their savers/depositors and keep one daily deposit per month as payment for their services.

At the same time, the susu collections agents make loans to their customers. If their loan demand exceeds the savings they have mobilized, they can obtain funds from the rural banks through the regional susu collections associations. (Note: It is not clear to me whether or not the one daily deposit per month retained also covers interest costs when the saver/depositor borrows funds from the susu collector.

The regional susu collections agents also track the loans made by the susu collections agents to their customers as they obtain funds from the rural bank system and transmit them to the susu collections agents for on-lending to their customers. At each stage, an interest rate premium is added. For example, the rural banks lend funds at perhaps 26% to the regional associations, who then add perhaps 8% as they transmit the funds to the individual susu collection agents, who then add their take, perhaps 10%, for an interest rate to the borrower of 44%.

There is a national board of susu collectors, as well.

One of the problems in the past has been the absconding of susu collection agents with funds mobilized. According to Kwabena, this problem has been reduced in recent years, but it must still be addressed. I mentioned the alternative of a bonding scheme for each susu collections agent.

The commercial banks must invest 52% of their deposits in government T-bills, must retain 10% liquidity and have 38% of deposits available for lending to their customers. Obviously, this structure gives non-bank financial institutions that mobilize savings/deposits an advantage because their relending of mobilized funds is not limited by the requirements placed on commercial banks.

Follow-up: Determine if there is any recent study of training needs in the commercial banking sector in Ghana. Send email message to Jean Harman re: possible change in focus of Lynda Swenson's next trip to Ghana to work with banking associations.

6. Lunch with Yoku Korsah, partner, KPMG Consulting – Ghana, and Noel Tagoe, KPMG Consulting – Ghana. They were not aware of any recent survey of commercial bank training needs in Ghana performed by any international donor or consulting group.

They believe that the new government is dedicated to positive change in the country and that this will affect the financial sector, as well.

Follow-up: Make a copy for KPMG Consulting of the World Bank study on rural finance that I received from USAID (Kwabena Appenteng).

Monday, March 12, 2001

7. I met early this morning with George Ahiafor and his colleague, Fred ?, of Debenture Trust. Kwabena Appenteng of USAID referred me to them.

George currently has a contract with Standard Chartered to conduct reengineering and training in the bank's treasury operations area. George has provided training to Standard Chartered personnel as part of his reengineering effort in the treasury ops area. He himself has extensive overseas banking experience in the US and Europe. His colleague, Fred, has extensive overseas marketing experience, principally in Sweden with UPS. They are both Ghanaians.

Together with two other individuals they started Debenture Trust last year as a consulting firm in Ghana to work in the financial sector. They founded DT based on their perception of the reengineering and training needs in the financial sector in Ghana. The firm currently has a contract with Unilever locally to provide training.

George explained to me that the international banking operations conducted in the Ghanaian banks are limited in scope but, given expanded knowledge and training, they could be much broader. He believes that they could increase the scope of their FX activities, for example.

On the credit side, he said that the banks are not proactive in pursuing customers and identifying customer needs. They also do not engage in market segmentation, but all pursue the top customers.

He does not believe that the banks apply what risk rating systems they have to each and every customer or potential customer as the starting point for monitoring loans. He said that the lenders have a checklist that they apply to potential customers. If the potential customer meets the items on the checklist, then their loan application is processed, if not, the applicant is refused. Loan pricing is not tied to identified credit risk.

The banks do little total loan portfolio review and have little idea what their exposure is to individual industries. Loan officers do not receive much information on their borrowers, either outstandings or deposits. The banks may have some information internally but management information systems (MIS) are only now being implemented.

We agreed to meet again Wednesday evening to review my findings to that point, allow DT to make additional suggestions for credit and IB topics, and discuss the possibility of DT conducting some training here in Ghana for Barents under the ATRIP award.

8. I met with David Lawson, formerly with Citibank but now at SSB Bank where he is involved in “reengineering” the bank in the credit area and operations areas. I had met David previously in December during the initial diagnostic.

David also invited a management trainee at the bank to sit in during our meeting. She had attended a cash flow workshop at the NBC last week and related her reaction to the training, which was conducted by the staff credit trainer at the NBC. She especially liked the cash flow case studies or exercises that were conducted in groups of 4-5 participants.

One member of each group then made a presentation on behalf of the group that was then subjected to criticism by all.

Today, David and I discussed at length the “ideal” training content in both credit and international banking from SSB Bank’s perspective. In credit, he would like the content to focus on basic loan origination, risk identification and management. Loan structure and pricing, documentation and monitoring should also be included. Identifying problem loans early on would be another useful topic. Analysis, documentation and tracking of collateral is another key topic.

According to David, SSB lenders do not go beyond financial statements to consider the other risks associated with lending. He wants to expand their approach to lending to include factors other than the financial statements alone.

David said that the bank is currently developing a new risk rating system for its credit personnel and he would be happy if we introduced our risk rating system as a handout and then discussed it.

He also noted that managing portfolio risk would be another useful topic. Lending to related borrowers is a problem at SSB Bank, so a discussion of how to manage portfolio risk would be worthwhile.

The final credit topic mentioned was MIS systems and the reporting that should be available to credit personnel to allow them to monitor their portfolio(s). What capabilities should the software be expected to have?

On the international banking side, David would welcome reinforcement of L/C operations, trade finance and FX, but he would prefer greater focus on identifying foreign banks to partner with, using bank ratings, how country risk and cross-border risk are analyzed, etc. He believes that Ghanaian banks operate in a “closed world” and wants to expose them to current best practices world-wide.

Finally, he would include a section on treasury risk management, especially as it relates to international operations. What the risks are and how they are mitigated would be the key topic.

We agreed that having Ghana-related cases and exercises would be useful, so I asked David to consider giving me some local financial statements that I could work into cases or exercises. He agreed to consider it.

For our part, I promised numerous handouts that the participants could take back to their banks and adopt as they see fit. Examples include: risk rating system, credit policy and lending standards.

9. I met with Albert Essien, country risk manager at Ecobank – Ghana, at the suggestion of Bill Thomas of Ecobank.

Albert is a credit trainer for Ecobank, which offers a three-tier credit training program for its employees – basic, intermediate, advanced. Ecobank works with a US firm, Risk Analytics, run by a former Citibanker, to conduct much of their outside training. The bank conducts its own basic credit training in-house.

Albert stressed emphasizing not so much the financial statements but “getting behind the numbers.” Credit officers and analysts can use help in understanding how to analyze the bigger picture, the industry, the market, in which the borrower operates and how management reacts to and makes decisions in its particular industry. Asking why changes occur and understanding what prompted financial statement changes or trends should be stressed.

In Ghana, a nation of importers, management competence and ability to react quickly to changes in the international markets, exchange rates, and the devaluation of the Cedi is critical to profitable company performance.

Credit monitoring is another area that Albert believes should be stressed. What to monitor and how to accomplish it should be discussed, along with early identification of problems with borrowers that may affect loan repayment.

In the international banking area, Albert believes that a one-week course should probably be targeted not at specialists/practitioners but at non-practitioners who should know something about international banking topics – L/Cs, trade finance, Forex, correspondent banking, treasury risk management – for themselves and their bank customers.

Albert offered to provide me with some financial statements on Ghanaian companies, if I am unable to obtain them elsewhere.

Tuesday, March 13

10. I met today with Florence Hutchful, Group HR Head for Standard Chartered, West Africa, and Atsu ?, an in-house corporate trainer with Standard Chartered in Accra.

The bank is currently focusing its training on “back to basics” because they perceive a decline in credit quality and want to arrest it. Risk identification, risk management, loan monitoring are all key areas for them. Also, the effect forex and the depreciation of the cedi have on borrowers. How do they affect the borrower’s operations and how quickly does management react to changes to ensure ongoing healthy, profitable operations?

International banking – emphasis on trade finance, documentary L/Cs, UCP 500. What are the key components to know.

11. I also met today with four people at The Trust Bank, a relatively new bank in Ghana.

The bank does relatively little in-house training, so it is dependent on outside training providers. Evidently, the bank targets the middle market but it is trying to be proactive in preparing itself to do international transactions, becoming familiar with world commodity markets and how they affect Ghanaian companies, etc.

Management would be interested in trade finance topics for its lenders, making them aware of the types of products available internationally.

Credit topics of interest go beyond financial statement analysis to the economic environment in which the country and its borrowers find themselves, and how it can impact the borrower's ability to repay.

The head of corporate and commercial banking, Osei Asafo-Adjei, expressed particular interest in corporate finance topics, such as cash flow projections, how to analyze projects using NPV, syndications.

After the meeting, Osei told me that he spent roughly two months in the US two years ago at Chase Manhattan, Mellon and in Washington, DC, as part of USAID's Best and Brightest Program for young African professionals. He told me that there were 38 in his group. The program clearly exposed him to things that he would like to introduce at his bank in Ghana.

Wednesday, March 14

12. This morning I met with Francis Mensah Sasraku, Head of Marketing, at Ghana Commercial Bank. Francis moved to GCB six months ago from KPMG to find a completely different environment. He is trying to make the bank more proactive in dealing with its customers and developing new products.

The first thing he mentioned was credit scoring systems. The problem with this is the lack of a database to use as the foundation for the research and study necessary in order to develop a reasonable scoring model.

For our proposed training, he stressed understanding the difficulties of the Ghanaian banking environment that affect the granting of credit to both corporate and retail customers – high interest rates, lack of good information on customers, incomplete legal environment with loopholes, lack of good support from other areas of the bank (“silo mentality”), constant devaluation of the cedi in recent years, and economic activity was “politicized” under the previous government, not market-driven.

For example, in times of rapid devaluation of the cedi, some banks will curtail lending activities in order to hoard cash to convert to dollars, so that at year end they have a large currency translation gain. This means that they lose customers and their profitability suffers as a result. This is Ghanaian reality.

Francis discussed the need for flexibility when dealing with customers and devising a structure within the bank that would break down the frequent rigidity and allow greater flexibility. Rather than try to understand a particular customer's needs or requirements, the bankers in Ghana typically review the financial statements and ratios generated and attempt to fit the customer into their bank's conception of an acceptable borrower. He wants to promote thinking “outside of the box,” (not the first time I have heard this in Ghana).

13. I met with Edward Kwapong, head of HR at Metropolitan and Allied Bank. In preparation for our meeting, he had talked with the head of both the credit and treasury operations areas of the bank to get their input as to key training needs in credit and international banking. In fact, he had their input in writing.

This bank has both local Ghanaian and Malaysian investors. The Malaysians have two board seats. A former governor of the Bank of Ghana is one of the local investors.

The bank targets the middle market, lower end and is currently trying to mobilize deposits through an innovative product offered through 56 postal branches throughout the country. It is offering a 90-day certificate of deposit that offers a good interest rate and can be rolled over at maturity, with or without the interest earned added. Apparently, no other bank has such a product through the postal service.

The bank uses its credit department head and his assistant for in-house training and sends people to the NBC for training, as well. One of their credit people is currently in England earning an MBA in banking at the bank's expense. The TOT component of our program interested Mr. Kwapong.

Mr. Kwapong himself spent 18 months in Canada at the Ontario Hydro Authority under an exchange program earlier in his career. He worked for the Ghana Water Authority for 12 years and the Ashanti Gold Mining Company for four years prior to joining the bank.

14. I met this afternoon with Eric Osei-Bonsu, CEO, Richard A, assistant director, of the ARB, and Peter Arndt, Danish consultant to the ARB funded by DANIDA. We discussed technical assistance to the ARB.

Eric stressed that the ARB must work in concert with the Bank of Ghana, its regulator, on any diagnostic/assessment tool that it develops for its member banks. Apparently, when CARE provided funding for the GIRAFE diagnostic of six ARB member banks (there are 114 in toto), the BOG knew nothing about it and was skeptical of the results out of ignorance.

Evidently, the GIRAFE diagnostic tool is quite strong in the area of governance, one of Eric's biggest areas of concern when it comes to the ARB member banks. Therefore, he found this component of the GIRAFE tool very attractive.

One of the chief functions of the ARB is to provide services to its membership and training is at the top of the list. The ARB is supposed to train the staff of its member banks to perform their duties at a minimum standard. Any aid in this regard would be much appreciated. When I mentioned a conversation with Patience King about developing a training course specifically for the ARB's member banks, they were eager to follow up. They are also eager to obtain help to train their own trainers to deliver training to the rural banks.

Another function of the ARB is to raise the overall quality and professionalism of its member banks. How can the ARB best accomplish this when the BOG focuses on capital adequacy and the Basel Accord in relation to the rural banks, yet they are not "typical" commercial banks?

The ARB must educate the BOG and, simultaneously, work to improve the professional level of its member banks, in order to prepare for the implementation of the ARB Apex Bank and develop public confidence in the rural banks throughout Ghana.

Thursday, March 15

15. I met this morning with S.A. Welbeck, acting deputy managing director at the Agricultural Development Bank (ADB) and the head of finance, whose card I did not receive.

This bank is interested in risk identification, loan monitoring, and working with problem loans on the credit side. As for international banking, the bank is now expanding its international operations capabilities into the regions of the country, so the basics of trade finance, how to detect fraud, etc., would interest them as they are training additional people to work in the regions, outside of headquarters, in international operations.

The other area mentioned for training was ALM, as the bank is paying increasing attention to this area.

They were also interested in the small proposed TOT component of our program.

16. At a lunch meeting with Edward Kwapong today, I learned that it is his brother, Emmanuel, who is the General Manager with the ARB Apex Bank! Furthermore, Edward himself was the director of a rural bank for 2 ½ years earlier in his business career.

[He and his brother would be great resources for information on the ARB and the ARB Apex Bank.]

According to the World Bank's Rural Financial Review completed in 2000, the following reserve requirements have been established by the Bank of Ghana (BOG).

	Major Commercial Banks	Savings and Loans (NBFIs)	Rural Banks
Primary Reserve Requirement	8%	10%	10%
Secondary Reserve Requirement (T-Bills)	35%	15%	52%
Total Reserve Requirement	43%	25%	62%

The reserve requirement for the rural banks is much higher than that of the other financial institutions because their ag-based loan portfolios are much riskier, proven by higher loan default rates. For this reason, the BOG decided on this means to limit the total loan portfolios of the rural banks and try to improve their profitability.

Meetings Held in Ghana, March 2001
Credit and IB Diagnostic

Yaw Asante-Kwabia	Agriculture Specialist	USDA/FAS US Embassy - Ghana
Patience King	Principal	National Banking College
Kwadwo Owusu-Tweneboa	Credit Trainer	National Banking College
Bill Thomas	Deputy Managing Director	Ecobank - Ghana
Albert Essien	Country Risk Manager	Ecobank - Ghana
Mary Buako	Chief Executive Officer	Chartered Institute of Bankers
Kwabena Appenteng	Private Sector Officer	USAID
Yoku Korsah	Partner	KPMG
Noel Tagoe	Consultant	KPMG
George Ahiafor	Partner Area Manager, Treasury Operations	Debenture Trust Standard Chartered
David Lawson	Business Consultant	SSB Bank
Francis Sasraku	Head of Marketing	Ghana Commercial Bank
Florence Hutchful, Atsu	Group HR Head Corporate Trainer	Standard Chartered Standard Chartered
Kobena Andah, Samuel Nana Elegba, Isaac Owusu-Hemeng, Osei Asafo-Adjei	Financial Controller HR Gen. Mgr., Corp. Services Head, Corp. & Comm. Bnkg.	Trust Bank
Edward Kwapong	Senior Manager, Human Resources	Metropolitan and Allied Bank
S.A. Welbeck	Acting Deputy MD	Agricultural Development Bank
Eric Osei-Bonsu Richard Mettle Addo Peter Arndt	CEO Assistant Director Consultant	Association of Rural Banks ARB DANIDA

Barents/KPMG Consulting Diagnostic – March 2001
Credit Topics Suggested by Local Banks
Ghana

Bank	Fin'l Stmt Analysis	Risk Identification	Risk Assessment	Loan Monitoring	Problem Loans	Collateral Valuation	Loan Structure and Pricing	Loan Documentation	Loan Portfolio Mgmt.	Project Finance	Credit Scoring	A L M
ADB		X	X	X	X							X
Ecobank				X	X			X	X			
GCB		X	X								X	
Metropolitan and Allied	X	X	X	X	X					X		
SSB Bank	X	X	X	X	X	X	X	X	X			
Standard Chartered	X	X	X	X			X					
Trust Bank		X	X							X		

**Barents/KPMG Consulting Diagnostic – March 2001
International Banking Topics Suggested by Local Banks
Ghana**

Bank	L/Cs Document -ation	Trade Finance	Forex	Correspondent Banking	Bonds and Guarantees	Treasury Risk Mgmt
ADB	X	X	X	X		
Ecobank	X	X	X	X		X
GCB						
Metropolitan and Allied	X	X			X	
SSB Bank	X	X	X	X		X
Standard Chartered	X	X	X			
Trust Bank	X	X	X	X	X	

Appendix C:

**Diagnostic of Credit and International
Departments of Malian Banks/April 2001**

WEST AFRICAN REGIONAL PROGRAM (WARP)

**ACTIVITY: BANK TRAINING AND POLICY DEVELOPMENT IN WEST
AFRICA**

AWARD NO. 688-G-00-00-00360-00

**DIAGNOSTIC OF CREDIT AND INTERNATIONAL DEPARTMENTS OF MALIAN
BANKS**

by

**Oren E. Whyche-Shaw
Independent Consultant**

Submitted to

Barents Group of KPMG Consulting, Inc.

April 2001

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- Moussokoro Kane, Project Specialist, WARP, USAID – Mali

Glossary

APBEF.	Association Professionnelles des Banques et Etablissements Financiers
BCEAO.	Banque Centrale des Etats de l'Afrique de l'Ouest.
BCS.	Banque Commerciale du Sahel
BDM S.A.	Banque de Developpement du Mali
BHM	Banque de l'Habitat du Mali
BICIM S.A.	Banque Internationale pour le Commerce de l'Industrie du Mali
BIM	Banque Internationale pour le Mali
BMCD	Banque Malienne de Credit et de Depots
BNDA	Banque Nationale de Developpement Agricole
BOA	Bank of Africa
CAE	Centre Agro-Entreprise
CAS/SFD	Promotion des Institutions Financieres Decentralisees
FCFA	The West African Franc
GTZ	Deustche Gesellschaft fur Technische Zusammenarbeit
OHADA	Organisation pou l'Harmonisation du Droits Affairs
UEMOA	Union Economique et Monataire de Ouest Afrique
USAID	United States Agency for International Development
WARP	West Africa Regional Program

Introduction

Following a preliminary diagnostic undertaken the end of 2000, the consultant was engaged to conduct an in-depth diagnostic of training needs in the credit and international departments of banks in Mali during the two week period, March 18 – March 31, 2001. The purpose of the diagnostic is to identify those areas of credit and international finance and banking where the banks believe they require additional training in order to more effectively conduct international trade and lending activities for their clients.

In addition, the materials gathered from this diagnostic are to be used to update and adapt Barents Group's existing training materials in credit and international banking to best reflect economic and banking realities in West Africa. The material to be collected is to be incorporated into the development of realistic case studies that are to be used in the course curriculum.

Scope of Work

The scope of work of this activity consisted of five primary elements:

- A diagnostic assessment of the credit and international departments of Malian banks and based on the findings, develop preliminary outlines of the credit and international training course content.
- Identify, visit and determine availability of two potential local training sites for training a maximum of 30 bankers.
- Request that the local banking association assume the task of local organization of the training site, local logistics, translation of training materials into French, photocopying of training materials, etc.
- Submit a report on the above activities to Barents Group of KPMG Consulting LLC, including proposed course content and the credit and international banking related materials obtained on-site, within 10 calendar days of completion of the on-site assessment.

Diagnostic Approach

The approach used during this diagnostic study consisted of the collection and review of relevant bank and BCEAO documents; interviews with various bank management and staff; interviews with selected donor sponsored organizations engaged in providing technical assistance to SME/SMI businesses to enhance their access to medium-term credit; and, review of individual bank credit policies and procedures, if made available.

In addition, in assessing the logistical issues associated with putting on the planned credit and international finance courses during the months of May and June, discussions were held with the APBEF as well as an assessment of local sites available for hosting the training courses and related logistical support was undertaken.

Description of the Malian Banking Sector

Mali has nine commercial banks which are wholly or mostly privately owned as well as four non-depository credit institutions. All of these businesses engage in the extension of credit to the business sector and the commercial banks to varying degrees engage in international transactions on behalf of their clients.

Mali also has a national branch of the BCEAO, the Francophone West African Central Bank. In theory, there are no foreign exchange controls affecting trade and investment; however, in practice there are a number of practices in place which significantly control the convertibility of the FCFA. In addition, tight credit policies of Malian banks make local financing in general difficult to obtain if a firm is not an established customer. Medium and long-term financing is extremely difficult to obtain, and virtually impossible for SME and SMI businesses including those who are customers of the bank. Most project financing of SME/SMI activities are presently either directly or indirectly financed or subsidized by the international donor community. On a positive note, the relatively high interest rates that have been used to support the overvalued FCFA have recently begun to come down.

In summary, the Malian banking community is a small, highly conservative sector, even by regional and international banking standards and norms. With the exception of the BNDA, most banks operate almost exclusively in the provision of short-term trade finance instruments.

Assessment of the Malian Banks' Operations

General Description

The Malian banking sector's present credit policies and activities are the result of several factors:

- Traditionally and with the exception of agricultural production, Malian entrepreneurs have focused principally on trading activities due to the fragile state of economic, political and climatic conditions that has reigned in the country.
- Reaction to the bad experiences the banks underwent as a result of more liberal credit extension policies during the past decade or so and the subsequent decline in portfolio performance. In some cases, significant restructuring of certain banks was required.
- With the exception of very large international projects or SME/SMI "dossiers" prepared with the assistance of internationally supported technical assistance organizations, the quality of financing proposals for medium term financing has generally been poor. The banks generally are not receiving many of what they believe to be "bankable" proposals.
- Bank resources are again, predominantly made up of short-term deposits. To that extent and because of the perceived risk in an unmatched book, the banks rightly or wrongly are using the short-term nature of their funding to justify their credit lending policies.
- The banks and their bankers are not used to acting in a consultative manner on behalf of their clients, providing advice to assist them in obtaining their financing needs.
- It should also not be forgotten that all financial institutions, including the commercial banks, fall under the regulatory control of the BCEAO that imposes stringent prudential financial ratios.

- Finally, the security requirements (i.e., guarantees, collateral, percentage of project to be provided by the borrower, etc.) of the banks are generally seen by the private sector as onerous and as significant barriers to accessing medium term, project financing.

Diagnostic of Credit Operations

The following were observed as the general characteristics of the credit departments of the banking community in Mali.

- Few professionals are hired with banking training and/or experience including credit. Most training in banking occurs after employment and consists of initially on-the-job training usually followed up by bank-financed enrollment in local and/or correspondent finance & banking courses,
- In most banks, the formal credit departments of the banks are short staffed ranging from 3 to 8 credit professionals. In virtually all of the banks, the head of their credit department is an individual with over 10 years of experience who has undergone a variety of credit training over the course of his/her career with the bank.
- In most banks, there is acknowledgement and understanding that in addition to the professionals in the formal credit departments, “agents de services clients” or bank representatives in the offices and branches are also implicated in the credit process and need significantly more training in this area.
- In reviewing credit policies and practices within the banks, the degree of detail and formality of the credit process, including written manuals, varies dramatically. The range extends from the relatively sophisticated intranet system of BICIM. The bank’s credit manual and approval process are accessed on-line interacting directly with BNP Paribas in France, its parent company. At the other end of the spectrum is Credit Initiative, which has a relatively simplistic process that can be presented in four typed written pages.

- The credit approval process also varies. A few banks such as Ecobank have a more decentralized approval process with established legal lending authorities for various levels of management. Most banks' assessment and approval of credit goes through numerous committees which vet the proposals and make their approval recommendations to the senior management of the institution.
- All banks require security arrangements to support lending to clients. For the relatively few project financings undertaken by the banks, security requirements are generally more than 100% of the financing requested. This may seem excessive, however, given the poor experience of banks to perfect their liens and other security arrangements, is understandable. There is clearly a need for the banks to develop a system to better determine upfront the real and "realizable" value of the security they receive.
- Although there is the generally recognized problem of the judiciary system and its negative effect on the banks' ability to perfect their security and collateral, the banks' credit departments are lacking relevant training that would allow for more effective collection of non-performing loans.
- Medium-term lending undertaken by the banks for the most part has involved in very large projects, usually with some international involvement. The banks confirmed that their medium-term lending to the SME/SMI sector is very limited due to their perception of the high risk of the projects. There has been receptivity to certain SME/SMI financing requests where technical assistance in management, finance and ongoing project supervision is provided by organizations such as GTZ. There is certainly an opportunity for the banks to inform their clients or potential clients of other such technical support organizations. Providing such information would allow clients access to technical assistance that could eventually enhance the creditworthiness of the projects.
- With the recent adoption of OHADA, all the banks indicated that there is need for continuous training on these regional regulations as they effect the credit and security issues of banking.

Identified Areas of Credit Training

Based upon the conversations and interviews, by far the credit topics that generated the most interest were the following:

- Financial Analysis
- Credit Analysis
- Credit Risks and OHADA
- How to more effectively deal with non-performing loans
- New Credit Products Feasible within the UEOMA
- Credit Risk Ratings
- Lending to SME/SMI

Of foremost importance to the bankers is how to improve the assessment credit risk up front so as to reduce non-performing loans. Several banks mentioned the need to understand credit risk rating systems and how they can be used in the Malian context. And, although still seen as highly risky, best practices for SME/SMI lending was mentioned as a topic of interest by a number of the banks; this topic also includes working with the decentralized financial institutions in Mali such as the mutuals and credit unions. See Annex III.

Any SME/SMI credit training provided to the banks should seek to include the participation of one or more of the technical assistance organizations such as GTZ. The benefit of including such an organization would be increasing the likelihood of discussions of Malian real-world situations and opportunities.

Diagnostic of International Operations

The banks operating in Mali are part of a regional economic and monetary union which is supported by the French Government and Bank of France. This support includes not only the guarantee of convertibility of the FCFA in to French francs but also significant technical assistance. As a result of the convertibility of the FCFA and the fact that France specifically and the EU generally are Mali's major international trading partners, most of the banks have little real foreign exchange business experience. There is little need to manage exchange risk as the risk doesn't exist in most cases. Nostros accounts held and other activities engaged with foreign correspondent banks are highly regulated by the BCEAO. In the realm of international trade, I was told by the manager of the international department of BNDA that even letters of credit are rarely used in trade finance by Malian banks due to the perceived risk associated with them. And, this perception is re-enforced within BNDA by advice given to them by the Credit Agricole of France which frequently warns the bank about letters of credit. Most trade finance is documentary.

This does not mean that there was not interest expressed in and a desire to learn more about international financial techniques and products. It is clear that although not discussed much, there is generally some uneasiness in the economy about the long-term outlook for the relationship between the FCFA and the Euro. Having experienced the first devaluation in the 1990's, the banks and their customers, to a lesser extent, are interested in being prepared if and/or when another occurs. As one banker told me, "If one had a choice, one would not have chosen to set up a banking system based on the French system. But, that is what we have and we have to work within that environment for the foreseeable future. Becoming conversant and knowledgeable about what else is out there and feasible in our system is definitely of high importance."

Identified Areas of International Finance/Banking Training

Based upon the conversations and interviews, the international finance/banking topics that generated the most interest were the following. See Annex IV.

- Business English
- Co-financing with International Organizations. This topic includes not only learning about regional and international lending programs that might be applicable in Mali but also about how to structure transactions so as to address the fact that most, if not all, of these programs are in hard currencies.
- Best Practices of International Commodity Trade Financing
- Foreign Exchange Basics

Other Considerations

While interviewing bank personnel regarding both the credit and international finance training, three points were continuously stressed:

- Training must be in French.
- Training materials and case studies must reflect the business realities of the Malian economy and its banks including the impact/influence of BCEAO and OHADA rules and regulations.
- Ideally, the case studies should reflect Malian business realities, constraints and opportunities.

Logistical Arrangements

Training Site Options

Two potential local training sites were identified and visited. The first was the Hotel Salam in Bamako. The second site visited was the Hotel Independence in Segou, a city about 2 1/2 hours northeast of Bamako. Both hotels are experienced hosting conferences and seminars for international and regional organizations. Both indicated at the time of the interview that they were available to host the training seminar from mid-May thru the month of June.

The approximate cost of participant registration for a week session at the Salam will be approximately FCFA 75,000. The cost per participant to attend a week's training at the Hotel Independence would be approximately FCFA 130,000 including hotel accommodations. See Annex V for detailed breakdown of relative costs.

The advantage of selecting the Hotel Salam as the training site is that there is likely to be greater attendance at the training sessions due to the convenience of them being held in Bamako. However, the disadvantage is that there will likely be interruption of some of the participants' attendance due to personal and professional demands that will take them away during the course of the training.

The advantage of using the Hotel Independence in Segou is the ability to maintain high participant attendance during all the sessions. However, selection of Segou might cause a reduction in the total number of participants in a session.

It is recommended that selection of a site and contact with the selected hotel be made as quickly as possible so as to reserve the training space.

Materials Preparation

It was indicated in the scope of work that the local banking association was to be contacted and requested to assume the task of local organization of the training site, local logistics, translation of training materials into French, photocopying of training materials, etc.

Unfortunately, only one meeting with Mr. Sekou Massa Kante, Secretary General of the APBEF was able to take place during the course of the diagnostic mission. During that initial meeting, he indicated that he was not in a position to commit the APBEF members to supporting the costs of the training program without having a complete breakdown of those costs as well as detail of the programs themselves. He strongly recommended that contact be made directly with the banks to seek their support and commitment. Over the course of the two-week mission, contact and discussions with the banks indicated that without the syllabus and cost of the training being offered, the banks although certainly interested in training would also not commit to unconditional support of the logistics of the training. Both the syllabus and costs (presumably, for registration) should also be communicated to the banks as quickly as available.

It should also be noted that unlike some of the larger coastal cities of West Africa - Dakar, Abidjan, Accra - Bamako does not have adequate resources for the translation of technical materials and documents from English to French. International organizations such as USAID, the World Bank and others rely either upon inhouse staff for translations or send their documents to their home offices for translation. The primary consideration is that of quality control of the end product which can not be assured. It is strongly recommended that Barents consider undertaking the translation of training materials in the U.S. and incorporating the costs into the registration fees of participants.

Recommended Next Steps

Based upon the diagnostic mission results, the following steps are recommended over the next month or so:

- Development of syllabus
- Identification of costs for U.S. translation
- Finalize participant registration costs for the weekly training sessions
- Contact and reserve dates for conference room facilities (and, presentation equipment, if necessary)
- Creation of a two-page marketing/registration document presenting the courses' outlines. The document should indicate that registration fees are to be either paid by check payable in U.S. dollars to Barents.
- Followup contact with Kante of APBEF to determine whether his organization is willing to coordinate the registration for the course and photocopying of the materials.
- Fax and email the training registration documents to APBEF as well as directly to the individual banks to solicit enrollment in the courses.

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Annex II - Interviewees

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Saeid El Atrash Directeur General Kassim A. Kabassi Managing Director	Banque Commerciale du Sahel, SA Ecobank - Mali	Tel: 223-210195/97 Fax:223-210181/83 Tel:223-233300 Fax: 223-233305 Email:akabassi@ecobank.com
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Annex III - Credit Topics and Indications of Interest

	BDM	BMCD	BIM SA	BNDA	BCS	BOA	Ecobank
Financial Analysis	X	X	X	X	X	X	X
Customer Relations	X		X			X	
Credit Analysis	X	X	X	X	X	X	X
Methods for eliminating or reducing credit risks in the context of OHADA	X	X	X	X	X	X	X
Best Practices - Credit Extension Process	X	X		X			
Extending Credit to financial institutions - credit unions, mutuals, etc.	X	X				X	x
Dealing with Non-Performing Loans	X	X	X	X	X	X	X
Innovative, feasible new credit products	X	X	X	X	X	X	X
Financial engineering & alternative financing	X	X	X	X	X	X	X
Credit Rating	X	X	X	X		X	
Domestic Co-financing							
SME/SMI Lending	X	X		X		X	X

Annex IV - International Finance Topics and Indications of Interest

	BDM	BMCD	BIM SA	BNDA	BCS	BOA	Ecobank
Co-Financing with International Organizations	X	X	X	X	X	X	X
Best Practices of International Commodity Trade Financing including letters of credit	X	X	X	X	X	X	X
Foreign Exchange Basics	X	X	X	X	X	X	X
Foreign Exchange Operations and Products	X	X		X	X		
Business/Banking English	X	X	X	X	X	X	X
Financing Opportunities with the Regional Stock Exchange	X	X		X		X	

Annex V - Training Site Cost Comparison

The costs below are based upon Pro Forma documents provided and represent the weekly totals. Amounts are in FCFA.

Hotel	Hotel Salam Bamako, Mali	Hotel Independence Segou, Mali
Rental of Conference Room	400,000	300,000
Rental of Presentation Equipment - Slide Projector, Paper Board, Screen.	Included in rental of conference room	150,000
2 Coffee Breaks/Day /participant x 30 participants	660,000	240,000
Lunch/participant x 30 participants	1,125,000	525,000
Total Weekly Cost	2,125,000	1,215,000
Approx. per Participant Registration Cost*	75,000	45,000
Hotel Room . Average weekly rate per participant**	N/A	85,000
Approx. Weekly Cost per Participant	75,000	130,000

*Includes the estimated costs for translation and copying of training materials by Barents in the U.S

Appendix D:

**In-Depth Banking Training Diagnostic
Summary Report/April 2001**

West Africa Regional Program (WARP)

Activity: Bank Training and Policy Development in West Africa

Award No. 688-G-00-00-00360-00

In Depth Banking Training Diagnostic Summary Report

Senegal

April 6, 2001

Barents Group of KPMG Consulting LLC

Jacques Mamousse

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Presentation

Jacques Mamousse for Barents Group of KPMG Consulting LLC (Barents) conducted the in depth diagnostic trip under this WARP activity by interviewing in Dakar, Senegal bankers from 9 banks, the bank association, the USAID office and individuals able to provide services for that activity while visiting the country during the period of March 25 - April 03. Meetings were held with the following institutions, associations and individuals :

Organization	Individual	Title
USAID	Joseph Van Meter	Private Sector Officer
	Papa Mohamed Camara	Senior International Consultant
Compagnie Bancaire de l'Afrique Occidentale (CBAO)	Madeleine Dieng	Chef du Service Ressources Humaines
	Mamadou Diallo	Responsable Formation
	Babacar Ba	Chargé de clientèle
Caisse Nationale de Crédit Agricole du Sénégal	Arfang Boubacar Daffe	Directeur Général
	Mamadou Diouf	Directeur du Crédit et du Réseau
Crédit Lyonnais Sénégal	Jean-Claude Dubois	Administrateur Directeur Général
Centre Africain d'Etudes Supérieures de Gestion (CESAG)	Séga Baldé	Chef du Département Finance
International Finance Corporation (IFC)	Karamba Badio	Portfolio Assistant
Banque Sénégal-Tunisienne	Thierno Seydou Nourou Sy	Sous-Directeur de l'Administration et des Ressources Humaines
Banque Internationale pour le Commerce et l'Industrie (BICIS)	Jean Pierre Constantien	Conseiller en Commerce International
	Cheik Bamba Youm	Directeur des Ressources Humaines et de la Formation
	Mohamadou Diagne	Chef du Service Formation
Société Générale de Banque au Sénégal (SGBS)	Bernard Labadens	Administrateur Directeur Général
Citibank-Senegal	Michael Grossman	Directeur Général
Banque Islamique du Sénégal	Azhar Khan	Directeur des Financements et du Trading
Banque de l'Habitat du Sénégal (BHS)	Mb. Diop	Chef du Service Crédit
Ecobank-Senegal	Linda N.R. Okigbo	Directeur du Crédit
Association Professionnelle des Banques et Etablissements Financiers (APBEF)	Moussa Diop	Secrétaire Général

1 - Scope of Work

The scope of the work was to :

1) Conduct a diagnostic assessment in the credit departments of as many local banks as possible to determine their priority credit training needs. Based on the findings, develop a preliminary outline of the credit training course content and confirm with as many local banks as possible that the proposed content meets their training needs.* Adjust the proposed outline as needed.

Gather as many credit-related materials as possible to aid Barents/KPMG in developing cases and exercises targeted at the local banking environment.

2) Conduct a diagnostic in the international departments of as many local banks as possible to determine their priority international banking training needs. Based on the findings, develop a preliminary outline of the international banking course content and confirm with as many local banks as possible that the proposed content meets their training needs.* Adjust the proposed outline as needed.

Gather as many international banking-related materials as possible to aid Barents/KPMG in developing cases and exercises targeted at the local banking environment.

3) Identify and visit two potential local training sites for training a maximum of 30 bankers. Determine available training dates at these sites in April, May and early June.

4) Request that the local banking association assume the task of local organization of the training site, local logistics, translation of training materials into French, photocopying of training materials for participants, etc.

5) Submit a detailed report on the above activities to Barents Group of KPMG Consulting Inc., including the proposed course content and credit and international banking related materials obtained on-site, within 10 calendar days of completion of the on-site diagnostic assessment.

*Note: It is understood that it will be impossible to meet all of the primary training needs of all of the banks. Our goal is to assemble and modify training materials that will meet the primary training needs in credit and international banking of a majority of the banks, since all of the banks will be invited to send participants to the training.

2 - Interviews' content

USAID

The purpose of the meeting was to introduce myself and present the goals of my mission to USAID. It appeared necessary in order to clarify the difference of the current mission from the one conducted in February by Diana Osinsky (enhance the activities of the Bank Association towards its members). Joseph Van Meter also informed me of the venue of a credit seminar conducted by IFC in December 2000 targeted at the same audience as the ones to be conducted under this program.

Papa Mohamed Camara

This consultant helped Norman Baxter and Diana Osinski during their trips in organizing their appointments and served as an their interpreter.

He presented to me the scope of his activities with Diana and I explained mine. He offered his services for the preparation of the training sessions as he is knowledgeable of the banking and business environment in Senegal.

CBAO

Madeleine Dieng asked Mamadou Diallo, in charge of the training, and Babacar Ba, Customer Officer, to join the meeting.

She expressed her willingness to use the Barents training to improve the expertise of the bank's personnel. One of her target is to make within the bank as many « teams » of officers able to replace one another by being polyvalent on several products or banking activities. The bank's organization was reviewed last October and a marketing and communication service with 4 persons was created under the responsibility of the Deputy Managing Director. An improvement in the MIS will provide later this year an « International Banking » module to guide the Operations staff in their dealings with exporters and importers of goods. The network comprises 9 branches, 4 of which in the great Dakar, 25 outlets (« caisses avancées ») in the regions and will be further expanded this year by opening 6 small outlets outside Dakar in the regions. The bank has 214 employees.

She let Babacar Ba, who attended the IFC seminar last December together with other 6 junior officers, explain the topics covered (credit to SMEs) and express the needs still pending. He expressed with enthusiasm his satisfaction, shared by his colleagues, on the IFC seminar : instructive, comprehensive, lively, adapted to Senegal and full of relevant case studies illustrated two times with Excel simulations. The CBAO officers, new in the banking sector, were pleased to meet colleagues from other banks and to thus start an informal networking capacity for their future professional endeavors.

Mamadou Diallo presented the training activities of the Bank, currently at a high level, because of the hiring of 10 to 15 junior officers in the last two years. CBAO doesn't have an in-house training center and is using the services of any provider available. A lot of seminars since 98 were related to corporate lending, mainly to SMEs.

The needs expressed are the following :

- regarding credit, avoid duplication on lending to SMEs (covered by IFC seminar) and focus on commercial lending to individuals with topics covering :
 1. customer service : how to enter into a customer relation, personalize it, maintain it, saturate it by detecting the needs ;
 2. marketing development : product development both on the sales and credit risks aspects, possible cooperation with outside partners (mortgage lending, consumer credit activities, equipment suppliers and distributors), specific saving products aimed at the large and « affluent » immigrant clientele, particularly in France;
 3. credit scoring introduction : how to build one, how to use one, how to review one.
- regarding corporate activities, present treasury products for companies with seasonal liquidity surpluses linked with their future working capital needs.
- to help improve the actual credit performance of the portfolio, a specific training should be given on the transactions documentation aspects : how to take the legal steps to secure the bank's risk such as guarantees subscription, renewal and execution, respect by the Operations Department of the legal procedures in that matters such as notice advice, consequences of the failure of timely actions (in French, this subject is named « Engagements et cautions »).
- concerning international banking, training on the actual rules and use of all forms of letters of credit (in French, « crédits documentaires » and « remises documentaires »).

The targeted population may be :

- for credit and marketing : 12 customer officers, 2 financial analysts, 6 operations officers
- for international banking : 6 to 7 persons.

Two to three sessions would be convenient in order to rotate the absences of the potential trainees with a one month in advance notice given for the actual venues dates.

Caisse Nationale de Crédit Agricole du Sénégal

After meeting briefly with the Managing Director, the interview went on with M. Diouf.

No one attended the IFC seminar.

He presented the specifics of the bank's activities : the largest network in Senegal with 13 branches, a large part of the clients base are small rural producers (80 % of loans volume) organized in village associations implying a specific credit approach. The bank also ensures also the financing of 70 % of the « artisanal » fishing activity in the country.

He welcomes this training as the bank has limited resources to devote to training although it is seen as a key success factor.

The needs expressed are the following :

- regarding credit : present corporate lending credit techniques focused on SMEs and small borrowers in specific and seasonal activities ; refresh the knowledge on the transactions documentation and on securing guarantees (« engagements et cautions ») ;
- regarding large corporations, present the products and techniques to invest liquidity surpluses, to structure deals tailored made to their activities (« ingénierie financière » in French) ;
- regarding international banking : review the rules and practical use of the standard instruments (« crédits documentaires » and « remises documentaires »)

The targeted population would be :

- for credit : 25 officers both in the network (20) and at the head office (5) ;
- for international banking : 4 to 5 officers.

Two to three sessions would be convenient in order to rotate the absences of the potential trainees with a one month in advance notice given for the actual venues dates.

M. Diouf insisted on avoiding the late June and early part of July period for the branches officers as it is the most busy for seasonal credits.

Crédit Lyonnais of Sénégal

M. Dubois mentioned that no one attended the IFC seminar (it does not correspond to the information given the day later by the IFC officer I met).

The bank hired four graduated persons in the last 8 months. The bank caters mainly to large companies (90% of the clients base). There is a separation between a front office dedicated to customer service, credit presentation and follow up of approved transactions with a risk and legal department in charge of assessing the risk, putting together documentation and responsible for the disbursements of funds. The bank has no network and 112 employees.

The needs expressed are the following :

- for credit : review on corporate lending techniques by presenting the short term products to finance working capital (« découvert », « facilités de caisse », « billets de trésorerie pour crédits de campagne ») and the medium to long term products to finance productive investments based on cash flows analysis and risk enhancing techniques (regional or international mutual risk funds such as GARI, the European Investment Bank Fund or the French PROPARCO Fund) ;
- for marketing and products : present the capital markets techniques (Bond issuance arranging techniques for example) generating fee income for a bank ;
- for international banking : review the rules and practical use of the standard instruments (« crédits documentaires » and « remises documentaires »).

The targeted population would be :

- for both credit/marketing and international banking 4 juniors.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a one month in advance notice given for the actual venues dates.

CESAG

I met with M. Baldé as he was referred to me as one of the most prominent specialist of finance and banking training/education in Dakar.

We discussed about the possibility of him or other persons in CESAG providing help to the Bank's Association to translate and adapt the Barents's learning material and to give adequate meeting rooms space.

This institution is operating under the roof of the central bank (BCEAO), provides a full range of training (degree granting and continuous education) dedicated to improve the management of the enterprises in the region, particularly in the finance, accounting and audit functions. It has developed also a consulting and research activity.

CESAG comprises a Foreign Language Department knowledgeable of English and French banking language able to translate the material. M. Baldé himself can supervise the translation and moreover the adaptation to the local business and legal environment.

CESAG can not only provide meeting room space but also provide trainers to deliver the actual training sessions.

M. Baldé thinks that CESAG needs one month notice to prepare any translation/adaptation that Barents or the Bank Association may require.

IFC

I wanted to meet with the institution which organized the credit seminar in December. Although M. Souleymane Traoré was absent, I was lucky enough to meet with a young officer who attended himself the seminar. He provided me with the list of participating institutions and among them where the following banks : CBAO, BICIS, Ecobank, Crédit Lyonnais, SGBS and BHS.

The seminar was delivered by Tony Grier, a French speaking American consultant living in Paris. The material was fully adapted to the Senegalese environment, comprised lectures and cases studies illustrated by Excel simulations. M. Grier undertook in late February and early March a follow up mission to get the participants' feedback.

The site was the Distance Learning Center building which provided rooms and computers. IFC provided the logistics for copying the material, contacting the banks and institutions, putting together the final list of attendees.

M. Badio expressed as M. Ba in CBAO his enthusiastic satisfaction on the seminar. Not only was the technical presentation well received but it also seems that M. Grier was able to create a « team spirit » by initiating the cohesion of the group with simple techniques such as sharing experiences, taking photographs, putting together a final exam (that everybody passed of course) with the correction sent afterwards to the participants, delivery of a diploma.

Although IFC activities are not really in the scope of commercial banking, M. Badio may be interested to attend one or several of the sessions organized by Barents to see the techniques that are disseminated throughout the banking system and maintain the networking relations he started.

BST

This bank began operations in 1999 and has 50 employees with 3 branches in Dakar. The clients base is mainly corporate with a lot of trading companies. The personnel was hired from the other banks, mainly from the three large ones, SGBS, BICIS and CBAO. BST has 4 customer officers and 8 operations officers with 4 of them being dedicated to international operations.

For the moment, BST has agreements with European banks (Crédit Commercial de France and Belgolaise de Banque) and its Tunisian parent to provide training for selected individuals. But this is limited and costly and M. Sy is welcoming the prospects of having a local capability now and the near future as training needs will increase due to the increased competition and new recruitments to face the increase of the business.

He insisted on the material being adapted to the local environment (SYSCOA accounting system and OHADA treaty for legal aspects) and not being just across the board presentation modules. As international trade is the main business of the bank, M. Sy wishes that this side of the training will cover most of the techniques (« credits documentaires », « remises documentaires », standby letters of credit, « traites à vue et pour acceptation », « traites avalisées »). He suggested to use the accounting translation of operations to make better understand the type of credit that a bank may extend to its clients. He may help put together case studies by providing information withholding the actual names of course.

He will welcome also a formula such as « Train the Trainers ».

The needs expressed are the following :

- for credit : how to tailor made banking products based on the nature of the activity and thus how to improve the risk taking for the bank, present the up-to-date techniques to assess a credit ; review the transaction documentation procedures (« engagements et cautions ») ;
- for marketing and customer services : present the evolution of the profession (fee generated income versus on-lending risk income), present the capital markets techniques (Bond issuance arranging techniques for example) ;
- for international banking : funding of the international trade operations, paying instruments in the international trade, exchange risk assessment and hedging techniques to cover it such as spot contracts, forward contracts, options,.. (in the local environment with the XOF linked to the EURO but with the exchange position for the entire West African region strongly regulated by the central bank).

The targeted population would be :

- for credit : 3 officers ;
- for international banking : 2 officers.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a one month in advance notice given for the actual venues dates.

BICIS

M. Gilles (Deputy Managing Director) being absent, I was directed to M. Constantien for international banking and to M. Youm for credit. M. Youm in turn asked to meet M. Diagne.

The bank has 335 employees with 50 staff in credit and documentation, 6 for corporate banking, 26 for individuals banking and 18 for documentation

Credit

One credit officer attended the IFC seminar. The bank has a 3 years training plan, the first being completed this year, the second one for the period 2002-2004 being currently prepared to be submitted to management in June.

The bulk of the training is done on the job by senior people for newly hired staff.

External courses are used to supplement that in house training. The bank enjoys a 20 persons room for special in house seminars.

Based upon the content of the seminar, BICIS may be interested to send some of its junior officers. M. Diagne mentions that he would like to see local seminars organized on other topics such as MIS, accounting, cash flow management, budget and control.

International banking

M. Constancien heads the international banking operations for this bank comprising 7 employees out of the 25 in total for operations.

For his personnel, the training needs are taken care of by the mother company's training center in France. If need be, the officers can also be trained in African sisters bank in Abidjan (Ivory Coast) and Libreville (Gabon) as the network on the continent (including North Africa) enjoys the same procedures, computer equipment and software.

Nevertheless, he may be interested in sending part of his team in one or two sessions provided he gets a detailed agenda on the topics covered.

I asked him if he could possibly be an instructor in the training or made a presentation at one of the session in order to help the banking association. He agreed in principle.

The needs expressed are the following :

- for credit : present the up-to-date financial analysis techniques; review the transaction documentation procedures (« engagements et cautions ») ;
- for international banking : funding of the international trade operations, payment instruments in the international trade.

The targeted population would be :

- for credit : 50 officers ;
- for international banking : 7 officers.

Two to three sessions would be convenient in order to rotate the absences of the potential trainees with a one month in advance notice given for the actual venues dates.

SGBS

M. Labadens expressed his commitment to train the young recruits in the 450 staff bank (70 for the last two years, among them 30 junior officers in all the departments) and stressed the training as a key factor for the first rank of the bank in the Senegalese market.

He lamented the « poaching » that the second tier banks are doing on his junior officers once they have a minimum of training and banking experience. He is thus cautious on the approach of putting together junior officers from various banks as some may be used by their bosses as « talent scouts ». He is nevertheless willing to play along for this training activity for the Senegalese banks.

SGBS is active in both the corporate and the individuals markets, with an emphasis on the former. For the latter, credit scoring will be introduced shortly.

SGBS will see 25 to 30 persons retiring in the coming three years and the Managing Director has thus taken steps to prepare for the vital training needs resulting from this situation. First, the bank bought a building next door to its head office and will create in it, among other office space, an in-house training center in the second part of this year. Second, a French expatriate coming from the mother company is expected in the current quarter to head a Training Division ; apart from establishing the staff training needs he will himself be able to deliver part of the training.

M. Labadens thinks that a large percentage of any training is lost if not supported by follow up and « second shots » every six months or so. He insists on that constant and recurrent need of « re-training » in order to maintain fresh the knowledge of the staff and sees as an incentive to keep them happy among other factors.

He insists on the adaptation of the modules to the local environment, particularly on the legal side for documenting the transactions. He recommends to take into account the recent changes in accounting (SYSCOA) and for business law (OHADA treaty).

He wonders how the banking association will undertake the actual organization of the training sessions with the very limited resources it has and the poor image of an active player for business purposes it presents. Nevertheless, he sees the emphasis on training activities for all the banking system as an initiative easily shared by all the banks and thus as a way to improve the performance and image of the banking association.

The needs expressed are the following :

- for credit : for both the corporate and individuals activities, not so much insisting on the risk analysis techniques (training done in house on the spot) but on the presentation on how to determine and evaluate the banking risk with the theoretical bases illustrated by case studies ; regarding the transactions documentation topic, present the way of establishing the contract, how to compute the cost (interests and fees) for the client and how to sell it, assess the default possibility and compute the cost to be borne by the client in order to present a trade off, review to the ways to secure the transactions (« engagements et cautions ») ;
- for customer services : presentation of the various products insisting on the short term ones (« escompte », « découvert », ...) ;
- for international banking : review of the rules and of the practical use of the payment instruments (« crédits documentaires » and « remises documentaires »), accounting principles for the risk exchange activities.

The targeted population would be :

- for credit : 10 officers ;
- for international banking : 10 officers.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a six weeks in advance notice given for the actual venues dates. If possible, avoid the last days of a month (from the 27th)and the first ones (until the 5th).

M. Labadens suggested to not hesitate to organize part of the training on Saturdays.

CITIBANK

M. Grossman explained the particular situation of the bank on the market : 4th for lending in volume and 5th for attracting resources, active for corporate banking with complex deals (for the region) on capital markets and structured trade. The bank went through a downturn period from 95 to 98 which caused some bad feelings among the staff and thus, a substantial turnover occurred afterwards. Since 98, the bank is more successful and the 55 staff present a good spirit. Consequently, because of the substantial hiring in the last two or three years, the almost all post graduate staff (MBAs) are highly inexperienced.

Citibank covers its training needs by sending staff to the Istanbul training center but the number of place are limited and it is very costly (around US\$ 30,000 for a 5 weeks credit core introductory course). So M. Grossman is welcoming the USAID initiative in putting together a local training capability.

He does not see the banking association with a constructive role so far and welcomes this opportunity to improve its image. He believes CESAG can help in the preparation of the training material and the delivery of the seminars.

The needs expressed are the following :

- for credit : present the risk return trade off analysis, how to compute a pricing reflecting the expected loss (statistical base on industry, size, type of clientele), extension of credits ;
- international banking : review the international trade products and payment techniques, present the hedging techniques on exchange risk.

The targeted population would be :

- for credit and customer services : 2 to 3 officers ;
- for international banking : 5 officers.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a 6 weeks in advance notice given for the actual venues dates.

Banque Islamique du Sénégal

This small bank (50 staff) is active in the corporate market towards the same clients as Ecobank, BST and Citibank. The bank was closed between 1989 et 1996 and was then reopened.

M. Khan explained that the banking products are presented in order to satisfy the Islamic law (charia) but are in essence the same financial products offered by the other banks. Nevertheless, the staff was in house trained for this reason and did not benefit so far from outside training among peers.

He asked if it would be possible to organize one-day seminars on certain topics for managers and not only junior officers.

The needs expressed are the following :

- credit : review the current and up-to-date credit techniques ;
- international banking : present the international trade financing instruments (« crédits documentaires » and « remises documentaires »), the hedging techniques for exchange risk.

The targeted population would be :

- for credit and customer services : 4 officers ;
- for international banking : 3 officers.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a 4 to 6 weeks in advance notice given for the actual venues dates.

M. Khan suggested also to organize the sessions around a daily schedule from 8a.m. to 1 p.m. in order to free the trainees for an afternoon of work in their respective banks.

APBEF

I informed M. Diop about the IFC seminar as he was unaware of it.

He agreed on the part that the APBEF has to undertake : translation, adaptation, preparation of the training material, renting of the training site and organization of the training sessions by timely contact of its members. He noted the suggestion of a minimum training fee to be paid by the banks for their participants.

He thinks that for translation and adaptation, some banks may have some resources to share with the association.

As the meeting occurred in the middle of my mission, I provided him with a summary of my preliminary findings and presented a first-approach outline of the training :

- on credit : four modules, one on customer services, one on financial analysis techniques, one on the securing of the risk by reviewing transaction documentation and the last one on the portfolio management ;
- on international banking : two modules, one on international trade financing techniques and another one on the hedging of the exchange risk.

I went on by explaining that the final breakdown of the modules will be in my report and is subject to approval by Barents.

As a general assembly of the association is scheduled in the coming weeks, he will present this USAID/Barents initiative and present a rough outline of it pending the final report of my mission.

BHS

This bank is aimed at financing real estate development and its client base comprises both developers and private individuals.

By phone, after several attempts, I was able to speak with Ms Diop, Head of the Credit Department. She attended the SFI seminar in December and was well pleased by its contents and M. Grier capability of delivering such a seminar.

She is not interested by attending another seminar on the subject but thinks that, among the 15 credit officers, some might be interested to attend a new seminar on credit techniques relevant to their activity.

She said that the banking association should « officially » contact the Administrative and Finance Manager when the calendar and the precise topics will be known.

Ecobank

This bank started its operations in the country only 18 months ago, catering mainly to corporate entities. It has now 42 employees, 3 for credit and 2 for international trade.

The Ecobank group has a US\$ 5 to 8 million a year budget for staff training. It is the group which centralizes the training actions, the calendars and the selection of officers.

One person attended the IFC seminar and judged it quite informative except that the risk rating for the examples in the case studies were not based on real information available every day in Senegal.

The training is done mainly on the job since the bank is so young.

Ms Okigbo stated that if the contents of the Barents seminars are richer than the one of other external sources, the bank might send some staff. She asked the cost to be borne by the bank for it. She emphasized that the officers in international trade needed a general presentation of the up to date techniques as they are fresh out of school and did not yet enjoy such a seminar.

The needs expressed are the following :

- credit : review the current and up-to-date credit techniques ;
- international banking : present the international trade financing instruments (« crédits documentaires » and « remises documentaires »).

The targeted population would be :

- for credit and customer services : 3 officers ;
- for international banking : 2 officers.

Two sessions would be convenient in order to rotate the absences of the potential trainees with a 4 to 6 weeks in advance notice given for the actual venues dates.

3 - Summary of findings and recommendations

General remarks

- Need of such training

After the round up of meetings, it is obvious that the banks welcome the prospect of such a training. Two reasons can be clearly identified in terms of needs, both in the short term and the longer one :

- 1) recruitment of newly graduated young employees in the industry (every bank mentioned it) in the last two years to face business development and
- 2) replacement of human resources in the coming three to five years as staff retirement will hit at least one bank (the largest).

- Adaptation of the training material

The training material will have to be adapted to the local environment on both the legal side (OHADA treaty among other factors) and the accounting one (accounts presented following SYSCOA). It should be preferably done by an institution well aware of the banking environment and practice in Senegal. CESAG (M. Baldé) seems the right institution for that purpose as it was mentioned several times. It enjoys also a good reputation.

- Possibility to take into account the IFC seminar benefits

The IFC seminar was generally perceived as a successful venue. The new training should capitalize on that perception in two ways : first by avoiding duplication on corporate credit for some banks and by using similar animation techniques.

- Organizational issues

If we consider the population to target, we obtain large numbers : for credit and customer services around 130 persons, for international banking, around 45. By applying a reality factor of 2/3 to take into account the continuity needs of the business in the branches and offices together with potential absence for other motives, we obtain nevertheless a population of around 80 persons for credit and customer services and 30 for international banking.

Hence, the banks wishes to send the training applicants to two to three sessions for credit and customer services with a maximum duration of 5 days; for international banking, same numbers of sessions for 2 to 3 days.

The association acknowledged the costs to be borne locally : training site cost, preparation and adaptation of the training material, if and when transportation and accommodation costs for a wrap up session.

The banks were informed that they will have to bear a minimum cost for each applicant sent. These proceeds might be better invested in the quality of the training material translation and adaptation than in the cost involved in a training site selection outside Dakar in a resort for example.

- Support to be given to the association

The association enjoys limited resources to organize the seminars. So, it would be wise to provide support to take care of that organization : training site selection, calendar, preliminary tasks schedule and follow up.

M. Camara, already known by Barents, is aware of business objectives and practice both in the USA and Senegal. He is willing to help in that matter.

- Momentum for the banking association

Training is of course seen as a key success factor. Some banks expresses the view that training activities should be recurrent and an ongoing activity of the association : it can thus be seen as a chance to be taken by the association to establish itself as a player with a proactive role.

It was mentioned that the employees having benefited from training tend to forget and return easily to their routines . Thus, giving several training « injections » on the same topics will make the banks get more for the money they invested and reinforce the perception of an active association. For that, competition will be existing as consulting or training companies will be willing to provide also this kind of services. The association should find its place both to directly provide the training and to foster coordination and strategy on the matter (see Diana Osinski's recommendation on a Training Board).

Modules

CREDIT

The recommendation will be to create four modules for credit and customer services :

→ Module 1 : Credit and customer services for individuals

- This module will present the banking products and services dedicated to individuals and the marketing techniques to build up a customer base (attract the customer, keep him happy, detect its needs, saturate them).
- A section may be devoted to a possible cross fertilization with other financial institutions' products such as mortgage lending, consumer credit (extended by non banks) and vendor programs.
- The basic credit techniques and how to secure the bank's risk in that activity will be included.
- The techniques to create credit scoring and its use may be also included.

→ **Module 2 : Corporate Credit** (mainly targeted to SMEs)

- Presentation of the traditional short term and long term banking products for that clientele (see the contents of the interviews to check that all the products mentioned are included in the training material) ;
- Presentation of fee orientated activities such as capital markets (bond arrangement, ...)
- Financial analysis techniques : the industry risk, the client risk (including the management evaluation), the project risk ; how to gather relevant financial and commercial information ; balance sheets and cash flows analysis ; how to structure a credit to protect the bank, ensure the bank's profitability and obtain a positive decision from the credit committee ;
- Marketing techniques to build up a loyal and profitable client base will be presented.

→ **Module 3 : Portfolio management**

- How to put together a credit policy : selection of the industries, risk selection grid for clients, risk selection grid for a project ; determination of the objectives in terms of loss mitigation, level of acceptable losses, pricing level and margins to obtain ;
- How to monitor a portfolio : follow up of past dues, anticipation of losses based on history and tendencies, comparison with the objectives to deduct eventually changes in the credit policy ;
- Determination of general and specific loss provision ;
- Monitoring of problem loans (rescheduling, ...) management of workouts.

→ **Module 4 : Securing the transaction (« engagements et cautions »)**

- Definition of collateral and to obtain it ;
- How to respect the transaction documentation requirements before disbursements and follow up during the course of the loan ;
- Presentation of the chain of actions to respect to secure the risk based on the type of transactions and of the consequences on an untimely action or of no action at all.

INTERNATIONAL BANKING

The recommendation will be to create two modules for international banking.

→ **Module 1 : International trade financing**

- Presentation of the payment instruments : « crédits documentaires et remises documentaires », standby letters of credit, « traites à vue et pour acceptation », « traites avalisées » ; difference between the instruments for the bank risk wise and for the client ;
- presentation of international rules and use.

→ Module 2 : The exchange risk

- Presentation of the exchange risk, how and when it is formed ; the legal environment and the BCEAO norms ;
- How to hedge it : the simples techniques (« change à vue », forward position), the more sophisticated techniques (swaps, options,...) ; what is possible to use in Senegal, why and how.

MODULES REQUISITES

- After a theoretical presentation, the modules will be illustrated by case studies.
- The modules will be adapted to the local environment (SYSCOA, OHADA as mentioned earlier) and will be comprehend the Senegalese ways of doing business (size of companies and transactions, individuals wealth, influence of the judicial system situation, ...) ; the input of an institution like CESAG is highly recommended ;
- A special attention should be given to the training material, in particular the material left in the hands of the participant : presentation layout, translation accuracy, quality of paper and binding.

Organization

- **Most important recommendation for organization** : A precise timing of the translation and of the adaptation must be set up and must be followed up closely with a hands-on approach. The calendar arrangements and training site(s) renting should be undertaken early on for a successful outcome of the seminars. For that, support should be provided to the association (M. Camara is a possibility).
- The training site should be in Dakar at least for the first round of sessions in order to attract the maximum of participants without disrupting too much the regular banking activity in the branches and at the head offices. Possible places include CESAG, Distance Learning Center and possibly hotels. For the second round of sessions, the possibility of choosing a site outside Dakar (avoid the resorts) will be considered based on cost and proximity of branches' officers (in the case of Crédit Agricole du Sénégal for example) ;
- Each group of maximum should include a maximum of 25 participants in order to give everyone a chance to ask questions and be easily remembered by the trainer ; the trainer will do his best to create a good « team spirit » as it seems this attitude was well received during the IFC seminar (it was new to the participants) ;
- The dates must be between early June (if training material is ready and if the advance notice given to the banks is respected) and mid-July ; the banks should be contacted enough in advance i.e. 4 to 6 weeks ;

- It should be wise for the association to contact banks which sent participants to the IFC SMEs credit seminar (CBAO, BICIS, Ecobank, Crédit Lyonnais, SGBS, BHS) to see if they need to send other officers to a corporate credit module. A breakdown will then be made between the banks needing only the « credit and customer services for individuals » module and the ones needing this one and the « corporate credit » one. The breakdown will help arrange the precise calendars of sessions and the banks attending and can be then illustrated on a cross reference table.
- At least two 5-days sessions for credit should be organized with one including individual customer services on 1 or 2 days ; if and when it is known which banks attend which session, tailor made the case studies to the needs expressed in each interview with examples illustrating their requirement.
- Two 2 to 3 days sessions for international banking (one including 1 day on the exchange risk) should be organized. As the officers in the international departments are usually a rare human resource needed by their managers to process the operations, it may be suitable to shorten one day to free the participants at 1. p.m.

Appendix E:

**Ghana Banker Association Diagnostic
Summary Report/February 2001**

West Africa Regional Program (WARP)

Activity: Bank Training and Policy Development in West Africa

Award No. 688-G-00-00-00360-00

Ghana Banker Association Diagnostic Summary Report

February 23, 2001

Barents Group of KPMG Consulting Inc.

Lynda Swenson

Norman Baxter

Ms. Lynda Swenson, a consultant for Barents Group of KPMG Consulting Inc. (Barents) conducted the Ghana banker association diagnostic under this WARP activity by interviewing bankers and bank association personnel in Ghana during the period of January 9 - January 18, 2001.

The purpose of the diagnostic was to identify areas of needed technical assistance in the banking associations in Ghana. To this end, Ms. Swenson met with the associations and the banks in the capital city of Accra. A list of the people she met with and their organizations is in the addendum to this report.

The report opens with an executive summary, includes findings from each of the associations and concludes with our recommendation. The report was written by Ms. Swenson with a small contribution from Norman Baxter.

Summary of Suggested Short-term Technical Assistance:

There are four major associations related to banking and bankers in Ghana. These are:

- Association of Rural Banks (ARB)
- Chartered Institute of Bankers (CIB)
- Ghana Association of Bankers (GAB)
- National Banking College (NBC)

Many of the short-term initiatives suggested by personnel of these associations involved training and the presentation of materials to groups of bankers at various levels. These classes/seminars/roundtables may be the best delivery process to the greatest number of bankers. The sponsoring organization could be the CIB, the NBC or the ARB. The Ghana Association of Bankers would not be appropriate.

Another suggested initiative that merits consideration is to review the curriculum of the NBC. This review would involve talking to the training directors of the commercial banks and the ARB to determine what additions/deletions/changes could be made to the current class offerings. The Ghanaian bankers are concerned that they are not current with world best practices. A curriculum review would help to address this concern.

On a broader scale, the ARB is undergoing radical change with the creation of APEX Bank. It would be of great importance to help identify the “mediocre” banks by an assessment tool and to develop strategies for correcting the deficiencies. This would tie in with the longer-term goals of increasing credit availability to the un-banked and under-banked rural and agricultural sectors.

Association of Rural Banks

Mission and constituency:

The ARB is charged with providing services and help to the locally owned, generally one-branch banks located in rural areas of Ghana. These rural banks provide depository and credit products to agriculture, small business and individuals within a local service area. The ARB has created training courses, provides consulting expertise (a 5 year on-site consultant from DANIDA, a program funded by the government of Denmark), and is preparing to help create the APEX Bank, which will operate as the “central” bank and chief funding source for all 100+ rural banks. There are many changes and challenges in the next six to nine months for this group.

Strength – Weakness – Opportunity - Threat

- ◆ S: The ARB appears to impact bankers at all levels. Most of the rural banks are very small with employees and/or shareholders from the local community. ARB has conducted training and seminar programs to address these needs at many levels.
- ◆ W: One half of the rural banks have “mediocre” capital of <6%. The ARB is very focused on the formation of APEX Bank at present and its resources are not adequate to address the current issues of its constituency.
- ◆ O: When APEX Bank is finalized, the ARB will have more time to focus on assisting its membership. Its ability to impact the marginal financial and operational status of the banks is unknown.
- ◆ T: The DANIDA consultant has left as the grant expired 1-31-01. Mr. Peter Arndt was very much in evidence and appeared to have been a full-time resource for ARB. His expertise will be missed.

Short-term Initiatives:

- Training in micro-finance principles.
- On-site assessment of mediocre banks using assessment tool.
- On-site consulting in mediocre banks.
- Best practices seminar with expert facilitators.

Chartered Institute of Bankers, Ghana

Mission and constituency:

The CIB, Ghana is part of the British-based international group that credentials bankers. There are courses offered in the evening in 17 subjects. An Intermediate Certificate is issued after successfully passing examinations in 6 subjects. A Professional Certificate is issued after successfully passing examination in an additional 8 subjects. Until recently, only bankers could apply and on average, would take 4 years to complete. Since 1998, non-bankers may participate and are completing the process more quickly. Exams are offered twice a year.

CIB, Ghana produces a very professional magazine quarterly. It holds a two-day conference for bankers.

Strength – Weakness – Opportunity – Threat

- ◆ S: CIB, Ghana is part of substantial, mature worldwide group and has the prestige of that association. It is open to all bankers who choose to take courses and sit for exams. Generally, banks will reimburse employees if successful.
- ◆ W: Courses are offered only in the evening. International body predetermines curriculum. As most classes are held in Accra, it is hard for ARB members to attend.
- ◆ O: Exploring the possibility of changing the “credential” levels: Foundation, Certificate, Professional, and emphasis in 1 of 4 specialty areas.
- ◆ T: CIB, Ghana’s continued relevance to Ghana banks' unique characteristics.

Short-term Initiatives:

- Best Practices Roundtables with expert facilitators.
- Marketing and Product Development class/seminar.
- Participation in annual Bankers’ Day educational program.

Ghana Association of Bankers

Mission and constituency:

The GAB is a bi-monthly meeting of the Managing Directors of the 16 commercial banks, the Governor of the Bank of Ghana, and a representative of the ARB. Its purpose is to discuss issues that are germane to the banking industry in Ghana and to advise the Governor of the Bank of Ghana of the impact of pending legislation on the banking industry. GAB conducts training classes for entry-level bank employees through the services of an independent consultant and in-bank trainers.

Strength – Weakness – Opportunity – Threat

- ◆ S: The Managing Directors of the commercial banks are the chief executives of their respective banks. The bi-monthly forum is a “lobbying” forum with Governor of Bank of Ghana.
- ◆ W: GAB is basically unknown to most bankers.
- ◆ O: The training consultant would like to expand the number of modules.
- ◆ T: As this is a very small group, it may be less relevant to all bankers and the industry.

Short-term Initiatives:

Underwriting of additional modules for ABC Training program.

Purchase of VCR and other training hardware for use in ABC classes.

Underwriting of training films to be used in ABC classes.

National Banking College

Mission and constituency:

A contribution from the Bank of Ghana funds NBC together with mandatory annual payments from the commercial banks. NBC operates near the airport in facilities owned by the Bank of Ghana and leased to NBC at no charge. It offers many classes (>60) in a variety of subjects ranging from 2 days to 3 weeks to middle managers from the commercial and rural banks. It has a computer lab with fairly recent hardware.

Strength – Weakness – Opportunity – Threat

- ◆ S: Facilities and participation involve all banks.
- ◆ W: The curriculum may need revision and revamping. The facilities are outside of Accra's center.
- ◆ O: NBC is exploring the possibility of offering residential programs as well as a "Masters" level credential.
- ◆ T: The commercial banks are questioning the mandatory annual financial contribution to NBC.

Short-term Initiatives:

- Review of curriculum offered at NBC.
- Best Practices Roundtables with expert facilitators.
- Marketing and Product Development class/seminar.

Recommendation

Based on our diagnostic, the most urgent need among associations in Ghana at present appears to lie with the Association of Rural Banks (ARB), as it seeks to establish the APEX Bank in Ghana. Therefore, we recommend providing technical assistance (TA) to the ARB.

Barents proposes that its TA consist of helping the ARB to develop its own diagnostic tool for assessing its member banks – financial condition, financial performance and management. This diagnostic tool will employ both quantitative and qualitative methods and be targeted at the ARB's network of rural banks.

Our intention is for the tool to aid the ARB in identifying poor performers among its member banks and determining the specific areas of weakness that must be strengthened. This type of tool will provide the ARB with a sound means of identifying weak banks and the reasons for the weakness. With the information developed through use of the diagnostic tool in hand, the ARB will then be in position to take constructive steps to strengthen the weak banks in its network, or otherwise address their situation. Constructive action will lead to greater capacity of the ARB network of banks to finance economic growth and development in rural Ghana.

We believe that our TA can make a positive impact on the ARB as it relates to its member banks in the rural areas of Ghana. Since the ARB recently lost its full-time technical advisor funded by DANIDA, technical assistance provided under WARP, funded by USAID, can partially fill the gap created and will be most useful and welcome.

ADDENDUM

Yoku Korsah	KPMG Ghana	Partner
Noel Tagoe, Ph.D.	KPMG Ghana	Senior Consultant
Ernest Nyarko	KPMG Ghana	Consultant
D.K. Mensah	Ghana Association of Bankers	Executive Secretary
Kojo Essah	Ghana Association of Bankers	Consultant in Training
Patience King	National Banking College	Principal
Mary Buako	Chartered Institute of Banking	Chief Executive Officer
Francis Sasraku	Ghana Commercial Bank	Director Marketing
Mahumudu Bawumia Ph.D.	Bank of Ghana	Economic Analysis
S.A. Welbeck	Agriculture Development Bank	Ag. Deputy Managing Director
S. Attafua-Wadee	Agriculture Development Bank	Head of Research
Raymond Langmead	Stanbic Bank	General Manager Banking
Brigid de Lima Ayite	Metropolitan and Allied Bank	Deputy Manager Marketing
Ama Serwa Kwakwa	Metropolitan and Allied Bank	Human Resource Officer
Dr. Sam Mensah	SEM Financial Training Center	Chief Executive Officer
Ebenezer Barnes	SEM Financial Training Center	Vice President Consulting
Peter Arndt	Association of Rural Banks	DANIDA Consultant
Richard Addo	Association of Rural Banks	Assistant Director
Kwabena Appenteng	USAID Accra	Private Sector Officer
Cecil J. Nartey	CARE Ghana	Senior Programme Manager
Pierre Markowski	CARE Ghana	Micro-enterprise Development

Appendix F:

**Mali Banking Association Diagnostic
Report/March 2001**

DEF

WEST AFRICIAN REGIONAL PROGRAM (WARP)

ACTIVITY: BANK TRAINING AND POLICY DEVELOPMENT IN WEST AFRICA

AWARD NO. 688-G-00-00-00360-00

**MALI BANKING ASSOCIATION DIAGNOSTIC REPORT
MARCH, 2001**

BARENTS GROUP OF KPMG CONSULTING, INC.

DIANA M. OSINSKI

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	B.	Association Diagnostic Questionnaires
	C.	Acronyms

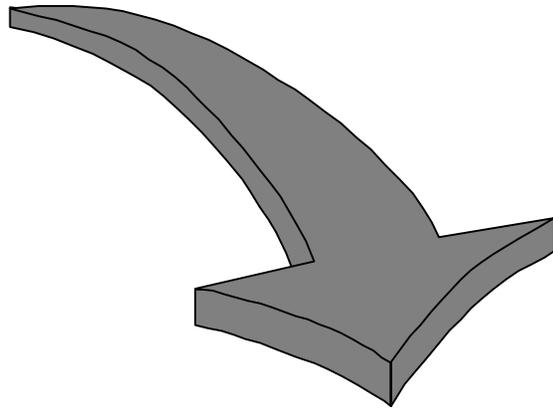
I. INTRODUCTION

INTRODUCTION

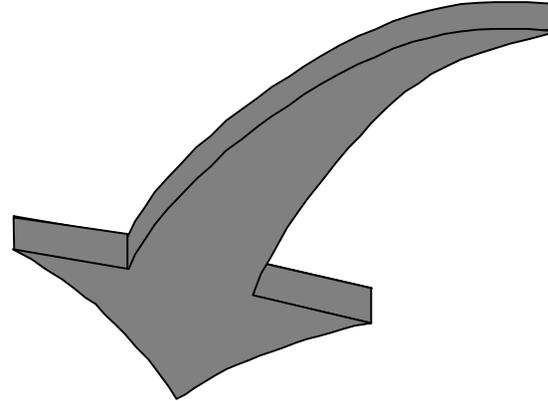
THIS DIAGNOSTIC REPORT SUMMARIZES MEMBER, DONOR AND KEY ENTITY PERCEPTIONS OF THE ASSOCIATION PROFESSIONNELLES DES BANQUES ET ETABLISHMENTS FINANCIERS (APBEF) IN MALI, AS WELL AS RECOMMENDATIONS FOR IMPROVEMENT

ASSOCIATION DIAGNOSTIC

*Member Perceptions
and Expectations*



*Donor and Key Entity
Perceptions*



*ASSOCIATION PROFESSIONNELLES DES BANQUES
ET ETABLISHMENTS FINANCIERS (APBEF)*

SCOPE OF WORK

◆ Scope of Work

To develop the capacity of bank associations to provide needed services to their bank members and enable them to act as effective advocates of the banking community to their respective governments with a focus on United States Government lending/facilitation programs.

◆ Tasks

-- Conduct a diagnostic on the Association Professionnelle des Banques et Etablissements Financiers (APBEF) to identify its strengths, weaknesses and potential areas for improvement. Include discussions with Association members (and non-members) and any other member organizations to get their perspective on APBEF activities, strengths and weaknesses and areas of desired improvement.

-- Determine priority areas for technical assistance that can be addressed in 2001.

-- Develop a preliminary plan for addressing priority areas for identified technical assistance.

◆ Dates of Diagnostic

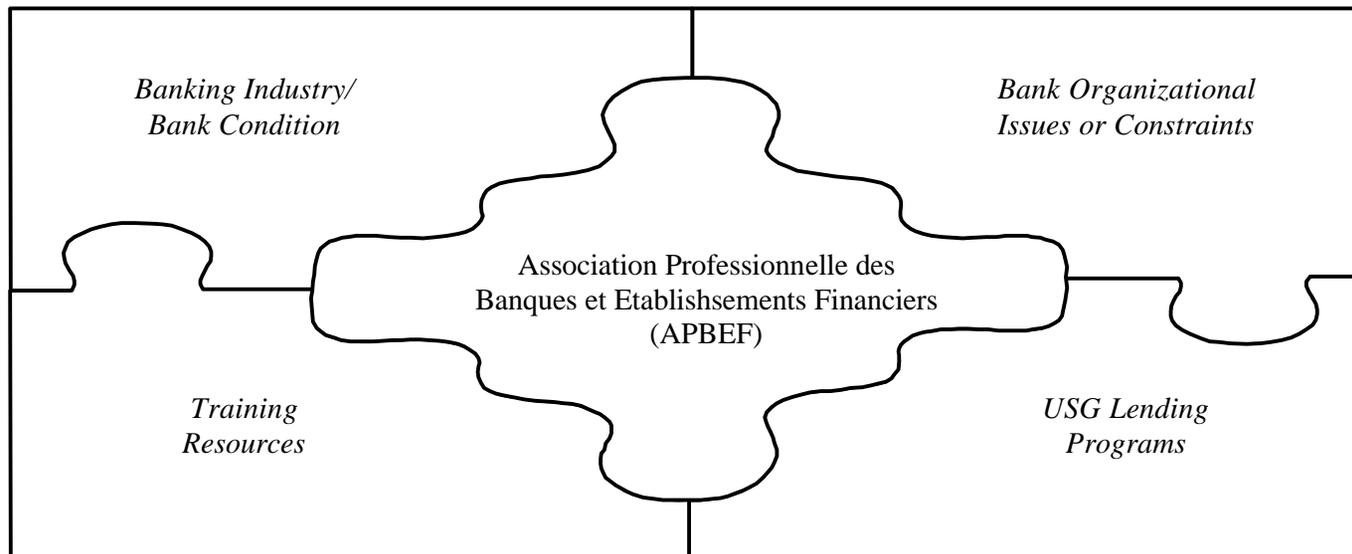
-- Monday, February 5 to Friday, February 16, 2001

II. DIAGNOSTIC APPROACH

DIAGNOSTIC APPROACH

APBEF MEMBERS, DONORS AND KEY ENTITIES WERE QUERIED ABOUT FIVE CORE AREAS

DIAGNOSTIC AREAS



A STANDARDIZED SET OF QUESTIONS WAS USED TO INTERVIEW THE DIAGNOSTIC PARTICIPANTS AND CAN BE FOUND IN THE APPENDICES

DIAGNOSTIC PARTICIPANTS

INTERVIEWS WERE CONDUCTED WITH 20 INSTITUTIONS AND 25 PARTICIPANTS

APBEF MEMBERS

BDM S.A.

BNDA

BIM

BHM

BMCD

BOA

BCS

BICIM S.A.

Ecobank-Mali

DONORS

AFD

GTZ

USAID/Mali

USAID/WARP

USAID/Washington

DONOR FIRMS

Chemonics

Weidemann Associates

OTHER KEY ENTITIES

APBEF

BCEAO

Finances sans Frontieres

Ministry of Economy
and Finance
(World Bank Project)

THE FOLLOWING PAGES SUMMARIZE THE COMMENTS OF THE DIAGNOSTIC INTERVIEWEES

III. APBEF MEMBER PERCEPTIONS

BANKING INDUSTRY/BANK CONDITION

THE BANKING INDUSTRY IN MALI IS GREATLY IMPACTED BY THE ECONOMY AND THE EXISTING LEGAL FRAMEWORK

- ◆ APBEF members shared a consensus on industry condition during the meetings
 - Economic situation of country is affecting banking industry
 - Economic growth is slow due to problems with cotton industry
 - Bad cotton crop will affect loan repayment and will impact other business sectors
 - Need to reduce bad loans, expand banking services and banking network outside of Mali
 - Need long term deposits and ability to finance certain investments
 - Increased competition from Malienne and foreign banks
 - Banks need to have the same standards as foreign banks

- ◆ Mali's Banking Industry cannot advance without focusing on the Judicial System
 - High dissatisfaction with judicial system and inability to recover debt
 - Court decisions are perceived as not equitable and in favor of borrower
 - Law questionably applied by judicial system
 - Need support of government to ensure repayment of loans
 - MoEF and MOJ need to address legal and judicial problems

BANK ORGANIZATIONAL ISSUES OR CONSTRAINTS

BANK ISSUES AND CONSTRAINTS AND HOW THEY ENCOURAGE EMPLOYEES TO PRODUCE QUALITY WORK VARIED

- ◆ APBEF members expressed a variety of bank organizational issues and constraints during the meetings
 - Need to develop credit and credit recovery policy and procedures
 - Need to expand bank services and secure long term deposits
 - Need to improve individual productivity
 - Need to develop a formal Performance Management System
 - Inability to keep pace with technology
 - Inability to provide comprehensive knowledge and skills training for employees
 - Enterprises and public at large lack knowledge of banking

- ◆ APBEF members also shared their methods for encouraging employees to produce quality work
 - Ensuring that all employees have the equipment they need to perform their job
 - Formally or informally evaluating and grading their performance
 - Providing good salaries and bonuses
 - Providing a good work environment
 - Free mind to work (eliminate worries about family through great benefits)

BANKING TRAINING RESOURCES

TRAINING RESOURCES ARE LIMITED IN MALI

- ◆ APBEF members shared a consensus on education and training resources during the meetings
 - Education and Training resources are provided from abroad, primarily from France
 - Institut Technique de Banque/Centre Etudes Financieres Economiques Bancaires (ITB/CEFEB) conducts a majority of the bank education offered in Mali
 - APBEF and the National Labor Office facilitate the ITB training
 - Banks lack a mechanism to select participants for education and training
 - Some concern about the quality of the education and validity of certificates
 - If paid to attend education or training, concerned that employees are only interested in money
 - Educational programs are very general and don't provide specifics to perform a job
 - Some training is provided locally by various donors such as World Bank
 - Occasional seminars are offered by CBEAO and Finances sans Frontieres
 - Some seminars provided by head office and presented by local staff
 - Limited or no training provided by the banks themselves
 - English training courses available in Mali are not effective

- ◆ APBEF members also shared a few of their training requirements
 - Seek quality training for employees that would be available in Mali
 - Want training that provides practical guidance that can be applied on the job
 - Want effective English and Business English courses delivered locally
 - Want guidance on how to establish a training unit in bank
 - Want guidance on how to develop training materials and document bank operations

APBEF

APBEF IS HIGHLY RESPECTED AND APPRECIATED BY MEMBERS EVEN THOUGH MEMBERSHIP IS COMPULSORY

- ◆ APBEF Members were consistent in their perception of the greatest strength or assets of the Association
 - Advocacy on behalf of the banking community
 - Fostering communications among and between members
 - Provides link between authorities and banks
 - Defends interests of the banking system
 - Conducts meetings on critical issues
 - Assists the banking community with sharing information, problems and solutions
- ◆ APBEF Members shared a variety of limitations or weaknesses of the Association
 - Young Association that lacks expertise and financial means to expand member services
 - Unable to provide training for bank employees; should be number one priority
 - Unable to assist banks in focusing on international standards
- ◆ APBEF Members varied on their perception of member fees versus the value they receive
 - 3 or 43% indicated that the fee was more than the value
 - 2 or 28.5% indicated that the fee was equal to the value
 - 2 or 28.5% indicated that the fee was less than the value
 - 2 declined to answer

USG LENDING PROGRAMS

ONLY A FEW OF THE BANKS WERE KNOWLEDGEABLE ABOUT USG LENDING PROGRAMS

- ◆ APBEF members varied in their knowledge and current or planned participation in USG Lending Programs
 - Considering participating in USAID's Guarantee Program
 - Will participate in USAID's Guarantee Program
 - No familiarity with USG lending programs
 - Aware of programs, not involved
 - Don't know of any current lending programs
 - Familiar with USAID's Guarantee Program, hoping to participate in program

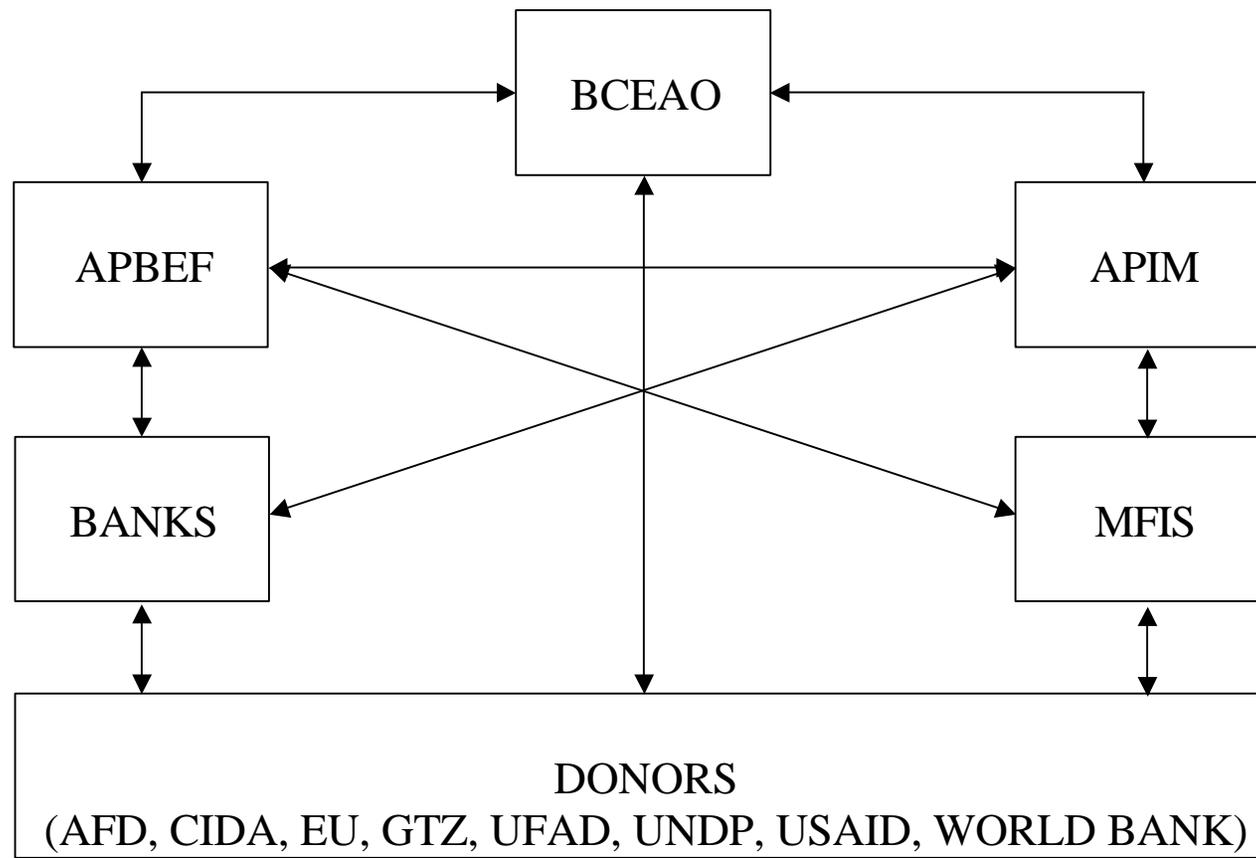
- ◆ One APBEF member noted that USG lending programs are high risk to banks
 - Loans are provided in dollars
 - Franc is more stable than dollar

IV. DONOR AND KEY ENTITY PERCEPTIONS AND ACTIVITIES

DONORS AND KEY ENTITIES

A VARIETY OF DONORS ARE ASSISTING THE BANKING AND MICROFINANCE COMMUNITIES

Banking and Microfinance in Mali



DONOR AND KEY ENTITY PERCEPTIONS

DONOR AND KEY ENTITY PERCEPTIONS WERE SIMILAR TO APBEF MEMBERS WITH A FEW ADDITIONAL DIMENSIONS

<i>TOPICS</i>	<i>PERCEPTIONS</i>
Banking	<ul style="list-style-type: none"> ◆ Problems with Laws and Recovery Process ◆ Risk assessment mechanism is lacking ◆ Investment capital needed ◆ Perception that banks have money but don't lend ◆ Difficult for MFIs to obtain loans from banks ◆ Constraints on both sides (banking and MFI), need to find common ground ◆ Enterprises lack access to credit and basic management tools ◆ Banks don't invest in private sector, too risky ◆ Banks don't share information ◆ Lack Credit Rating Bureau ◆ Competition between banks can limit industry improvement
Training	<ul style="list-style-type: none"> ◆ Access to education provided by institutions in France ◆ Limited or no training for banking and microfinance community ◆ Education and training provided primarily for top level management ◆ Even with diploma, individuals lack the needed knowledge and skills ◆ Banking and MFI community need to reach agreement on competencies (knowledge, skills and attitudes)
APBEF	<ul style="list-style-type: none"> ◆ Good reputation in community ◆ Positive impression of association

DONORS MANAGE ACTIVITIES TO IMPROVE THE BANKING AND MICROFINANCE COMMUNITIES

DONOR ACTIVITIES

SEVERAL DONORS ARE ENGAGED IN ASSISTING THE MICROFINANCE AND BANKING COMMUNITIES. HOWEVER, AFD, GTZ, USAID AND THE WORLD BANK ARE THE PRIME DONORS

<i>DONOR</i>	<i>CURRENT OR PLANNED ACTIVITY</i>
AFD	<ul style="list-style-type: none"> ◆ Trying to stimulate banking sector ◆ CFTB conducted feasibility study on training needs for banks ◆ Provide education and training in France, pay for program only (transportation and accommodations provided by bank or other enterprise) ◆ Provide local training seminars ◆ Provide six week internships in Frances (targeted for high level participants) ◆ Starting Guarantee Fund, five banks have been selected to participate ◆ Starting insurance for risk investment ◆ Conducting privatization activities (PROPACO)
GTZ	<ul style="list-style-type: none"> ◆ Conducted an extensive study on establishing a Training Center in Mali to support the MFI and banking community ◆ Drafting 500-word banking dictionary in four local languages (Bambara, Peul, Sonrhai and Tamachek) ◆ Preparing videotapes on good governance ◆ Providing funding for APIM activities
USAID/Chemonics	<ul style="list-style-type: none"> ◆ Focused on capacity building with small to medium enterprises with 5-20 employees ◆ Identified need for credit guarantee, sourced Development Credit Authority to provide guarantee ◆ Working with 25-30 enterprises, assisting them with Business Plan preparation and applying for loans

DONOR ACTIVITIES (CONTINUED)

AFD, GTZ, USAID AND THE WORLD BANK ARE THE PRIME DONORS

<i>DONOR</i>	<i>CURRENT OR PLANNED ACTIVITY</i>
USAID/Weidemann Associates	<ul style="list-style-type: none"> ◆ Focused on making improvements in the Microfinance Sector ◆ Taking a lead role in harmonizing laws (OHADA) ◆ Working with APIM
World Bank	<ul style="list-style-type: none"> ◆ Initiating a new banking project that will concentrate on the following topics: Bank Restructuring and Privatization, Non-Bank Financial Institutions Reform, Social Security Reform, Microfinance Development, Legal and Regulatory Reforms and Strengthening of Ministry of Industry and Finance ◆ Will provide funding for APIM activities

MOST SIGNIFICANTLY, THE DONORS SUPPORTING THE MICROFINANCE INDUSTRY ARE ORGANIZED AND REGULARLY MEET TO SHARE INFORMATION TO ASSIST THE MICROFINANCE COMMUNITY

V. APBEF PERCEPTIONS

APBEF PERCEPTIONS

APBEF PERCEPTIONS WERE SIMILAR TO THOSE OF APBEF MEMBERS AND DONOR AND KEY ENTITY PERCEPTIONS

TOPIC AREAS

PERCEPTIONS

Banking Industry/Bank Condition	<ul style="list-style-type: none">◆ Main issue for banks is justice and debt recovery◆ Public, enterprises and journalists could benefit from receiving information or training on banking
Bank Organizational Issues and Constraints	<ul style="list-style-type: none">◆ Education and training are high priority for banks◆ Bankers need access to continuous education and training
Training Resources	<ul style="list-style-type: none">◆ Provided by ITB, Association facilitates training in Mali◆ Bankers prefer to go outside Mali for education and training
APBEF	<ul style="list-style-type: none">◆ Greatest strength: Provide unity, solidarity and consensus, all banks involved◆ Limitation: Insufficient resources (budget, personnel and equipment)◆ Most Critical Need: Equipment◆ Greatest Area for Improvement: Training
USG Lending	<ul style="list-style-type: none">◆ Unfamiliar with lending programs

VI. RECOMMENDATIONS

RECOMMENDATIONS

BASED ON THE DIAGNOSTIC, WE RECOMMEND FOUR ACTIONS TO DEVELOP THE CAPACITY OF THE ASSOCIATION TO PROVIDE SERVICES TO THEIR MEMBERS AND ENABLE THEM TO ACT AS EFFECTIVE ADVOCATES OF THE BANKING COMMUNITY

- ◆ **ACTION 1 (SHORT TERM):** Support the formation of a Training Advisory Board to ensure quality and confirm that APBEF generated training products and services are appropriate and suitable for the Malienne banking community. Members of the Board may be required to attend a Training of Trainers (TOT) Program.
- ◆ **ACTION 2 (SHORT TERM):** Following the formation of the Training Advisory Board (TAB), a two to three day symposium should be developed to provide bankers, MOJ and MoEF personnel along with the appropriate donors and key entities with a venue to discuss and identify solutions to improve debt recovery. An Ad Hoc Symposium Committee should be formed to design and oversee the delivery of the symposium. Members of the TAB may also be on the Ad Hoc Symposium Committee along with various donors and key entities.
- ◆ **ACTION 3 (LONG TERM):** Conduct a Training of Trainers (TOT) Program to orient the APBEF and the banking community on the basics of training. Whether the APBEF or banks are creators or consumers of training, they need to learn the key components of effective training programs.
- ◆ **ACTION 4 (LONG TERM):** Form Networking Groups to provide a banking community based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the bank should have a forum to share and collect information as well as network with colleagues in comparable positions and more proactively manage their individual development.

THE FOLLOWING PAGES PROVIDE MORE DETAIL ON EACH RECOMMENDATION

TRAINING

APBEF MEMBERS INDICATED THAT THE PRIMARY FOCUS OF THE ASSOCIATION SHOULD BE TRAINING AND SUGGESTED POTENTIAL TOPICS

- ◆ Accounting
- ◆ Asset and Liability Management
- ◆ Bank Cards
- ◆ Business of Banking
- ◆ Bookkeeping
- ◆ Business Letters
- ◆ Business Protocol
- ◆ Credit Risk
- ◆ Customer Service
- ◆ English and Business English
- ◆ Financial Analysis
- ◆ Lending Risk and Quality
- ◆ Letters of Credit
- ◆ Operations Risk
- ◆ Marketing
- ◆ Problem Loan Management
- ◆ Risk Assessment
- ◆ Risk Management
- ◆ Technology and Automation
- ◆ Treasury

TRAINING ADVISORY BOARD

TO GUIDE THE TRAINING ACTIVITIES OF THE APBEF, IT IS ESSENTIAL THAT A TRAINING ADVISORY BOARD BE FORMED

◆ Purpose

The Training Advisory Board will ensure quality and confirm that APBEF generated products and services are appropriate and suitable for the Malienne banking community.

◆ Role

The primary role of a member of the Training Advisory Board will be as a banking industry spokesperson for the business segment they are representing. Specifically, members will help identify, shape and fine-tune the APBEF products and services.

◆ Composition

The APBEF members should determine the selection criteria and size of the Training Advisory Board. Specifically, the members should agree upon the ideal size and composition of the Board. The Training Advisory Board should be composed of a variety of bankers from a variety of banking institutions.

◆ Responsibility

The APBEF members will form the Training Advisory Board and determine their responsibilities.

DEBT RECOVERY SYMPOSIUM

THE BANKING COMMUNITY CONSISTENTLY INDICATED THAT THEIR GREATEST CHALLENGE IS EXECUTING DEBT RECOVERY GIVEN THE CURRENT LEGAL AND REGULATORY FRAMEWORK. A DIALOGUE BETWEEN THE BANKS AND MOJ MAY LEAD TO IMPROVED RELATIONS, PERCEPTIONS OR OUTCOMES

◆ Purpose

The Ad Hoc Symposium Committee along with the support and assistance of an expatriate would assist in designing a symposium on debt recovery that would be suitable for the Malienne banking community. The purpose of the symposium would be to bring key members of the banking, justice and government together to discuss the current issues and constraints within the existing debt recovery framework. It could also be a venue to introduce a potential resolution mechanism (arbitration and mediation).

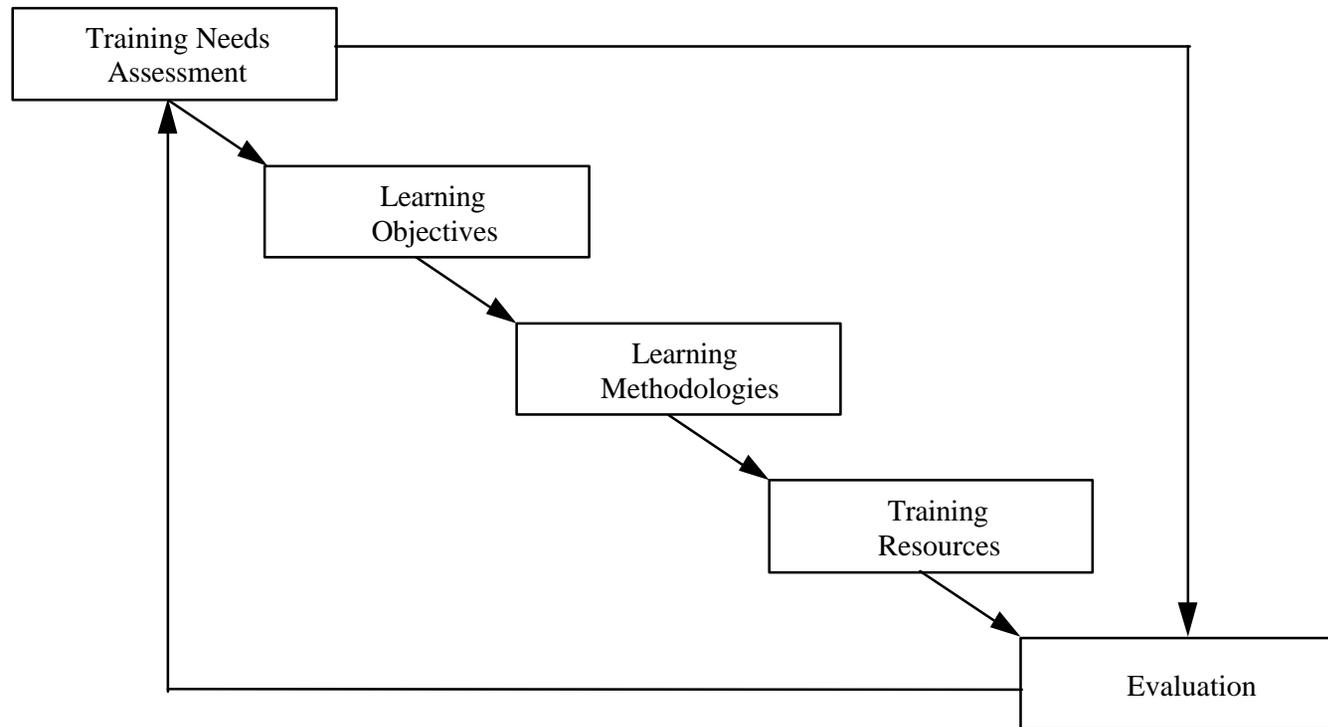
◆ Desired Outcome

The banking community believes that the current law is not being fairly applied when the courts rule on debt recovery. Regardless of the accuracy of this viewpoint, it is appropriate for the banking community and authorities to conduct a dialogue to determine the core issues of the perception, together with discussing potential actions to change the perception (short and long-term). Most importantly, the Association must take a lead role in making this dialogue a reality. Given the Training Advisory Board and expatriate leadership, the Association could develop and manage the delivery of a quality symposium. The training basics learned during the development and delivery of the symposium would be expanded and strengthened during the Training of Trainers Program.

TRAINING OF TRAINERS

IT IS CRITICAL THAT THE ASSOCIATION, AS WELL AS THE BANKING COMMUNITY, LEARN THE COMPONENTS OF PERFORMANCE-BASED TRAINING MATERIALS

COMPONENTS OF EFFECTIVE TRAINING PROGRAMS



THE BASICS OF TRAINING CAN BE PRESENTED DURING A TRAINING OF TRAINERS WORKSHOP

NETWORKING GROUPS

TO HELP FACILITATE THE TRANSFER AND SHARING OF BANKING KNOWLEDGE AND SKILLS AT ALL LEVELS IN AND AMONG THE BANKS, IT IS IMPERATIVE THAT NETWORKING GROUPS BE FORMED

◆ Purpose

The purpose of the Networking Groups is to provide a banking community-based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the bank should have a forum to share and collect information, as well as network with colleagues in comparable positions, and more proactively manage their individual development. This could include mobilizing to influence needed changes in banking legislation.

◆ Role

The primary role of the bankers involved in the Networking Groups would be to aid in fostering new banking and managerial knowledge, skills and attitudes. They would also develop self-sufficiency in proactively identifying and collecting information on various banking or managerial subjects.

◆ Composition/Frequency

The APBEF members along with the Training Advisory Board will determine the formation criteria and the meeting frequency of the Networking Groups. Specifically, they should agree upon the types and levels of Networking Groups, and how often they should meet. The Networking Groups should span a variety of banking disciplines and include managerial and non-managerial participants.

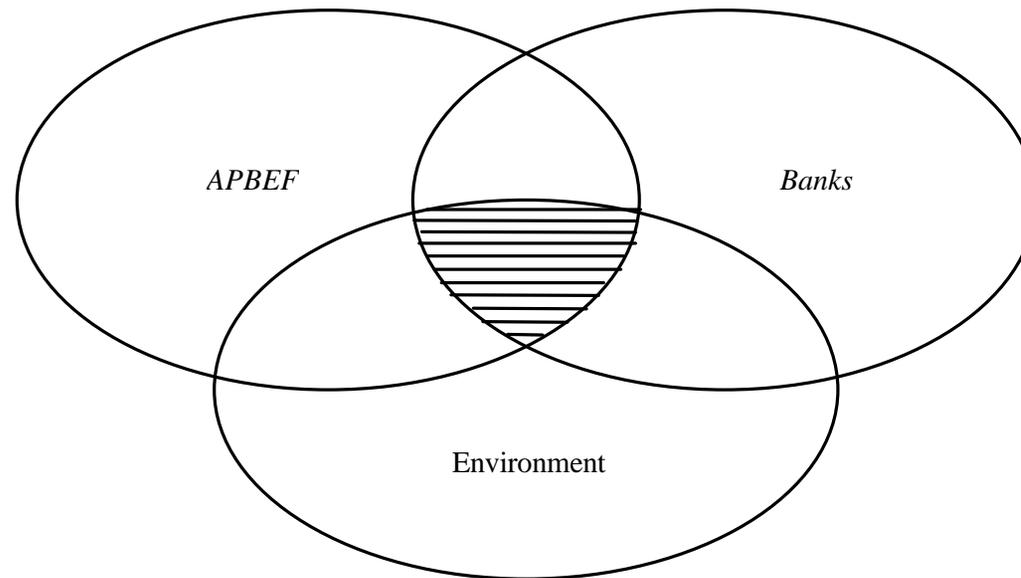
◆ Responsibility

The APBEF members and Training Advisory Board should shape the Groups and influence their responsibilities.

APBEF PERFORMANCE IMPROVEMENT

PERFORMANCE IMPROVEMENT IS NOT LIMITED TO TRAINING

HIGH PERFORMING BANKING INDUSTRY



TRAINING + ENVIRONMENT = RESULTS

VII. NEXT STEPS

NEXT STEPS

THE FOLLOWING STEPS ARE RECOMMENDED TO INITIATE ACTION TO BEGIN APBEF IMPROVEMENTS

- ◆ USAID, APBEF and Barents must review the report comments and recommendations and reach consensus on priority areas for technical assistance.
- ◆ USAID, APBEF and Barents must agree on the most effective way to make improvements in the APBEF in 2001:
 - Technical improvement priorities
 - Necessary resources
 - Required personnel
 - Approved Timeline
- ◆ Finally, Barents will develop and deliver a Workplan to USAID for approval that details targeted Association improvements.

VIII. APPENDICES

A. ASSOCIATION DIAGNOSTIC PARTICIPANTS

**ASSOCIATION DIAGNOSTIC
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
United States Agency for International Development (USAID/WARP)	Jean HARMAN	International Trade and Investment Economist	February 5, 2001
United States Agency for International Development (USAID/Washington)	Cameron WEBER	Financial Management Specialist	February 6, 2001
United States Agency for International Development (USAID/Mali)	Oumar DIAKITE	Results Package Manager	February 5, 2001
Banque Internationale Pour Le Mali SA (BIM)	DAFFE Fanta DIAWARA	Adjointe a l'Administrateur Provisoire	February 5, 2001
Weidemann Associates, Inc. (WAI)	Zahia LOLILA	Technical Coordinator	February 5, 2001
Chemonics	Andrew LAMBERT	Chief of Party	February 7, 2001
Ministry of Economy and Finance (MoEF)	Abdul Karim SANGARE	Project Coordinator (for World Bank Project)	February 7, 2001
Banque Malienne de Credit et de Depots (BMCD)	Salif Nambala KEITA	Conseiller du Directeur General	February 8, 2001

**ASSOCIATION DIAGNOSTIC
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
Ecobank – Mali	Kassim A. KABASSI Binta NDOYE	Directeur General Clientele Institutionnelle	February 8, 2001
Deutsche Gesellschaft fur Technische Zusammenarbeit (GTZ)	Roland SIEBEKE	Conseiller Technique	February 9, 2001
Banque Nationale de Developpement Agricole (BNDA)	Moussa Kalifa TRAORE Abass Yousouf NADIO	President Directeur General Directeur des Ressources Humaines et de la Logistique	February 9, 2001
United States Agency for International Development (USAID/Mali)	Helene Binta BALLO	Results Package Manager	February 12, 2001
Association Professionnelle Des Banques et Etablissements Financiers (APBEF)	Sekou Massa KANTE	Secetaire General	February 12, 2001
Banque de Developpement du Mali (BHM)	Mamadou Baba DIAWARA	President Directeur General	February 13, 2001
Bank of Africa (BOA)	Mamadou Baba SYLLA Hamadi LANDOURE	Deputy General Director Personnel Director	February 13, 2001

**ASSOCIATION DIAGNOSTIC
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
Banque Internationale pour le Commerce et l'Industrie du Mali (BICIM)	TOURE Hawa DIALLO	Chargee de clientele	February 13, 2001
Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)	Souahibou DIABY	Chef du Service du Credit	February 13, 2001
Banque de Developpement du Mali (BDM)	Abdoulaye DAFFEE	President Directeur General	February 14, 2001
Banque Commerciale du Sahel (BCS)	Saeid Mohamed EL ATRASH	Directeur General	February 14, 2001
United States Agency for International Development (USAID/Mali)	Gaoussou Traore	Results Package Manager	February 15, 2001
Finances sans Frontieres (FAF)	Alain LE NOIR	Directeur General	February 15, 2001
Groupe Agence Francaise de Developpement (AFD)	Patrick ABBES	Charge de Mission	February 15, 2001

B. ASSOCIATION DIAGNOSTIC QUESTIONNAIRES

BANK AREAS OF DISCUSSION

Listed below are the questions that were asked during the meetings with the APBEF member banks:

Demographics

- ◆ Name, title and contact telephone number
- ◆ Year bank founded? Classification?
- ◆ Number of employees? Number of branches in Mali? Outside of Mali?

Banking Industry/Bank Condition

- ◆ What are the key issues or challenges that the banking industry in Mali will face this year?
- ◆ What is the key issue or challenge that your bank will face this year?
- ◆ What activities or results do you think the banking industry should plan to achieve this year?
- ◆ What activities or results do you think your bank should plan to achieve this year?

Bank Organizational Issues or Constraints

- ◆ What are the issues and constraints that prevent banks from achieving their business goals?
- ◆ What are the issues and constraints that prevent your bank from achieving their business goals?
- ◆ Are there sufficient resources (staff, budget, equipment and technology) to achieve your bank goals? Why or why not?
- ◆ How does your bank encourage employees to do a good job? How is this expressed?
- ◆ What do bankers or banks critically need to achieve their organizational goals?

BANK AREAS OF DISCUSSION (CONTINUED)

Mali Banking Training Resources

- ◆ What local training resources are available to banks and bankers in Mali? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What local training resources are available to banks and bankers outside of Mali? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What training have your bankers received in the past year or two? What firm presented the training? Was the training useful?
- ◆ Does your bank provide training at the bank? If so, what courses does your bank offer? Who prepared the courses?
- ◆ What training would you like to see for banks and bankers?
- ◆ What training resources would you like to see for banks and bankers? (publications, journals and professional organizations)

Association Professionnelle des Banques et Etablissements Financiers (APBEF)

- ◆ What are the greatest strengths or assets of the APBEF?
- ◆ What are the limitations or weaknesses of the APBEF?
- ◆ If you were to suggest areas for improvements for the APBEF, what would you recommend?
- ◆ Do you see a role for APBEF in helping you achieve your business goals?
- ◆ Is the APBEF membership fee less than, equal to or greater than the value you receive from them? Why?

United States Government (USG) Lending Programs

- ◆ Can you identify or name the current or future USG lending programs in Mali?
- ◆ Does your bank participant in any of the lending programs? Why or why not?

General

- ◆ Is there anything else that we haven't covered that you would like to share?

ASSOCIATION AREAS OF DISUCSSION

Listed below are the questions that were asked during the meeting with the APBEF:

Association History/Condition

- ◆ When was your organization formed?
- ◆ What is the mission of your organization?
- ◆ What are the core activities of your organization? (Executive/Financial, Government Relations, Meetings, Education/Certification, Membership, Publications and Communications/Public Relations)
- ◆ How many employees does your organization employ? (Organization chart/Types of employees)
- ◆ How many volunteers does your organization utilize? (Organization chart/Types of committees/volunteers)
- ◆ What is the fee for membership? How much and how long is the membership?
- ◆ What is your current membership profile?
- ◆ What percentage of dues is allocated to association administration?
- ◆ What products and services have you provided to the banking community?
- ◆ What products and services do you currently provide to the banking community?
- ◆ What products and services do you plan on providing to the banking community?
- ◆ Does your association have any competition?
- ◆ How does your association define, measure and communicate success?

Bank Training

- ◆ What training resources are available to the banks?
- ◆ What is your perception of these training resources?

Organizational Issues and Constraints

- ◆ Are there any issues and constraints that prevent your association from achieving its goals?
- ◆ Are there any legal and policy constraints?
- ◆ Do you have sufficient resources (staff, budget, equipment and technology) to achieve your association goals? Why or why not?

ASSOCIATION AREAS OF DISUCSSION (CONTINUED)

Critical Needs

- ◆ What does your association need to critically achieve its organizational goals?

Banking Industry/Bank Condition

- ◆ What are the key issues or challenges that the banking industry in Mali will face this year?
- ◆ What activities or results do you think the banking industry should plan to achieve this year?

Bank Organizational Issues or Constraints

- ◆ What are the issues and constraints that prevent banks from achieving their business goals?
- ◆ Are there sufficient resources (staff, budget, equipment and technology) for banks to achieve their goals? Why or why not?
- ◆ How do banks encourage employees to do a good job? How is this expressed?
- ◆ What do bankers or banks critically need to achieve their organizational goals?

Mali Banking Training Resources

- ◆ What local training resources are available to banks and bankers in Mali? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What local training resources are available to banks and bankers outside of Mali? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What training has your association presented in the past year or two? If so, what training?
- ◆ Does your association provide training in banks? If so, what training does your association offer?
- ◆ Who prepared the training?
- ◆ What training would you like to see for your association? Banks? Bankers?
- ◆ What training resources would you like to see for your association? Banks? Bankers? (publications, journals and professional organizations)

ASSOCIATION AREAS OF DISUCSSION (CONTINUED)

Association Professionnelle des Banques et Etablissements Financiers (APBEF)

- ◆ What are the greatest strengths or assets of the APBEF?
- ◆ What are the limitations or weaknesses of the APBEF?
- ◆ If you were to suggest areas for improvements for the APBEF, what would you recommend?
- ◆ Do you see a role for APBEF in helping banks achieve their business goals?
- ◆ Is the APBEF membership fee less than, equal to or greater than the value banks receive from them? Why?

United States Government (USG) Lending Programs

- ◆ Can you identify or name the current or future USG lending programs in Mali?
- ◆ Does the Association promote any of the lending programs? Why or why not?

General

- ◆ Is there anything else that we haven't covered that you would like to share?

C. ACRONYMS

ACRONYMS

AFD	Agence Francaise de Developpement
APBEF	Association Professionnelle des Banques et Etablissements Financiers
APIM	Association Professionnelle des Institutions de Microfinance
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BCS	Banque Commerciale du Sahel
BDM S.A.	Banque de Developpement du Mali
BHM	Banque de l'Habitat du Mali
BICIM S.A.	Banque Internationale pour le Commerce et l'Industrie du Mali
BIM	Banque Internationale pour le Mali
BMCD	Banque Malienne de Credit et de Depot
BNDA	Banque Nationale de Developpement Agricole
BOA	Bank of Africa
CEFEB	Centre Etudes Financieres Economiques Bancaires
CESAG	Centre Africain d'Etudes Superieures En Gestion
CFPB	Centre de Formation de la Profession Bancaire
IFB	Institut de Formation Bancaire
ITB	Institut Technique de Banque
FSF	Finances sans Frontieres
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
MFI	Microfinance Institution
MoEF	Ministry of Economy and Finance
MOJ	Ministry of Justice
OHADA	Organisation pour l'Harmonisation du Droit Affairs
PROPARCO	Societe de Promotion et de Participation Pour La Cooperation Economique
TOT	Training of Trainers
USAID	US Agency for International Development
USG	US Government
WARP	West Africa Regional Program
WAI	Weidemann Associates, Inc.

Appendix G:

**Senegal Banking Association Diagnostic
Report/March 2001**

DEF

WEST AFRICIAN REGIONAL PROGRAM (WARP)

ACTIVITY: BANK TRAINING AND POLICY DEVELOPMENT IN WEST AFRICA

AWARD NO. 688-G-00-00-00360-00

**SENEGAL BANKING ASSOCIATION DIAGNOSTIC REPORT
MARCH, 2001**

BARENTS GROUP OF KPMG CONSULTING, INC.

DIANA M. OSINSKI

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	A.	Association Diagnostic Participants
	B.	Association Diagnostic Questionnaires
	C.	Acronyms

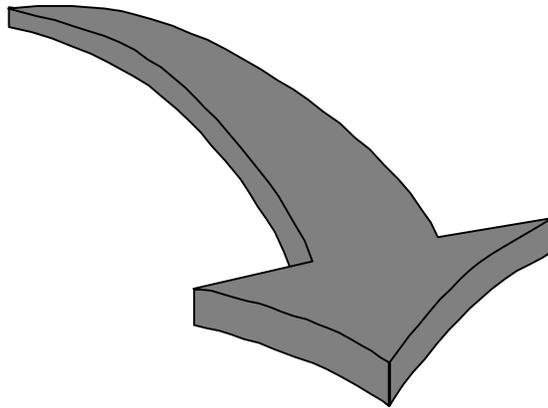
I. INTRODUCTION

INTRODUCTION

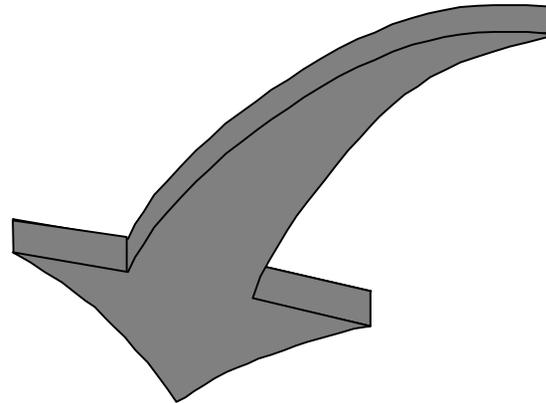
THIS DIAGNOSTIC REPORT SUMMARIZES MEMBER PERCEPTIONS OF THE ASSOCIATION PROFESSIONNELLES DES BANQUES ET ETABLISHMENTS FINANCIERS (APBEF) IN SENEGAL, AS WELL AS RECOMMENDATIONS FOR IMPROVEMENT

ASSOCIATION DIAGNOSTIC

***Member Perceptions
and Expectations***



***Donor and Key Entity
Perceptions***



***ASSOCIATION PROFESSIONNELLES DES BANQUES
ET ETABLISHMENTS FINANCIERS (APBEF)***

SCOPE OF WORK

◆ Scope of Work

To develop the capacity of bank associations to provide needed services to their bank members and enable them to act as effective advocates of the banking community to their respective governments with a focus on United States Government lending/facilitation programs.

◆ Tasks

- Conduct a diagnostic on the Association Professionnelle des Banques et Etablissements Financiers (APBEF) to identify its strengths, weaknesses and potential areas for improvement. Include discussions with Association members (and non-members) and any other member organizations to get their perspective on APBEF activities, strengths and weaknesses and areas of desired improvement.
- Determine priority areas for technical assistance that can be addressed in 2001.
- Develop a preliminary plan for addressing priority areas for identified technical assistance.

◆ Dates of Diagnostic

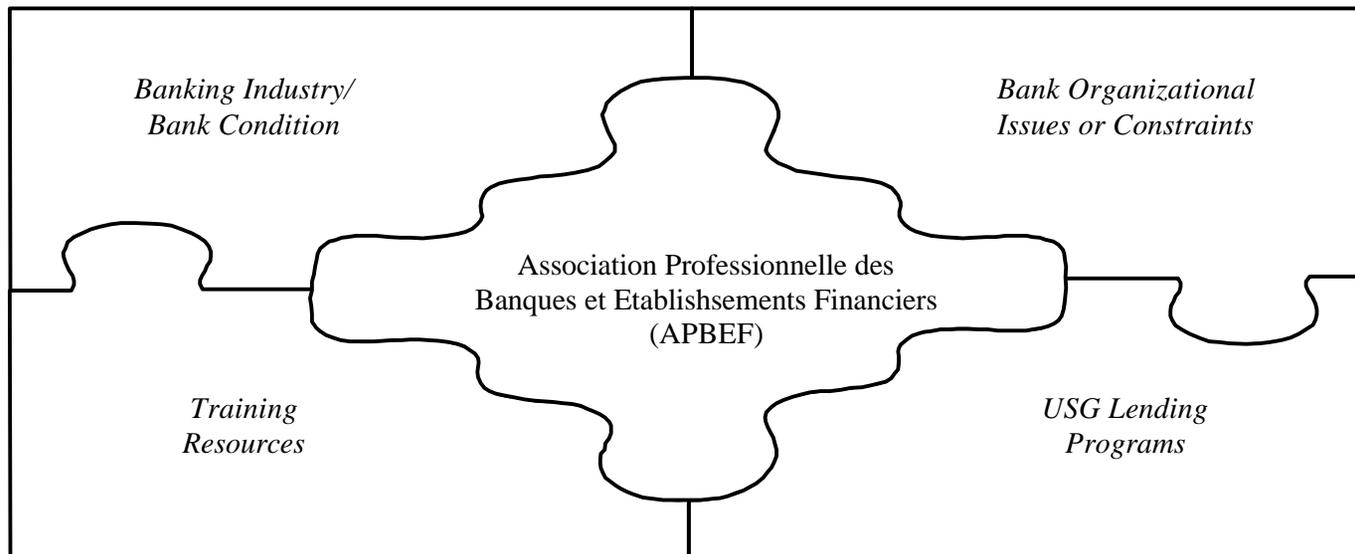
- Monday, February 19 to Friday, March 2, 2001

II. DIAGNOSTIC APPROACH

DIAGNOSTIC APPROACH

APBEF MEMBERS, DONORS AND KEY ENTITIES WERE QUERIED ABOUT FIVE CORE AREAS

DIAGNOSTIC AREAS



A STANDARDIZED SET OF QUESTIONS WAS USED TO INTERVIEW THE DIAGNOSTIC PARTICIPANTS AND CAN BE FOUND IN THE APPENDICES

DIAGNOSTIC PARTICIPANTS

INTERVIEWS WERE CONDUCTED WITH 25 INSTITUTIONS AND 31 PARTICIPANTS

APBEF MEMBERS

BHS
BICIS
BIS
BST
CBAO
Citibank
Credit Agricole
Credit Lyonnais Senegal
Ecobank-Senegal
SGBS

DONORS

AFD
Desjardins
IFC
USAID/Senegal

DONOR FIRMS

Chemonics/
Dyna Enterprises

OTHER KEY ENTITIES

ACEP
AJBEF
APBEF
AT/CPEC/MEFP
CAMC
CESAG
Generation TV Systems
UNACOIS
UM-PAMECAS
WAG Financial Training
and Consulting

THE FOLLOWING PAGES SUMMARIZE THE COMMENTS OF THE DIAGNOSTIC INTERVIEWEES

III. APBEF MEMBER PERCEPTIONS

BANKING INDUSTRY/BANK CONDITION

EACH BANK HAD SLIGHTLY DIFFERENT VIEWS ON THE CONDITION OF THE BANKING INDUSTRY

- ◆ APBEF members shared perceptions on industry condition during the meetings
 - Weak, small banking community
 - Access to credit, problem with collateral
 - Transparency of managing affairs of enterprises
 - Problem with securing credit worthy clients
 - Difficult to find SMEs in Senegal that require long term financing
 - Unimpeachable guarantee needed, banks scared to loan
 - Large portfolio of unpaid loans
 - Difficult getting loans repaid, civil servants are the most difficult
 - Informal commerce is significant, banks must find a way to be engaged in informal trade
 - Banking and financial activities done informally and not through banks
 - Clients lack sophistication
 - Strict foreign exchange regulations and rules, banks need to have own resources to meet demand
 - Problems with foreign exchange laws

BANKING INDUSTRY/BANK CONDITION (CONTINUED)

THE THEME OF COMPETITION WAS STRESSED BY ALL BANKS AND TOOK MANY FORMS

◆ APBEF members stressed competition

- More banks are entering market, pie is getting smaller
- Competition is growing – business not growing
- Competition, market small; not over saturated
- Over-banked corporate sector, corporate sector not growing
- Price competition, compete to take risk with low margins and no cushion
- Price competition versus quality
- No client loyalty
- Attract experienced personnel from other banks
- Difficulty in holding on to trained personnel, offered high salaries from other banks
- Banks are competitors, feel that information not shared equally, need another form of Association leadership
- Banks individualistic and watch out for themselves
- Banks reluctant to share information and only look at own concerns, no common concern
- Information not uniformly shared with APBEF members
- Competition among Association members, don't share information or expertise

BANKING INDUSTRY/BANK CONDITION (CONTINUED)

BANKS STRESSED THE PROBLEMS THAT THEY ARE EXPERIENCING WITH SENEGAL'S JUDICIAL SYSTEM

- ◆ APBEF members shared a uniform opinion about Senegal's judicial system
 - Problem with justice administration, how it runs and debt recovery
 - Judicial environment is difficult, long, costly and uncertain
 - Judicial sector very slow
 - Judicial decisions are not objective or fair
 - Salaries are low making judicial employees susceptible to corruption
 - Problem with law, judgment problems, judges don't understand banking

- ◆ Two APBEF members acknowledged that changes are needed in Senegal's judicial system
 - Legal environment (legislation and structure) needs tangible improvements
 - A better form of justice would be arbitration if it can be sheltered from pressures (corruption)

BANK ORGANIZATIONAL ISSUES OR CONSTRAINTS

BANK ORGANIZATIONAL ISSUES AND CONSTRAINTS VARIED. HOWEVER, THEY CENTERED AROUND THE CORE THEMES OF BUSINESS, CLIENTS AND PERSONNEL

- ◆ APBEF members expressed a variety of business issues and constraints
 - Need access to inexpensive financial resources that can be repaid over a long term
 - Lack of creativity to find new products for customers (diversification)
 - Difficult to provide banking services, deficit of branches versus location of population

- ◆ APBEF members expressed a variety of client issues and constraints
 - Institutional clients are not profitable, customers don't know about banking and can't provide necessary documents to conduct business with bank
 - Rural SMEs have no familiarity with banking system, don't know what information they need to supply to banks
 - Proximity to clients, not in all areas of Senegal
 - Presidential candidate indicated that he would cancel farmer's debt, farmers won't pay loans even though candidate wasn't elected

- ◆ APBEF members expressed a variety of personnel issues and constraints
 - Difficult to find personnel that don't have a problem learning
 - Problem finding quality personnel who give good service
 - Not satisfied with quality of employees
 - Employees lack ability to give quality service

BANK ORGANIZATIONAL ISSUES OR CONSTRAINTS (CONTINUED)

BANKS PRIMARILY PROVIDED GOOD SALARIES AND WORKING CONDITIONS TO ENCOURAGE EMPLOYEES TO PRODUCE QUALITY WORK

◆ APBEF members also shared their methods for encouraging employees to produce quality work

- Bonuses, performance and behavior evaluation
- Money
- Recognition and reward
- Get them interested in bank results
- Salary, open door policy and opportunity to move among banks in system
- Establish and maintain good relations and rapport with staff
- Provide salaries, bonuses, merit increases and social bonuses
- Working conditions (cafeteria, water fountains, drinks, portable telephones)

BANKING TRAINING RESOURCES

TRAINING RESOURCES VARIED IN SENEGAL DEPENDING UPON THE BANK

- ◆ 70% of the APBEF members had the support of a parent institution who presented training
 - Training conducted by parent institution in Morocco
 - Training conducted by parent institution in Istanbul
 - Training conducted by parent institution in France
 - Training conducted by parent institution in several countries in Africa

- ◆ APBEF members shared a consensus on education and training resources in Senegal
 - Education and Training resources are provided from France and other countries
 - Institut Technique de Banque/Centre Etudes Financieres Economiques Bancaires (ITB/CEFEB) conducts a majority of the bank education offered in Senegal
 - Receive banking theory from ITB
 - ITB course quality is not good (content, instructors, examinations and graduates)
 - ITB training is unsatisfactory, not satisfied with teachers or seriousness of examinations
 - Lack organized seminars in Senegal
 - Participants are unable to apply what learned at CESAG
 - Training provided by CESAG, some training covered information that staff already knew
 - Send staff to FSF courses
 - Education and training doesn't improve employee's work
 - Concerned about appropriateness of training, very theoretical rather than practical

BANKING TRAINING RESOURCES (CONTINUED)

BANKS WANT THE ASSOCIATION TO TAKE A MORE PROACTIVE ROLE IN TRAINING IN SENEGAL

- ◆ APBEF members also shared a few of their training requirements
 - Association thinks that each bank has training policy, so don't intervene
 - Association should handle training
 - Association needs to influence ITB quality and content along with ensuring that jury questions are applicable to economic environment
 - Difficult to set training budget, would be helpful if APBEF provided assistance
 - Training needs to be practical and include case studies
 - Needs to be better and specialized, closer to the needs of the personnel, not theoretical, more practical
 - Plan to establish training relationship with CESAG
 - Staff very busy, hard to give them time off from work for training
 - Need bank rotation internship opportunities in addition to education and training
 - Need internships

APBEF

APBEF MEMBERS ACKNOWLEDGE THAT AN ASSOCIATION IS IMPORTANT. HOWEVER, THEY HAD DIFFICULTY CITING THE GREATEST STRENGTHS OR ASSETS OF THE ASSOCIATION

- ◆ APBEF Members shared their perceptions of the greatest strength or assets of the Association
 - Transmit information between banks rapidly, intermediary between banks and government, foster harmonization of bank decisions and alliance with banks
 - Try to resolve banking issues with Central Bank and authorities
 - Forum to see each other once a month
 - It exists to play a very important role with authorities (Ministry of Finance and Central Bank)
 - Provide a union for banks
 - No real strength
 - Hard to answer, union provides strength
 - None at this time

SEVERAL BANKS DECLINED OR WERE UNABLE TO ANSWER THIS QUESTION

APBEF (CONTINUED)

APBEF MEMBERS PERCEIVE THAT THE ASSOCIATION LACKS COHESIVENESS AND A UNIFIED, RESPECTED AND PROACTIVE VOICE

- ◆ APBEF Members shared a variety of limitations or weaknesses of the Association
 - New, no great improvements in past 18 months
 - Problems are not the same from bank to bank, difficult for Association to serve members
 - Decisions not unanimous, each bank has their own interests
 - Do not believe that Central Bank or government listen to Association
 - Have lots of focal points, not well focused
 - Government doesn't pay attention to Association
 - Not leading force, not good at talking to authorities
 - Weak at lobbying, collaboration, lack unique voice
 - Need someone to move things through
 - Lack cohesiveness and spirit
 - Mindset of Association leaders must change

- ◆ APBEF Members varied on their perception of member fees versus the value they receive
 - 3 or 30% indicated that the fee was more than the value
 - 1 or 10% indicated that the fee was equal to the value
 - 3 or 30% indicated that the fee was less than the value
 - 2 or 20% declined to answer
 - 1 or 10% wasn't sure if their bank paid a fee

USG LENDING PROGRAMS

A MAJORITY OF THE BANKS WERE KNOWLEDGEABLE ABOUT USG AND OTHER DONOR LENDING PROGRAMS

- ◆ APBEF members shared their awareness or involvement in USG and other donor Lending Programs
 - Approached about USG lending programs
 - Aware of AFD Guarantee Program
 - Know of EXIM Bank
 - Working with EXIM Bank, trying to secure another guarantee for shipbuilding
 - Working with China to get donor funds (line of credit)
 - Working with World Bank, IFC, USAID and EXIM Bank
 - Have World Bank credit line
 - Provide Credit Line for SMEs
 - Not familiar with programs

- ◆ Two APBEF members noted that USG lending programs are problematic
 - More for big banks, little banks neglected
 - Documents are in English and provide a barrier to communication
 - Mechanism to work with USAID is heavy

IV. APBEF PERCEPTIONS

APBEF PERCEPTIONS

APBEF RAISED SIMILAR PERCEPTIONS

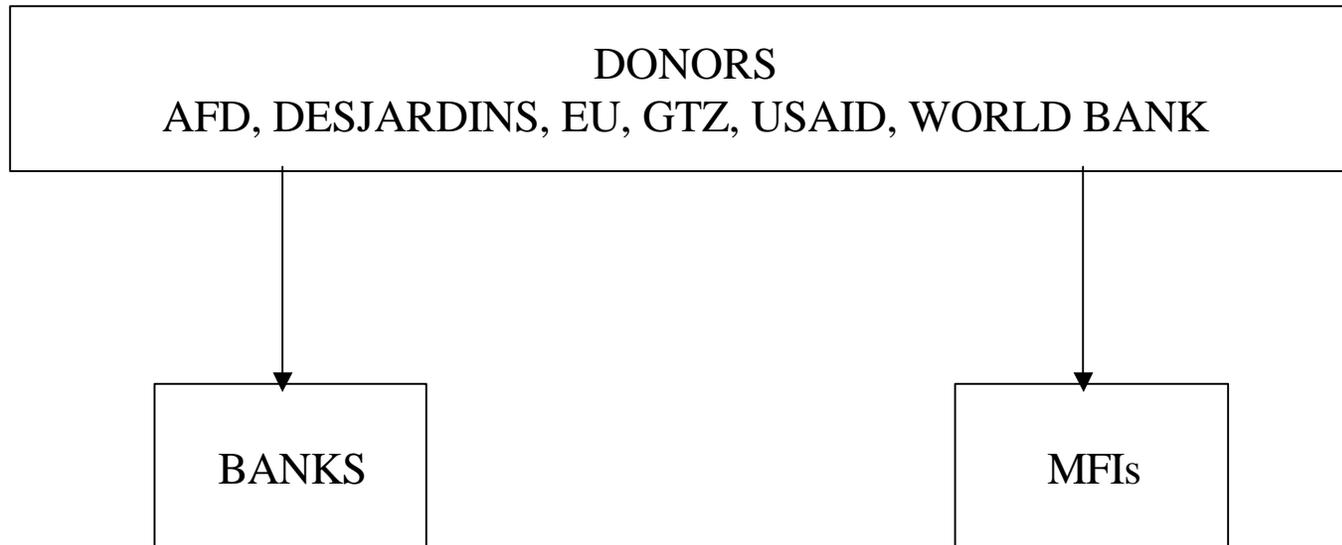
<u>TOPIC AREAS</u>	<u>PERCEPTIONS</u>
Banking Industry/Bank Condition	<ul style="list-style-type: none">◆ Biggest challenge for banks is justice and debt recovery◆ Industry would benefit if the Central Bank was more flexible
Bank Organizational Issues and Constraints	<ul style="list-style-type: none">◆ Bank clients don't understand the rules to obtain credit◆ Bank time spent on bank union issues
Training Resources	<ul style="list-style-type: none">◆ Provided by ITB, Association does not facilitate education◆ Concerned about quality of ITB programs
APBEF	<ul style="list-style-type: none">◆ Greatest strength: Improving bank relations◆ Limitation: Insufficient resources (budget and personnel)◆ Most Critical Need: Work with MOJ on debt recovery◆ Greatest Area for Improvement: Efficiency of organization
USG Lending	<ul style="list-style-type: none">◆ Unfamiliar with lending programs

V. DONOR AND KEY ENTITY ACTIVITIES

DONORS AND KEY ENTITIES

DONORS ARE ASSISTING THE BANKING AND MICROFINANCE COMMUNITIES IN SENEGAL

Banking and Microfinance in Senegal



DONOR ACTIVITIES

DONORS ARE ENGAGED IN ASSISTING THE BANKING AND MICROFINANCE COMMUNITIES

<u>DONOR</u>	<u>CURRENT OR PLANNED ACTIVITY</u>
AFD	<ul style="list-style-type: none">◆ Provides education and training (France), participant responsible for travel costs only◆ Have provided training through CESAG
Desjardins	<ul style="list-style-type: none">◆ Providing expatriate residence assistance to UM-PAMECAS to improve overall profitability of MFI
USAID/Chemonics	<ul style="list-style-type: none">◆ Focused on capacity building for enterprises◆ Assisting MFIs in going from a manual to automated accounting system◆ Will conduct an awareness campaign on banking and microfinance
World Bank/IFC/DAI	<ul style="list-style-type: none">◆ Conducted a three theme credit course in December 2000◆ Provided follow-up consulting to course participants in February and March 2001

VI. RECOMMENDATIONS

RECOMMENDATIONS

BASED ON THE DIAGNOSTIC, WE RECOMMEND FOUR ACTIONS TO DEVELOP THE CAPACITY OF THE ASSOCIATION TO PROVIDE SERVICES TO THEIR MEMBERS AND ENABLE THEM TO ACT AS EFFECTIVE ADVOCATES OF THE BANKING COMMUNITY

- ◆ **ACTION 1 (SHORT TERM):** Support the formation of a Training Advisory Board to ensure quality and confirm that APBEF generated training products and services are appropriate and suitable for Senegal's banking community. Members of the Board may be required to attend a Training of Trainers (TOT) Program.
- ◆ **ACTION 2 (SHORT TERM):** Following the formation of the Training Advisory Board (TAB), a two to three day symposium should be developed to provide bankers and MOJ personnel along with the appropriate donors and key entities with a venue to discuss and identify solutions to improve debt recovery up to and including arbitration and mediation. An Ad Hoc Symposium Committee should be formed to design and oversee the delivery of the symposium. Members of the TAB may also be on the Ad Hoc Symposium Committee along with various donors and key entities.
- ◆ **ACTION 3 (LONG TERM):** Conduct a Training of Trainers (TOT) Program to orient the APBEF and the banking community on the basics of training. Whether the APBEF or banks are creators or consumers of training, they need to learn the key components of effective training programs.
- ◆ **ACTION 4 (LONG TERM):** Form Networking Groups to provide a banking community based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the bank should have a forum to share and collect information as well as network with colleagues in comparable positions and more proactively manage their individual development.

THE FOLLOWING PAGES PROVIDE MORE DETAIL ON EACH RECOMMENDATION

TRAINING

APBEF MEMBERS INDICATED THAT A FOCUS OF THE ASSOCIATION SHOULD BE TRAINING AND SUGGESTED POTENTIAL TOPICS

- ◆ Accounting
- ◆ Bank/Justice
- ◆ Bank Card/ATM
- ◆ Banking Regulations
- ◆ Banking Techniques and Operations
- ◆ Basic Supervision and Management
- ◆ Business of Banking
- ◆ Computers
- ◆ Credit
- ◆ Customer and Quality Service
- ◆ English
- ◆ Finance
- ◆ Financial Analysis
- ◆ Interbank Relations
- ◆ International Accounting Standards
- ◆ International Banking
- ◆ Marketing
- ◆ Law and Payment Instruments
- ◆ Operations
- ◆ Risk Credit
- ◆ Risk Management
- ◆ Securities
- ◆ Sales

TRAINING ADVISORY BOARD

TO GUIDE THE TRAINING ACTIVITIES OF THE APBEF, IT IS ESSENTIAL THAT A TRAINING ADVISORY BOARD BE FORMED

◆ Purpose

The Training Advisory Board will ensure quality and confirm that APBEF generated products and services are appropriate and suitable for Senegal's banking community.

◆ Role

The primary role of a member of the Training Advisory Board will be as a banking industry spokesperson for the business segment they are representing. Specifically, members will help identify, shape and fine-tune the APBEF products and services.

◆ Composition

The APBEF members should determine the selection criteria and size of the Training Advisory Board. Specifically, the members should agree upon the ideal size and composition of the Board. The Training Advisory Board should be composed of a variety of bankers from a variety of banking institutions.

◆ Responsibility

The APBEF members will form the Training Advisory Board and determine their responsibilities.

DEBT RECOVERY SYMPOSIUM

THE BANKING COMMUNITY CONSISTENTLY INDICATED THAT THEIR GREATEST CHALLENGE IS EXECUTING DEBT RECOVERY GIVEN THE CURRENT LEGAL AND REGULATORY FRAMEWORK. A DIALOGUE BETWEEN THE BANKS AND MOJ MAY LEAD TO IMPROVED RELATIONS, PERCEPTIONS OR OUTCOMES

◆ Purpose

The Ad Hoc Symposium Committee along with the support and assistance of an expatriate would assist in designing a symposium on debt recovery that would be suitable for the Senegalese banking community. The purpose of the symposium would be to bring key members of the banking, justice and government together to discuss the current issues and constraints within the existing debt recovery framework. It could also be a venue to introduce a potential resolution mechanism (arbitration and mediation).

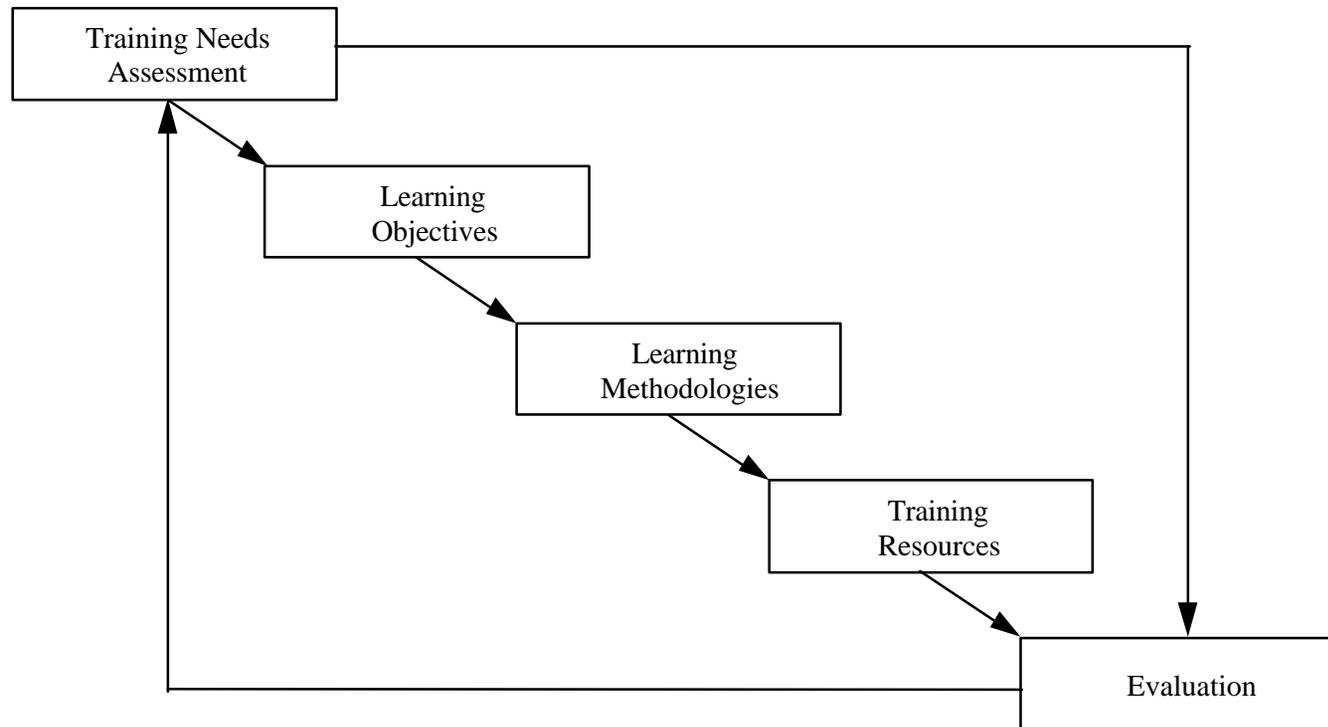
◆ Desired Outcome

The banking community believes that the current law is not being fairly applied when the courts rule on debt recovery. Regardless of the accuracy of this viewpoint, it is appropriate for the banking community and authorities to conduct a dialogue to determine the core issues of the perception, together with discussing potential actions to change the perception (short and long-term). Most importantly, the Association must take a lead role in making this dialogue a reality. Given the Training Advisory Board and expatriate assistance, the Association could develop and manage the delivery of a quality symposium. The training basics learned during the development and delivery of the symposium would be expanded and strengthened during the Training of Trainers Program.

TRAINING OF TRAINERS

IT IS CRITICAL THAT THE ASSOCIATION, AS WELL AS THE BANKING COMMUNITY, LEARN THE COMPONENTS OF PERFORMANCE-BASED TRAINING MATERIALS

COMPONENTS OF EFFECTIVE TRAINING PROGRAMS



THE BASICS OF TRAINING CAN BE PRESENTED DURING A TRAINING OF TRAINERS WORKSHOP

NETWORKING GROUPS

TO HELP FACILITATE THE TRANSFER AND SHARING OF BANKING KNOWLEDGE AND SKILLS AT ALL LEVELS IN AND AMONG THE BANKS, IT IS IMPERATIVE THAT NETWORKING GROUPS BE FORMED

◆ Purpose

The purpose of the Networking Groups is to provide a banking community-based approach to identify and find solutions to banking and managerial challenges. Bankers at all levels of the bank should have a forum to share and collect information, as well as network with colleagues in comparable positions, and more proactively manage their individual development. This could include mobilizing to influence needed changes in banking legislation.

◆ Role

The primary role of the bankers involved in the Networking Groups would be to aid in fostering new banking and managerial knowledge, skills and attitudes. They would also develop self-sufficiency in proactively identifying and collecting information on various banking or managerial subjects.

◆ Composition/Frequency

The APBEF members along with the Training Advisory Board will determine the formation criteria and the meeting frequency of the Networking Groups. Specifically, they should agree upon the types and levels of Networking Groups, and how often they should meet. The Networking Groups should span a variety of banking disciplines and include managerial and non-managerial participants.

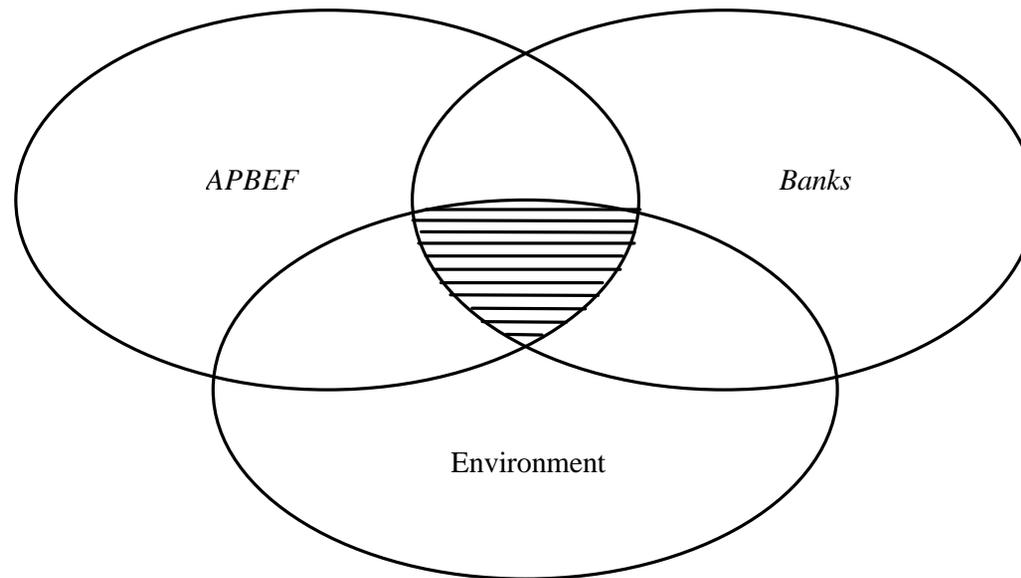
◆ Responsibility

The APBEF members and Training Advisory Board should shape the Groups and influence their responsibilities.

APBEF PERFORMANCE IMPROVEMENT

PERFORMANCE IMPROVEMENT IS NOT LIMITED TO TRAINING

HIGH PERFORMING BANKING INDUSTRY



TRAINING + ENVIRONMENT = RESULTS

VII. NEXT STEPS

NEXT STEPS

THE FOLLOWING STEPS ARE RECOMMENDED TO INITIATE ACTION TO BEGIN APBEF IMPROVEMENTS IN SENEGAL

- ◆ USAID, APBEF and Barents must review the report comments and recommendations and reach consensus on priority areas for technical assistance.
- ◆ USAID, APBEF and Barents must agree on the most effective way to make improvements in the APBEF in 2001:
 - Technical improvement priorities
 - Necessary resources
 - Required personnel
 - Approved Timeline
- ◆ Finally, Barents will develop and deliver a Workplan to USAID for approval that details targeted Association improvements.

VIII. APPENDICES

A. ASSOCIATION DIAGNOSTIC PARTICIPANTS

**ASSOCIATION ASSESSMENT
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
Association Professionnelle des Banques et Etablissements Financiers (APBEF)	Moussa DIOP	Secretary General	February 20, 2001
Compagnie Bancaire de L'Afrique Occidentale (CBAO)	Madeleine DIENG	Chef de Service Ressources Humaines	February 21, 2001
Centre Africain D'Etudes Superieures En Gestion	Sega BALDE	Chef du Department Finance	February 21, 2001
Ecobank – Senegal	Linda OKIGBO	Assistant General Manager	February 21, 2001
Societe Generale de Banques du Senegal (SGBS)	Bernard LABADENS	Administrateur Director General	February 21, 2001
Banque de L'Habitat du Senegal (BHS)	Ibrahima N'DIAYE	Responsable de la Formation	
Citibank	Michael GROSSMAN	Direteur General	February 22, 2001
United States Agency for International Development (USAID/Senegal)	Joseph VAN METER Bassirou BA	Private Sector Team Leader Financial Market Specialist	February 22, 2001
Credit Lyonnais Senegal	Jean-Claude DUBOIS	Administrateur/Directeur General	February 23, 2001

**ASSOCIATION ASSESSMENT
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
Dyna Entreprises/Chemonics	Charles MAY	Directeur du Project	February 26, 2001
Generation TV Systems	Khalil GUEYE Marie GUEYE	Directeur General Representative	February 26, 2001
UM – PAMECAS	Samba DIA	Chef du Service Comptabilite Finances et Ressources	February 26, 2001
Desjardins	Sylvie GAUVIN	Directrice de Project	February 26, 2001
Credit Agricole	Arfang Boubacar DAFPE Daouda NGOM	Directeur General Chef Departement Formation	February 27, 2001
UNACOIS	Ibrahima LO	President National	February 27, 2001
International Finance Corporation (IFC)	Souleymane TRAORE Marieme TRAVALY	Regional Coordinator Investment Officer	February 27, 2001
WAG Financial Training and Consulting	Tony GRIER	Managing Director	February 27, 2001
Banque Senegalo-Tunisienne (BST)	Thierno Seydou Nourou SY	Sous-Directeur de l' Administration et des Ressources Humaines	February 28, 2001

**ASSOCIATION ASSESSMENT
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
Ministere de L'Economie des Finances et du Plan Cellule d'Assistance Technique Aux Caisses Populaires d'Epargne et de Credit	Fayol Dioum TALL Taphsir MBAYE	Coordonateur National Economiste Financier Expert en Systemes – Financiers Decentralises Conseiller Juridique	February 28, 2001
Alliance de Credit et d'Epargne pour la Production (ACEP)	Mayoro LOUM	Directeur General	February 28, 2001
Centre d'Arbitrage de Mediation et de Conciliation	Amadou DIENG	Secretaire Permanent	March 1, 2001
Banque International Pour Le Commerce Et L'Industrie du Senegal (BICIS)	Andre OLIVE	Secretaire General	March 2, 2001
Banque Islamique du Senegal (BIS)	Junaid IQBAL	Directeur General	March 2, 2001
Groupe Agence Francaise de Developpement (AFD)	Charles-Andre LE PAPE	Directeur	March 2, 2001

**ASSOCIATION ASSESSMENT
LIST OF INTERVIEWS (ORGANIZED BY INTERVIEW DATE)**

<u>INSTITUTION</u>	<u>INTERVIEW PARTICIPANT</u>	<u>TITLE</u>	<u>INTERVIEW DATE</u>
United States Agency for International Development (USAID/Senegal)	Ann Marie TOURE	Training Specialist	March 2, 2001
L'Association Africaine des Juristes de Banques et Etablissements Financiers (AJBEF)	Ousseynou SOW	Secetaire Permanent	March 2, 2001

B. ASSOCIATION DIAGNOSTIC QUESTIONNAIRES

BANK AREAS OF DISCUSSION

Listed below are the questions that were asked during the meetings with the APBEF member banks:

Demographics

- ◆ Name, title and contact telephone number
- ◆ Year bank founded? Classification?
- ◆ Number of employees? Number of branches in Senegal? Outside of Senegal?

Banking Industry/Bank Condition

- ◆ What are the key issues or challenges that the banking industry in Senegal will face this year?
- ◆ What is the key issue or challenge that your bank will face this year?
- ◆ What activities or results do you think the banking industry should plan to achieve this year?
- ◆ What activities or results do you think your bank should plan to achieve this year?

Bank Organizational Issues or Constraints

- ◆ What are the issues and constraints that prevent banks from achieving their business goals?
- ◆ What are the issues and constraints that prevent your bank from achieving their business goals?
- ◆ Are there sufficient resources (staff, budget, equipment and technology) to achieve your bank goals? Why or why not?
- ◆ How does your bank encourage employees to do a good job? How is this expressed?
- ◆ What do bankers or banks critically need to achieve their organizational goals?

BANK AREAS OF DISCUSSION (CONTINUED)

Senegal Banking Training Resources

- ◆ What local training resources are available to banks and bankers in Senegal? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What local training resources are available to banks and bankers outside of Senegal? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What training have your bankers received in the past year or two? What firm presented the training? Was the training useful?
- ◆ Does your bank provide training at the bank? If so, what courses does your bank offer? Who prepared the courses?
- ◆ What training would you like to see for banks and bankers?
- ◆ What training resources would you like to see for banks and bankers? (publications, journals and professional organizations)

Association Professionnelle des Banques et Etablissements Financiers (APBEF)

- ◆ What are the greatest strengths or assets of the APBEF?
- ◆ What are the limitations or weaknesses of the APBEF?
- ◆ If you were to suggest areas for improvements for the APBEF, what would you recommend?
- ◆ Do you see a role for APBEF in helping you achieve your business goals?
- ◆ Is the APBEF membership fee less than, equal to or greater than the value you receive from them? Why?

United States Government (USG) Lending Programs

- ◆ Can you identify or name the current or future USG lending programs in Senegal?
- ◆ Does your bank participate in any of the lending programs? Why or why not?

General

- ◆ Is there anything else that we haven't covered that you would like to share?

ASSOCIATION AREAS OF DISUCSSION

Listed below are the questions that were asked during the meeting with the APBEF:

Association History/Condition

- ◆ When was your organization formed?
- ◆ What is the mission of your organization?
- ◆ What are the core activities of your organization? (Executive/Financial, Government Relations, Meetings, Education/Certification, Membership, Publications and Communications/Public Relations)
- ◆ How many employees does your organization employ? (Organization chart/Types of employees)
- ◆ How many volunteers does your organization utilize? (Organization chart/Types of committees/volunteers)
- ◆ What is the fee for membership? How much and how long is the membership?
- ◆ What is your current membership profile?
- ◆ What percentage of dues is allocated to association administration?
- ◆ What products and services have you provided to the banking community?
- ◆ What products and services do you currently provide to the banking community?
- ◆ What products and services do you plan on providing to the banking community?
- ◆ Does your association have any competition?
- ◆ How does your association define, measure and communicate success?

Bank Training

- ◆ What training resources are available to the banks?
- ◆ What is your perception of these training resources?

Organizational Issues and Constraints

- ◆ Are there any issues and constraints that prevent your association from achieving its goals?
- ◆ Are there any legal and policy constraints?
- ◆ Do you have sufficient resources (staff, budget, equipment and technology) to achieve your association goals? Why or why not?

ASSOCIATION AREAS OF DISUCSSION (CONTINUED)

Critical Needs

- ◆ What does your association need to critically achieve its organizational goals?

Banking Industry/Bank Condition

- ◆ What are the key issues or challenges that the banking industry in Senegal will face this year?
- ◆ What activities or results do you think the banking industry should plan to achieve this year?

Bank Organizational Issues or Constraints

- ◆ What are the issues and constraints that prevent banks from achieving their business goals?
- ◆ Are there sufficient resources (staff, budget, equipment and technology) for banks to achieve their goals? Why or why not?
- ◆ How do banks encourage employees to do a good job? How is this expressed?
- ◆ What do bankers or banks critically need to achieve their organizational goals?

Mali Banking Training Resources

- ◆ What local training resources are available to banks and bankers in Senegal? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What local training resources are available to banks and bankers outside of Senegal? (Conferences, seminars, schools, internships, professional organizations, publications or journals)
- ◆ What training has your association presented in the past year or two? If so, what training?
- ◆ Does your association provide training in banks? If so, what training does your association offer?
- ◆ Who prepared the training?
- ◆ What training would you like to see for your association? Banks? Bankers?
- ◆ What training resources would you like to see for your association? Banks? Bankers? (publications, journals and professional organizations)

ASSOCIATION AREAS OF DISUCSSION (CONTINUED)

Association Professionnelle des Banques et Etablissements Financiers (APBEF)

- ◆ What are the greatest strengths or assets of the APBEF?
- ◆ What are the limitations or weaknesses of the APBEF?
- ◆ If you were to suggest areas for improvements for the APBEF, what would you recommend?
- ◆ Do you see a role for APBEF in helping banks achieve their business goals?
- ◆ Is the APBEF membership fee less than, equal to or greater than the value banks receive from them? Why?

United States Government (USG) Lending Programs

- ◆ Can you identify or name the current or future USG lending programs in Senegal?
- ◆ Does the Association promote any of the lending programs? Why or why not?

General

- ◆ Is there anything else that we haven't covered that you would like to share?

C. ACRONYMS

ACRONYMS

ACEP	Alliance de Credit et d'Epargne pour la Production
AT/CPEC/MEFP	Ministere de L'Economie des Finances et du Plan Cellule d'Assistance Technique Aux Caisses Populaires d'Epargne et de Credit
AFD	Agence Francaise de Developpement
AJBEF	L'Association Africaine des Juristes de Banques et Etablissements Financiers
APBEF	Association Professionnelle des Banques et Etablissements Financiers
BCEAO	Banque Centrale des Etats de l'Afrique de l'Ouest
BICIS S.A.	Banque Internationale pour le Commerce et l'Industrie du Senegal
BHS	Banque de L'Habitat du Senegal
BIS	Banque Islamique du Senegal
BST	Banque Senegalo-Tunisienne
CAMC	Centre d'Arbitrage de Mediation et de Conciliation
CBAO	Compagnie Bancaire de L'Afrique Occidentale
CEFEB	Centre Etudes Financieres Economiques Bancaires
CESAG	Centre Africain d'Etudes Superieures En Gestion
CFPB	Centre de Formation de la Profession Bancaire
DAI	Development Alternatives, Inc.
IFB	Institut de Formation Bancaire
IFC	International Finance Corporation
ITB	Institut Technique de Banque
FSF	Finances sans Frontieres
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
MFI	Microfinance Institution
MOJ	Ministry of Justice
OHADA	Organisation pour l'Harmonisation du Droit Affairs
SGBS	Societe Generale de Banques du Senegal
SME	Small to Medium Enterprises
TOT	Training of Trainers
USAID	US Agency for International Development
USG	US Government
WARP	West Africa Regional Program

Appendix H:

TraNet Data/December 2001

**In-Country TrainNet Data Form
U.S. Agency for International Development**

USAID SO/IR	Name of Contractor Grantee	Program Title	Field of Study	City and State in West Africa	Start Date M/D/Y	End Date M/D/Y	Total Number Participants	Number Female Participants	Name of Participants	Organization	Total Cost to USAID
1	KPMG/Barents Group	Credit Risk Management	Credit	Accra, Ghana	04/23/01	04/27/01	15	1	See attached.	See attached.	\$14,051
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Accra, Ghana	04/30/01	05/04/01	14	1	See attached.	See attached.	\$13,114
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Accra, Ghana	06/11/01	06/15/01	21	6	See attached.	See attached.	\$19,671
1	KPMG/Barents Group	Credit Risk Management	Credit	Accra, Ghana	06/25/01	06/29/01	27	7	See attached.	See attached.	\$25,291
1	KPMG/Barents Group	Credit Risk Management	Credit	Dakar, Senegal	07/16/01	07/20/01	21	7	See attached.	See attached.	\$29,807
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Dakar, Senegal	07/23/01	07/27/01	13	2	See attached.	See attached.	\$18,452
1	KPMG/Barents Group	Credit Risk Management	Credit	Bamako, Mali	07/23/01	07/27/01	8	1	See attached.	See attached.	\$23,176
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Bamako, Mali	07/30/01	08/03/01	3	2	See attached.	See attached.	\$8,691
1	KPMG/Barents Group	Training of Trainers	Training Design and Presentation	Dakar, Senegal	09/03/01	09/07/01	16	1	See attached.	See attached.	\$22,710
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Dakar, Senegal	09/10/01	09/14/01	11	4	See attached.	See attached.	\$15,613
1	KPMG/Barents Group	Credit Risk Management	Credit	Dakar, Senegal	09/17/01	09/21/01	12	2	See attached.	See attached.	\$17,033
1	KPMG/Barents Group	International Banking	Trade Finance and Letters of Credit	Bamako, Mali	09/17/01	09/21/01	9	3	See attached.	See attached.	\$26,073
1	KPMG/Barents Group	Credit Risk Management	Credit	Bamako, Mali	09/24/01	09/28/01	13	3	See attached.	See attached.	\$37,661
1	KPMG/Barents Group	Training of Trainers	Training Design and Presentation	Bamako, Mali	09/24/01	09/28/01	3	1	See attached.	See attached.	\$8,691
1	KPMG/Barents Group	Problem Loan Management	Credit	Dakar, Senegal	10/15/01	10/19/01	10	5	See attached.	See attached.	\$14,194
1	KPMG/Barents Group	Financial Institutions Analysis	Credit	Dakar, Senegal	10/22/01	10/26/01	5	1	See attached.	See attached.	\$7,097
1	KPMG/Barents Group	Problem Loan Management	Credit	Bamako, Mali	10/29/01	11/02/01	2	1	See attached.	See attached.	\$5,794
1	KPMG/Barents Group	Financial Institutions Analysis	Credit	Bamako, Mali	11/05/01	11/09/01	4	2	See attached.	See attached.	\$11,588
1	KPMG/Barents Group	Problem Loan Management	Credit	Accra, Ghana	12/03/01	12/07/01	20	3	See attached.	See attached.	\$18,734
1	KPMG/Barents Group	Training of Trainers	Training Design and Presentation	Accra, Ghana	12/10/01	12/14/01	13	3	See attached.	See attached.	\$12,177
							240	56			\$349,619

**WEST AFRICIAN REGIONAL PROGRAM (WARP)
BANK TRAINING AND POLICY DEVELOPMENT IN WEST AFRICA
AWARD NO. 688-G-00-00-00360-00**

**GHANA TRAINING PARTICIPANTS
(As of December 31, 2001)**

Course:	Credit Risk Management		
Date:	April 23-27, 2001		
Instructor:	Jerome Roderick		
	Participant Name	Sex	Bank
1.	Godfred Appiah-Kubi	M	ADB
2.	Francis Dadzie	M	ADB
3.	Philip Ofori-Asante	M	BBG
4.	Joseph Anane	M	BBG
5.	H. Essie Humphrey-Ackumey	M	CMB
6.	Abiola Bawuah (Mrs.)	M	CMB
7.	Daniel Gyedu-Affainie	M	GCB
8.	Samuel A. Okyere	M	GCB
9.	K.O. Amoo-Acheampong	F	ICB
10.	Emmanuel Titi-Lartey	M	MB
11.	Eyram Atsu	M	SCB
12.	Fred A. Awuku	M	SCB
13.	Sam Acquah	M	SCB
14.	E.N.Y. Tackie-Yarboi	M	SSB
15.	Nii Ansah-Adjaye	M	SSB

Course:	International Banking		
Date:	April 30 – May 4, 2001		
Instructor:	Mike McNerney		
	Participant Name	Sex	Bank
1.	Peter Ekow Baidoo	M	ADB
2.	Joseph Akwasi Nkyi	M	ADB
3.	Elizabeth Laryea (Ms.)	F	BOG
4.	K. Oppong-Nkrumah	M	CIB
5.	John Nyaaba	M	CMB
6.	Sampson Omari	M	GCB
7.	Justice Gaveh	M	GCB
8.	John Donkor Boateng	M	ICB
9.	George Blavo	M	MAB
10.	Bosompen Assamoah	M	MAB
11.	Abraham William Amoatey	M	MBG
12.	Joseph Osei-Donkor	M	PB
13.	David Apetorgbor	M	SCB
14.	Alex Asiedu	M	SCB

GHANA TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	International Banking		
Date:	June 11 – 15, 2001		
Instructor:	Jacques Mammouse		
	Participant Name	Sex	Bank
1.	Chris Andoh-Yamoah	M	AB
2.	Kofi Owusu-Sekyere	M	ADB
3.	Eric H. Adjei	M	ADB
4.	K. Owusu Marfo	M	BB
5.	Sylvanus Asempa	M	BB
6.	Angela Allotey	F	BB
7.	Timothy Crentsil	M	BB
8.	W.Q. Botchway	M	BOG
9.	Peggy Osei Tutu-Dzodzomenyo	F	BOG
10.	E.E.N. Pesseh	M	CMB
11.	Paul K. Ayittah	M	GCB
12.	Nina Twum	F	GCB
13.	Ernest Agbesi	M	ICB
14.	Millicent Mensah	F	MBG
15.	Kate Aba Akyenba Wilson (Ms.)	F	MBG
16.	John Kwame Fosu	M	NIB
17.	Charles Nimoh	M	PB
18.	Joyce Tackey	F	SB
19.	Kwame Ossei-Mensah	M	SCB
20.	Daniel Tekyi Newton	M	SSB
21.	Augustus Quarm	M	SSB

GHANA TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	Credit Risk Management	
Date:	June 25-29, 2001	
Instructor:	Jerome Roderick	
	Participant Name	Sex
		Bank
1.	Emmanuel Danso	M
2.	Veronica Tabi	F
3.	Samuel Sakyi-Hyde	M
4.	Charles Creppy	M
5.	Prince Clement Aslanga	M
6.	Inusah Musah	M
7.	Ellen Osei-Akoto	F
8.	K. Antwi-Frimpong	M
9.	Ruby Botchway	F
10.	Da-Cost Asiedu Odame	M
11.	Kofi Yeboah-Asumah	M
12.	Justice Cobbinah	M
13.	Nyamekye-Pratt Gordon	M
14.	Elizabeth A. Tettey	F
15.	Isaac Ofori Adams	M
16.	Oti Boakye-Yiadom	M
17.	Ebenezer Adane	M
18.	Kofi A. Owusu-Darko	M
19.	Dan Quartey	M
20.	Tourisun Yelibora	M
21.	Susan Tibo	F
22.	Sampson Teye Batsa	M
23.	Ambrose Atto Esiam	M
24.	Chalotte Ahwoi	F
25.	William Boateng	M
26.	Ben C. Aiku	M
27.	Owusua Twumasi	F
		ADB
		ADB
		AB
		BOG
		BOG
		BBG
		BBG
		BBG
		CMB
		CMB
		Ecobank
		Ecobank
		FAMB
		GCB
		GCB
		ICB
		MB
		MB
		NIB
		NIB
		NIB
		PB
		SSB
		SSB
		SB
		SCB

GHANA TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	Problem Loan Management		
Date:	December 3 – 7, 2001		
Instructor:	Tony Grier		
	Participant Name	Sex	Bank
1.	W. Edusei-Mensah	M	ADB
2.	Fred Kpekpena	M	ABD
3.	Kwabena Boateng	M	AB
4.	Sameul Agyepong Ansong	M	AMRB
5.	A.K. Ankomah	M	AMRB
6.	Opoku-Mensah Philip	M	BOG
7.	Francis Kwabena Woode	M	CMB
8.	Alexander Williams	M	CMB
9.	Paul Okaiteye	M	GCB
10.	Leo C. Abgeame	M	GCB
11.	Shirley-Ann Tagoe	F	MB
12.	Bosompem Asamoah	M	MAB
13.	Godwin K. Ntony	M	MAB
14.	Frank S. Aidoo	M	NIB
15.	Fred Amo Atakora	M	PB
16.	Angela Amankwaa	F	PB
17.	Antony Agbezuke	M	SSB
18.	Ramseyer Awuku	M	SSB
19.	Abena Osei-Poku	F	SCB
20.	Akweisi Addae	M	SCB

Course:	Training of Trainers		
Date:	December 10 – 14, 2001		
Instructor:	Tony Grier		
	Participant Name	Sex	Bank
1.	Samuel Adu-Antwi	M	ADB
2.	Claver K. Dadzie	M	ARB
3.	Seth Nyanor	M	BOG
4.	Mercy Amoah	F	ICB
5.	Lyndia M. Daddy	F	MB
6.	Sam Arthur	M	MB
7.	Koku Anyidoho	M	MAB
8.	Sybil Della Agbelie	F	MAB
9.	J. F. Appiah-Nyamekye	M	NIB
10.	Charles B. Janney	M	PB
11.	Nii Ansah-Adjaye	M	SSB
12.	Eyram Kwame Atsu	M	SCB
13.	Richard Fumey	M	SCB

GHANA TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

GHANA BANK LEGEND:

<i>Bank Name</i>	<i>Bank</i>
1. Amalgamated Bank	AB
2. Agricultural Development Bank	ADB
3. Associations of Rural Banks	ARB
4. Atwima Mponua Rural Bank	AMRB
5. Barclays Bank of Ghana	BBG
6. Bank of Ghana	BOG
7. Cal Merchant Bank	CMB
8. Ecobank Ltd.	Ecobank
9. First Atlantic Merchant Bank	FAMB
10. Ghana Commercial Bank	GCB
11. International Commercial Bank	ICB
12. Metropolitan & Allied Bank	MAB
13. Merchant Bank Ltd.	MB
14. National Investment Bank	NIB
15. Prudential Bank Ltd.	PB
16. Stanbic Bank	SB
17. Standard Chartered Bank	SCB
18. SSB Bank Ltd.	SSB

MALI TRAINING PARTICIPANTS
(As of December 31, 2001)

Course:	Credit Risk Management		
Date:	July 23 – 27, 2001		
Instructor:	Michel Margueron		
	Participant Name	Sex	Bank
1.	Madani Tall	M	BICIM
2.	Modibo Sow	M	BOA
3.	Sega Sissoko	M	BDM
4.	Mme Guindo Konadi Diabate	F	CI
5.	Abidine Maiga	M	CI
6.	Amadou Traore	M	CI
7.	Drissa Traore	M	CI
8.	Seydou Traore	M	CI

Course:	International Banking		
Date:	July 30 – August 3, 2001		
Instructor:	Michel Margueron		
	Participant Name	Sex	Bank
1.	Abdoulaye Sanogo	M	BDM
2.	Maimouna Konate	F	BDM
3.	Noumoumory Sacko	M	CI

Course:	International Banking		
Date:	September 17 – 21, 2001		
Instructor:	Michel Margueron		
	Participant Name	Sex	Bank
1.	Ali Touré	M	BDM
2.	Souleymane Keita	M	BDM
3.	Fatoumata Sy Faye	F	BDM
4.	Mama Almany Diawara	M	BHM
5.	Aissata Bâ Ba	F	BHM
6.	Boua Berthe	M	BHM
7.	Aïda Keita	F	BICIM
8.	Thierno Abdoulaye Kanté	M	BIM
9.	Souleymane Abdoulaye Diallo	M	BOA

MALI TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	Credit Risk Management		
Date:	September 24 – 28, 2001		
Instructor:	Michel Margueron		
Participant Name		Sex	Bank
1.	Sara Togola	F	BICIM
2.	Alkaou Camara	M	BIM
3.	Idrissa Keita	M	BIM
4.	Modibo Sow	M	BOA
5.	Moussa Diarra	M	CI
6.	Mamou N'diaye	M	CI
7.	Djenebou Keita Tall	F	CI
8.	Haidara Nassamoulou Singare	F	CI
9.	Ousmane Ba	M	CI
10.	Ibrahima Diallo	M	CI
11.	Wall N'diaye Diop	M	Ecobank
12.	Mahamane Diallo	M	FGHM
13.	Alpha Boubacar Traore	M	FGHM

Course:	Training of Trainers		
Date:	September 24 – 28, 2001		
Instructor:	Tony Grier		
Participant Name		Sex	Bank
1.	Abdoublaye Maigna	M	BNDA
2.	Bernadette Sukho	F	BOA
3.	Yacouba Samake	M	P YELI

Course:	Problem Loan Management		
Date:	October 29 – November 2, 2001		
Instructor:	Tony Grier		
Participant Name		Sex	Bank
1.	Sow Aminata Ouattara	F	BIM
2.	Adbdel Kader Toure	M	BOA

Course:	Financial Institutions Analysis		
Date:	November 5 – 9, 2001		
Instructor:	Tony Grier		
Participant Name		Sex	Bank
1.	Djeneba Diakite Noumansan	M	BOA
2.	Mamadou Diallo	M	BIM
3.	Fatoumata Soumare Dembele	M	BHM
4.	Mohamed Lamine Idrissa	M	BHM

MALI TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

MALI BANK (OR ORGANIZATION) LEGEND:

<i>Bank Name</i>	<i>Bank</i>
1. Banque de Developpement du Mali	BDM
2. Banque de Developpement du Mali	BHM
3. Banque Internationale pour le Commerce et l'Industrie du Mali	BICIM
4. Banque Internationale Pour Le Mali SA	BIM
5. Bank of Africa	BNDA
6. Banque Nationale de Developpement Agricole	BOA
7. Credit Initiative	CI
8. Ecobank	Ecobank
9. Fonds de Garantie Hypothecaire Mali	FGHM
10. P Yeli (Microfinance)	PY

SENEGAL TRAINING PARTICIPANTS
(As of December 31, 2001)

Course:	Credit Risk Management		
Date:	July 16 – 20, 2001		
Instructor:	Jacquess Mamousse		
	Participant Name	Sex	Bank
1.	Jean Lucien Angrand	M	BHS
2.	Madjiguene Diop	F	BHS
3.	Ndeye Vitor Ndiaye	F	BHS
4.	Samba Sene	M	BICIS
5.	Celine Ndao	F	BICIS
6.	Libass Thiaw	M	BICIS
7.	Boubacar Correa	M	BIS
8.	Maguette Diagne Faye	F	CBAO
9.	Pierre Ndiaye	M	CBAO
10.	Fatou Niang Diouf	F	CBAO
11.	Angelique Sarr	F	CBAO
12.	El Hadji Ibrahima Fall	M	CLS
13.	Mouhamadou Diagne	M	CNCAS
14.	Malick Ndiaye	M	CNCAS
15.	Assane Samba	M	CNCAS
16.	Didier Correa	M	Ecobank
17.	Adama Diop	M	Ecobank
18.	Maran Camara	M	SGBS
19.	Mbaye Dione	M	SGBS
20.	Ibrahima Tabane	M	SGBS
21.	Aissatou Yade	F	SGBS

SENEGAL TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	Credit Risk Management		
Date:	July 23 – 27, 2001		
Instructor:	Jacquess Mamousse		
	Participant Name	Sex	Bank
1.	Nazaire Coly	M	BHS
2.	Badiane Demba	M	BICIS
3.	Khadijatou Fall	F	BIS
4.	Daby Mbaye	M	BST
5.	El Hadji Malick Samb	M	CLS
6.	Ousseynou Seck	M	CLS
7.	Mamadou Diallo	M	Ecobank
8.	Ibrahima Mbaye	M	Ecobank
9.	Mamadou Diop	M	SGBS
10.	Moussa Ka	M	SGBS
11.	Amadou Marie Ndiaye	M	SGBS
12.	Mame Bigue Ndiaye	F	SGBS

Course:	Training of Trainers		
Date:	September 3 – 7, 2001		
Instructor:	Tony Grier		
	Participant Name	Sex	Bank
1.	Abdourahmane Diallo	M	BST
2.	Souleymane Soumare	M	BST
3.	Pape Bouna Sidibe	M	BIS
4.	Daniel Amato	M	SGBS
5.	Mbaye Kouma	M	CLS
6.	Cheikh Bamba Youm	M	BICIS
7.	Gnagna Diena	F	BICIS
8.	Malick Dioue	M	CBAO
9.	Serigne Mor Dieng	M	CBAO
10.	Mamadou Lamine Sylla	M	CBAO
11.	Ibrahima Ndiaye	M	BHS
12.	Daouda Ngom	M	CNCAS
13.	Moussa Diop	M	APBEF
14.	Samba Dia	M	PAMECAS
15.	Ousseynou Niang	M	UNACOIS
16.	Momar Sock	M	UNACOIS

SENEGAL TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	International Banking		
Date:	September 10 – 14, 2001		
Instructor:	Jacques Mamousse		
	Participant Name	Sex	Bank
1.	Fatou N' dir	F	BICIS
2.	Maguette Niang	M	BIS
3.	Philippe Diaban	M	CLS
4.	Sokhna Nafissatou Toure	F	Ecobank
5.	Mane Ndack Beye	F	SGBS
6.	Pape Diallo	M	SGBS
7.	Pape Gning	M	SGBS
8.	Tahir Hane	M	SGBS
9.	Oumy Syalla Ndiaye	F	SGBS
10.	Assane Dia	M	SGBS
11.	Mohamed K. Sakho	M	SGBS

Course:	Credit Risk Management		
Date:	September 17 – 21, 2001		
Instructor:	Jacques Mamousse		
	Participant Name	Sex	Bank
1.	Racine Diouf	M	BICIS
2.	Aboubacry Ndiade	M	BIS
3.	Eugénie Camara Sow	F	BST
4.	Aboubakrine Sall	M	CLS
5.	Mouhamdy Ahmed Thiam	M	CLS
6.	Khardiatou Wane Fall	F	Ecobank
7.	Ousmane Ba	M	SGBS
8.	Mouhamed Cisse	M	SGBS
9.	Alioune Leye	M	SGBS
10.	Matar Niang	M	SGBS
11.	Karim Seck	M	SGBS
12.	Oumar Mbengue	M	SCBS

SENEGAL TRAINING PARTICIPANTS CONTINUED
(As of December 31, 2001)

Course:	Problem Loan Management		
Date:	October 15 – 19, 2001		
Instructor:	Tony Grier		
	Participant Name	Sex	Bank
1.	Amsatou Bathily	F	SGBS
2.	Mbaye Dione	M	SGBS
3.	Aissata Wone Djigo	F	SGBS
4.	Mohamadou Kisman Sakho	M	SGBS
5.	Ousmane Seck	M	SGBS
6.	Momar Sylla	M	SGBS
7.	Gnagna Diena	F	BICIS
8.	Ndeye Diobou Ndiaye	F	BST
9.	Aminata Faye Seck	F	BIS
10.	Ndiarka Gueye	M	CNCAS

Course:	Financial Institutions Analysis		
Date:	October 22 – 26, 2001		
Instructor:	Tony Grier		
	Participant Name	Sex	Bank
1.	Sophie Yade	F	BHS
2.	Lamine Niang	M	BHS
3.	Ibrahima Sene	M	BST
4.	Mademba Thiam	M	BIS
5.	Alpha Deme	M	CLS

SENEGAL BANK (OR ORGANIZATION) LEGEND:

	Bank Name	Bank
1.	Association Professionnelle des Banques et Etablissements Financiers	APBEF
2.	Banque de L'Habitat du Senegal	BHS
3.	Banque International Pour Le Commerce Et L'Industrie du Senegal	BICIS
4.	Banque Islamique du Senegal	BIS
5.	Compagnie Bancaire de L'Afrique Occidentale	CBAO
6.	Credit Lyonnais Senegal	CLS
7.	Credit Agricole	CNCAS
8.	Econbank – Senegal	Ecobank
9.	Societe Generale de Banques du Senegal	SGBS
10.	PAMECAS	PAMECAS
11.	UNACOIS	UNACOIS

Appendix I:

**End of Course Statistics/
April to December 2001**

Appendix J:

**Training Capabilities/
September to December 2001**

Appendix K:

**Training Infrastructure
Documents/English and French**

Appendix L:

**ARB Qualitative Diagnostic Tool/
May 2001**

To: Mr. Amadu Montia
Bank of Ghana, Bank Supervision Department
Rural Bank Unit
Mr. Richard Addo
Association of Rural Banks
Assistant Director

From: Lynda Swenson

The following is a checklist to aid in the assessment of the governance and management of a Rural Bank by the Rural Relief Manager. It is not intended to replace any of the statutory and regulatory examination requirements as detailed by the Bank of Ghana, Bank Supervision Department. Instead, it is designed to be used while the Rural Relief Manager is on-site for an extended period of time. It is an aid to that Rural Relief Manager in evaluating the qualitative, rather than quantitative aspects of the Rural Bank.

I sincerely hope that it will assist in your efforts to monitor and improve all of the Rural Banks.

P.O.G.

Personnel, Organization and Governance

Personnel:

■ **Leadership of the Organization**

Decision-making in the Bank

- Who are the key leaders who determine the bank's vision? What are the names, backgrounds, functions, and qualifications?
- Is there any conflict between management and the Board of Directors in terms of leadership of the organization?

Who determines the operations, processes, and procedures of the Bank?

- Are there external influences on the Bank (Bank of Ghana Bank Supervision Department, etc) that dictate changes?
- What is the general atmosphere of the bank? Does it foster productivity and customer service?

■ **Human Resource Management**

How high a priority are the Human Resources (staff) and personnel policies for management?
Is there a special unit, structure or individual for the Human Resource function?

Create a chart detailing the following for the past year (if possible):

- Total number of staff at beginning and end of year
- Total number of staff hired
- Total number of staff that have left (fired or resigned or retired or died); create turnover ratio (%)
- Detail reasons for staff that have left

Create charts for each job classification:

- Number of staff at beginning and end of year
- Number of staff hired
- Number of staff that has left (fired or resigned or retired or died); create turnover ratio (%)
- Detail reasons for staff that have left
- Promotions by job classification
- Average salary for all staff in each job classification
- Average time of employment for all staff in each job classification

Recruitment procedures

- Is there a job description for each job?
- How does job description relate to current and available staff?
- How does job description relate to potential employees in the area?
- How does job description relate to customer needs, now and in the future?
- Is there recruitment of talent outside institution?

What are the internal competencies of staff?

- Are these appropriate and correct for the positions held?
- Are any competencies missing or deficient?
- How will bank correct any missing or deficient competencies (hiring, training, etc)?

Staff compensation and promotion policy

- Who determines the promotion policy and individuals who are promoted?
- What is the salary structure of positions (base, bonus/incentives, and benefits)? Are there performance-based incentives?
- How does this compare with other banks (if relevant)?
- What motivates the staff and managers?

Formal training activities

- Create a chart detailing the following training statistics for the past year (if possible):
 - New employee orientation and training
 - Attendees at classes by course title, provider, and skills outcome expected
 - Cost (if relevant)
- Is there a formal succession planning effort to replace key managers and employees in the Bank?

Organization:

■ **Organizational Structure**

Head Office (present in organizational chart form)

- Are the lines of decision-making and authority well known and clear to all the staff?
- Does each of the staff know the accountabilities and responsibilities for their position?

Network of agencies and mobilization centers (present in organizational chart form)

- Are operational procedures standardized from Head Office? To what degree?
- Are some or all of the operations centralized in the Head Office? Which?
- What responsibilities have been delegated to agencies and mobilization centers?
- What are the methods of communicating from Head Office to the agencies and mobilization centers? How effective or deficient are these methods?

Technical Committees in the Bank and on the Board:

- Are there any committees (loan, audit, personnel, etc)?
- How are individuals selected to serve on these committees? How long is the average tenure on a committee?

Any there any other influences on the governance and decision-making processes? Are there any outside consultants that impact the Bank?

■ Operational Planning and Budgetary Processes

Are there reference manuals for all the positions that detail processes and procedures?

Describe the budgetary process.

- Who is involved? Should others be?
- What is the timing of the budgetary process?
- What are the sources of information for the budgetary process?
- Are budgetary plans compared to actual results during the year?

Describe the operational planning process (es).

- Who is involved? Should others be?
- What is the timing of operational process planning?
- What are the sources of information for the operational process planning?
- What is the timeframe (short term, 1 year, 3 year, etc)?
- Is (are) the plan (s) useful?
- Does it (they) address risk factors that are present now and potentially in the future?
- Are operational plans compared to actual results?

Governance:

■ Institution's Vision and Strategy

- What are the organization's stated mission and key objectives?
- Does this mission have a community or religious basis/bias?
- How strongly do the mission and the objectives appear to be held by the staff?
- Is the organization completing the plan?

Strategy

- What are strategic goals (time period)?
- Has strategic planning over the last several years indicated changes in objectives/goals?
- Has a SWOT (strengthens, weaknesses, opportunities and threats) analysis been documented?

Upcoming plans

- Is the Bank anticipating any new endeavors (locations, products, technology, etc)?
- Does the Bank have plans to increase in size?

Are there concrete plans and strategies for this growth? Does the Bank have a realistic understanding of these plans and the impact that growth may have on the organization?

■ **Ownership and Effective Control**

General Meetings of all shareholders

- What is the frequency?
- What are the topics of discussion?
- Are the shareholders committed to the Bank?
- What are the voting procedures/

Board of Directors

- Create a list of current Directors:

What is the percentage of ownership by each Director?

How long has each been on Board (number of terms and/or years)?

What is the role of each in the Community?

How active is each Director in the leadership/management of the Bank?

- Meetings

How often does the Board of Directors meet?

What are the subjects discussed?

Are the meetings open to other individuals (shareholders, bank employees, outsiders)?

- How long is the officially stated term of a Director? Is this regulation followed?
- What is the description of roles and responsibilities of a Director? Is this clearly understood?
- Are new candidates for the Board of Directors actively recruited?

Appendix M:

**Mali Symposium Report/
January 2002**

Appendix N:

**Senegal Symposium Participant List/
November 2001**

**WEST AFRICIAN REGIONAL PROGRAM (WARP)
BANK TRAINING AND POLICY DEVELOPMENT IN WEST AFRICA
AWARD NO. 688-G-00-00-00360-00**

SYMPOSIUM PARTICIPANTS
(As of November 9, 2001)

<i>Symposium Personnel</i>	<i>Sex</i>	<i>Firm</i>
1. Amady Ba	M	CFJ
2. Mbathio Diop/Ba	F	CFJ
3. Papa Mohamed Camara	M	KPMG
4. Badara Diouf	M	CFJ
5. Abdoulaye Djigo	M	CFJ
6. Jacques Mamousse	M	KPMG
7. Abdoulaye Ndiaye	M	CFJ
8. Abass Ndoye	M	CFJ
9. Moussa Elimane Tall	M	CFJ
10. Mamadou Sall	M	CFJ

<i>Speaker's Name</i>	<i>Sex</i>	<i>Firm</i>
1. Ibrahima Ndiaye	M	BHS
2. Ndiaw Diouf	M	Professor
3. Mamadou Diakhate	M	Conseiller
4. Moustapha Faye	M	Avocat
5. Cheikh Tidiane Lam	M	TRHCD
6. Ibrahima Ndiaye	M	BICIS
7. Issac Yankhoba Ndiaye	M	UCAD
8. Georges Senghor	M	CNCAS

<i>Participant's Name</i>	<i>Sex</i>	<i>Firm</i>
1. Aissatou Diallo Ba	F	TRHCD
2. Demba Bathily	M	Avocat
3. Ndèye D. Camara	F	BHS
4. Cherif Seydou Cisse	M	TRHCD
5. Boubacar Correa	M	BIS
6. Mamadou Lamine Diédhiou	M	TRHCD
7. Madieyna Bakhoum Diallo	F	Judge
8. Abdou Khadir Khaoussou Diop	M	Judge
9. Fatma Haris Diop	F	Huissier
10. Mansour Diop	M	Judge
11. Pape Mohamed Diop	M	Magistrate
12. Samba Diop	M	BIS
13. Amath Diouf	M	Magistrate
14. Baba Fall	M	CLS
15. Rokhaya Fall	F	CBAO
16. Aitou Gueye	F	Judge
17. Amadou Boudia Gueye	M	SGBS
18. Mademba Gueye	M	TRHCD
19. Leopold Ndao	M	Magistrate
20. Amadou Fall Ndiaye	M	Magistrate
21. Ndeye Diobou Ndiaye	F	BST
22. Ndeye Ouleye Ndiaye	F	Citibank
23. Ibrahima Ndieguene	M	Avocat
24. Gerard Preira	M	BST
25. Rokhaya Paye	F	Student
26. Samba Sall	M	Judge
27. Babacar Sarr	M	Conseiller
28. Moussa Sarr	M	Huissier
29. Mamadou Seck	M	Avocat
30. Georges K.Senghor	M	CNCAS
31. Lamine Sow	M	Magistrate
32. Mame Fatou Sow	F	BHS

SENEGAL BANK (OR ORGANIZATION) LEGEND:

<i>Bank Name</i>	<i>Bank</i>
1. Association Professionnelle des Banques et Etablissements Financiers	APBEF
2. Banque de L'Habitat du Sénégal	BHS
3. Banque International Pour Le Commerce Et L'Industrie du Sénégal	BICIS
4. Banque Islamique du Sénégal	BIS
5. Banque Senegalo-Tunisienne	BST
6. Compagnie Bancaire de L'Afrique Occidentale	CBAO
7. Centre de Formation Judiciaire	CFJ
8. Citibank	Citibank
9. Crédit Lyonnais Sénégal	CLS
10. Crédit Agricole	CNCAS
11. KPMG Consulting Barents Group	KPMG
12. Société Générale de Banques du Sénégal	SGBS
13. Tribunal Hors Classe de Dakar	TRHCD
14. Université Cheikh Anta Diop	UCAD

Appendix O:

**Senegal Symposium Report/
November 2001**

West Africa Regional Program (WARP)

Activity: Bank Training and Policy Development in West Africa

Award No. 688-G-00-00-00360-00

Report on the

Symposium « Banking and Justice » November 05 to 09, 2001

Dakar, Senegal

November 12, 2001

Barents Group of KPMG Consulting LLC

Jacques Mamousse

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Presentation

Jacques Mamousse for Barents Group of KPMG Consulting LLC (Barents) supervised the organization and the debates of the symposium on banking and justice conducted in Dakar, Senegal, under this WARP activity, from November 05 to 09, 2001.

For the organization, a key role was played by Papa Mohamed Camara who interacted constantly with the parties involved in order to get the actual session started on time and with a significant participation from the Association Professionnelle des Banques et Etablissements Financiers (APBEF) members.

The author would like to express his gratitude to Amady Ba, Centre de Formation Judiciaire Director and the entire CFJ personnel, in particular to Abdoulaye Ndiaye, Deputy Director, for their contribution in the organization of the event and their positive spirit in solving the material difficulties.

1 - Genesis of the symposium and objectives

1 - 1 Origin of the symposium idea

Following the diagnostic phase of the WARP in Senegal, Diana Osinski summed up in her March 2001 report the concerns of the banking community on their debt collection experience.

QUOTE :

« BANKS STRESSED THE PROBLEMS THAT THEY ARE EXPERIENCING WITH SENEGAL'S JUDICIAL SYSTEM

- ◆ APBEF members shared a uniform opinion about Senegal's judicial system
 - Problem with justice administration, how it runs and debt recovery
 - Judicial environment is difficult, long, costly and uncertain
 - Judicial sector very slow
 - Judicial decisions are not objective or fair
 - Salaries are low making judicial employees susceptible to corruption
 - Problem with law, judgment problems, judges do not understand banking

- ◆ Two APBEF members acknowledged that changes are needed in Senegal's judicial system
 - Legal environment (legislation and structure) needs tangible improvements

- ◆ A better form of justice would be arbitration if it can be sheltered from pressures (corruption) »

UNQUOTE

In her conclusions, was the recommendation of the organization of a symposium as follows :

QUOTE

« DEBT RECOVERY SYMPOSIUM

THE BANKING COMMUNITY CONSISTENTLY INDICATED THAT THEIR GREATEST CHALLENGE IS EXECUTING DEBT RECOVERY GIVEN THE CURRENT LEGAL AND REGULATORY FRAMEWORK. A DIALOGUE BETWEEN THE BANKS AND MOJ MAY LEAD TO IMPROVED RELATIONS, PERCEPTIONS OR OUTCOMES

◆ Purpose

The Ad Hoc Symposium Committee along with the support and assistance of an expatriate would assist in designing a symposium on debt recovery that would be suitable for the Senegalese banking community. The purpose of the symposium would be to bring key members of the banking, justice and government together to discuss the current issues and constraints within the existing debt recovery framework. It could also be a venue to introduce a potential resolution mechanism (arbitration and mediation).

◆ Desired Outcome

The banking community believes that the current law is not being fairly applied when the courts rule on debt recovery. Regardless of the accuracy of this viewpoint, it is appropriate for the banking community and authorities to conduct a dialogue to determine the core issues of the perception, together with discussing potential actions to change the perception (short and long-term). Most importantly, the Association must take a lead role in making this dialogue a reality. Given the Training Advisory Board and expatriate assistance, the Association could develop and manage the delivery of a quality symposium. The training basics learned during the development and delivery of the symposium would be expanded and strengthened during the Training of Trainers Program. »

UNQUOTE

1 - 2 The organization of the event

At the same time, the CFJ (Training center of the magistrates, part of the Minister of Justice) was preparing a training session on a similar subject (real estate collateral repossession and execution).

After several meetings between CFJ and APBEF Training Advisory Board, conducted under the guidance of Diana Osinski, it was decided to organize a five-day seminar on a larger subject comprising the different forms of collateral to be given by debtors to creditors and the ways to realize them, under the new legislation of the OHADA treaty.

The participants would be from the different communities involved in the debt collection process : magistrates, lawyers, « huissiers » (marshals), notaries, law university professors and bankers.

The title, agreed by both parties, would be « Banking and Justice : the OHADA law on collateral, on debt collection and means to execute it ».

It was agreed between the CFJ, APBEF and Barents on behalf of USAID that the Symposium budget would be FCFA 4,500,000. APBEF provided FCFA 1,000,000 and the remainder was covered by USAID (WARP). Therefore, the APBEF covered 22% of the Symposium costs. The CFJ contributed the symposium design; logistical support (Symposium preparation and organization); and meetings rooms, equipment and materials (a conference room, three conference workshops rooms, computers, projector, copying and teaching material). Their contribution kept the costs of the Symposium down.

For APBEF, the objectives of the seminar/symposium stayed the same as stated in the March diagnostic report : understand the aspects of the relevant law, hear the concerns of the judicial system and express their concerns.

2 - Symposium program, attendance and evaluation statistics

2 - 1 Program and unfolding of the week

Program

The readers will find the detailed program (in French) in Appendix 1.
It comprised :

- one day on the presentation of the OHADA Uniform Act on Collateral, both as personal guarantees and as real assets that can be provided by debtors to creditors ;
- one day on the debt collection simplified procedures and the repossession means presented in the OHADA Uniform Act dedicated to the subject ;
- one day on the measures to get the realization of assets, other than real estate, as collateral ;
- one day on the measures to get the realization of real estate assets as collateral ;
- half a day of three (3) workshops on real cases presented recently in front of the courts.

Unfolding of the week

The session was open on Monday by an official inauguration in presence of the Cabinet Director of the Minister of Justice, the USAID Dakar mission Deputy Director and the Chairman of APBEF Training Advisory Board.

From Monday to Thursday, the sessions were divided in two on each theme : one part devoted to a presentation by the three (3) speakers at the table and the second one devoted to the debates and exchange of ideas between the participants. Except for Monday, the time devoted for the debates seemed not enough to fully treat all the questions brought to the attention of the assembly. The workshops and the rendering of their conclusions on Friday took most of the morning time.

After sharing the conclusions of the evaluation with the audience, the seminar/symposium was closed early afternoon by Amady Ba, CFJ Director representing the Director of the Cabinet of the Minister of Justice, Bamba Youm, Chairman of the APBEF TAB and P.M. Camara together with the author representing KPMG/ Barents in the name of USAID.

The first day of the debates allowed the participants to express their concerns on the replacement of several articles of the Civil Code by the new Uniform Act in a way that is not totally satisfactory , in particular those related to the real estate collateral. Senegal presents a situation regarding real estate property, only 2% of the land bears full registered property title with the rest bearing only a right to occupy the land, that implies interpretation of the text as this was not specifically addressed. Mali is in the same situation. The speaker from the banking community expressed the concern of more formalism regarding the procedures in the Act, rightfully done to protect the debtors rights but giving in fact more opportunities to delay the outcome of the entire procedure.

The second and third days allowed the magistrates to express their concerns on their understanding of the materiality and level of the debt owed by the debtor to the bank. In certain cases, the documents filed by the lawyer representing the creditor are not clear enough to enable a non-specialist to understand them. So, certain cases might be turned down in favor of the debtor for lack of proper and clear presentation of the creditor's position.

During the ensuing discussion, the bankers presented their arguments and concrete ways to try to avoid this misunderstanding from the courts.

The fourth day, devoted to real estate collateral and means to execute it, saw quite lively debates between the communities. The courts want to be sure that the procedures are well enforced and respected as real estate represents the most important asset (« one's entire life of savings » as someone said) usually in the hands of a debtor so that the owners will not be deprived of such an asset unduly or see it sold for a too low price.

The banks, based on the same reality (more important asset in the hands of a debtor), would like to be sure that their privilege can be executed, if and when needed, in a timely manner.

The fifth day, devoted to workshops on actual cases recently brought to the courts, allowed the observer to understand that it is not always easy to reach a sentence, as the judgment can differ following the grounds on which the judges are establishing their thought process. The debates permitted participants to assess the necessity for publicity of the sentences and better coordination of the magistrates' position, in respect of their independence, in order to develop a corpus of coherent and consistent jurisprudence.

2 - 2 Attendance and evaluation statistics

Attendance

Total attendance during the week evolved between 29 and 33 participants, CFJ managers and KPMG representatives not included. The speakers were counted as participants as they signed the attendance sheet. A daily original of it was left at the disposal of CFJ, with a copy made for APBEF and USAID.

Around half of the participants were judges, around 34% to 36% were bankers and the rest, representatives of the other actors for the debt collection process (lawyers, marshals, ...). Court territories outside Dakar were well represented with 9 participants each day. All the banks except one (ECOBANK) sent at least one representative each day.

Regarding the gender issue, 25 to 28 % of the audience were women.

The reader will find hereafter a sheet presenting the breakdown of daily attendants by community and gender.

CFJ/APBEF/USAID « Banking and Justice » Symposium Attendance Summary
Dakar, Senegal - Nov. 05 to 09, 2001

	<i>Judges</i>				<i>Other representatives from the judicial system</i>						<i>Bankers</i>		<i>Total</i>	
	<i>Dakar</i>		<i>Outside Dakar</i>		<i>Lawyers</i>		<i>Marshals</i>		<i>University Professors</i>					
Gender	M	W	M	W	M	W	M	W	M	W	M	W	M	W
Monday	3	2	8	1	4	-	1	1	1	-	8	4	25	8
Total	14				7						12		33	
Tuesday	3	2	8	1	4	-	1	1	1	-	5	3	22	7
Total	14				7						8		29	
Wednesday	4	2	8	1	2	-	1	1	1	-	6	4	22	8
Total	15				5						10		30	
Thursday	5	2	8	1	2	-	1	1	1	-	7	4	24	8
Total	16				5						11		32	
Friday	5	2	8	1	1	-	1	1	1	-	6	5	23	9
Total	16				5						11		32	

Evaluation statistics

Twenty eight (28) evaluation forms were completed. The originals were given to KPMG/Barents in order to be given to APBEF.

Overall reaction to the seminar/symposium :

Do you want to see a new session take place :

Yes No
28 (100 %) -

As it is Modified
15 (54%) 13 (46%)

The reader will find in the paragraph 3 - Recommendations the suggestions of the participants on the modifications they would like to see adopted for a new session.

Detailed evaluation

Program content :

Very satisfactory 14 (50%)	Satisfactory 13 (46%)	Average 1 (4%)	Insufficient -
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Speakers abilities :

Very satisfactory 13 (46%)	Satisfactory 15 (54%)	Average -	Insufficient -
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Duration :

Very satisfactory 4 (14%)	Satisfactory 18 (64%)	Average 6 (22%)	Insufficient -
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Documentation quality and quantity

Very satisfactory 9 (32%)	Satisfactory 15 (54%)	Average 4 (14%)	Insufficient -
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Training site conditions

Very satisfactory 8 (29%)	Satisfactory 19 (67%)	Average 1 (4%)	Insufficient -
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In terms of statistics, the seminar/symposium was deemed satisfactory to very satisfactory by a very large majority.

All the participants mentioned in their comments that their expectations, regarding the extension of their professional knowledge, were met. There was no perception difference between each community. Hence, they expressed their wish (100% !) to have that event conducted again.

3 - Summary of conclusions and recommendations, comments from the author

The CFJ is preparing a document (in French) comprising all documentation given to the participants and presenting the conclusions and recommendations of the assembly work. This official document will be transmitted to the Minister of Justice, the APBEF Training Advisory Board and the USAID Dakar Resident Mission.

Every participant and speaker thought this session was a success, and the desire to see it happen again was strongly expressed.

Hence, the reader will find hereafter a brief summary of the final exchange between the participants before the session was over.

3 - 1 Conclusions

- The participants suggested that the new legislation, although representing a remarkable progress, needs to be amended after these first three years of enforcement. Amendments, among other subjects, may concern the way to take into account the peculiarities of the land ownership in Senegal (problem of the « impenses immobiliers ») and may find a way to alleviate the heavy formalism of the procedures.
- The auxiliaries of the justice system (marshals above all) should respect timely their obligations in the procedures as untimely performance of their duties may disqualify an entire procedure in front of a court.
- There is a need for the banks to better insure that their lawyers present in a clear manner their file to the courts. A review of the final version of the file by the creditor may ensure that relevant and pertinent information are present to document the case.
- For the first time, judges addressing the debt collection matter in the courts were able to listen directly from bankers in order to understand what represents and comprises the account statement presented to them as the debt summary of the debtor.
- Judges explained directly to bankers their positions in regard to certain legal procedural distracting means put together by « too-witty » debtors and how to counter with success such distractions with proper procedural means.

3 - 2 Recommendations

- The conclusions, drawn by professional from both sides, may be transmitted to the Ministry of Justice to see how the legislation might be amended.
- The bankers may improve their knowledge of the new legislation and of the corpus of jurisprudence deriving from it. Hence, the court sentences need to be published and properly commented.
- The magistrates may improve their knowledge of the banking techniques and practice. Hence, training sessions such as this one are well recommended. Dissemination of the current session's conclusions and recommendations will be ensured.
- A session dedicated entirely to the real estate collateral should be set up as soon as possible with the same participants (bankers, judges, lawyers, etc.). The session duration should be dimensioned to cover all its aspects, maybe up to a week.
- A new session on the same subject should be organized in the near future with the following improvements :
 - ◆ Dedicate more time for the debates ;
 - ◆ Present more practical cases in workshops ;
 - ◆ Organize the debates better to avoid repetition of subjects ;
 - ◆ Encourage the presence of magistrates from the Dakar appeal court, of the « notaires » and the « greffiers ».

3 - 3 Comments from the author

This symposium/seminar, although not the first one on the subject, can be deemed a **big success** in Senegal. Not only the total attendance was significant with a majority of it coming from the judicial system, but the banking community was almost completely represented.

The main outcome for the banking community viewed as the establishment of a professional dialogue with the judicial system, outlined in the March diagnostic report, seems fulfilled. Some « bad » perception on both sides was defused in the course of the debate. Highly competent law faculty helped to clarify certain theoretical aspects of the law.

Notwithstanding the fact that the complexities of the law may be not underestimated, the exchange in the debates permitted to explain concretely very practical issues (account statement from the banks, proper procedural means to strengthen a case) that may improve the situation in the short term, at least with the courts whose judges were present.

Above all, the need for a permanent dialogue, an exchange of information and a better communication system within the participants in the debt collection system sounded loud and clear.

Consequently, the CFJ and APBEF should stay in contact to follow up on that positive outcome. An idea would be to organize yearly the same type of seminar/symposium and in between, to put together specialized sessions on a particular topic. The first one appears to be real estate collateral and the means to realize it.

On the APBEF side, preparation for such an event would include the designation of its speakers enough in advance to give them the time to prepare their contributions and coordinate afterwards to get a coherent banking community position.

Appendix 1

**Session de Formation Continue
Sur**

**BANQUE ET JUSTICE : LE DROIT OHADA
DES SURETES, DU RECOUVREMENT DES
CREANCES ET DES VOIES D'EXECUTION**

au CFJ - Dakar



Contexte :

Le droit des affaires dans les pays d'Afrique subsaharienne, a fait l'objet d'une mutation importante avec la promotion d'un droit des affaires rénové et harmonisé au niveau régional par le traité relatif à l'harmonisation du droit des affaires en Afrique (traité de l'OHADA), l'adoption d'ACTES Uniformes (AU) et la mise en œuvre d'une formation des magistrats en droit des affaires.

Dans ce nouveau corps de texte, les Actes Uniformes portant sur les sûretés et les procédures simplifiées de recouvrement et les voies d'exécution, sont désormais entrés en application au niveau des 16 Etats parties au Traité. Ces procédures, comportent une complexité qui nécessite la tenue d'une session spécialisée permettant un traitement approfondi de ces questions par les magistrats, les professionnels de banque, les avocats spécialisés et les autres professions judiciaires.

Les bouleversements économiques et le repositionnement de l'intervention de l'Etat incitent désormais, les banques à jouer un rôle plus important dans le financement des entreprises. économiques et le repositionnement de l'intervention de l'Etat incitent désormais les banques à jouer un rôle plus important dans le financement des entreprises. Pour ce faire, les banques doivent se plier à des règles très rigoureuses dans leur organisation et dans la gestion des dépôts.

L'obligation faite aux banques de respecter scrupuleusement ces règles prudentielles leur impose de mieux identifier les différents aspects du risque bancaire pour pouvoir en apprécier le poids dans les décisions d'octroi du crédit.

Le banquier peut accorder son concours sous différents formes. Il peut faire bénéficier son client de son honorabilité et de son crédit ; ce seront alors les engagements par signature tels que l'aval ou les garanties personnelles avec toutes les variantes.

Cet engagement peut aussi prendre la forme d'un accreditif ouvert pour financer l'activité de son client.

Le concours bancaire peut aussi consister dans les facilités de caisse consenties au client dans les circonstances précaires ou dans la mise à disposition du client de moyens de paiement ; ce sera l'ouverture de crédit et les différentes techniques de sa mise en place tel que la prise d'effets à l'escompte, l'engagement pris d'honorer certaines traites domiciliées sur le compte voire certains chèques ou l'alimentation du compte de son client.

Une telle implication du banquier dans le financement d'entreprises débouche fatalement sur des impayés dont le gestion requiert du banquier, non seulement de la vigilance, voire dans certains cas, de la sévérité mais aussi de la souplesse et une imagination lui permettant de mettre en place les solutions contractuelles qui lui permettent de résoudre le problème des impayés tout en donnant au débiteur des chances de renégocier sa dette. Dans ces différentes phases, le juge est appelé à jouer un rôle important en cas de contestation.

Objectifs :

Au sortir de cette session spécialisée, les participants maîtriseront les nouvelles règles relatives aux sûretés et aux procédures simplifiées de recouvrement et aux voies d'exécution. Ils pourront ainsi faire face aux questions complexes liées à leurs pratiques professionnelles par rapport au nouveau droit unifié OHADA.

Date :

du 05 au 09 Novembre 2001

Durée et lieu :

Cinq (05) jours au CFJ

Animateurs :

Un panel composé d'un Professeur d'Université, d'un Magistrat et d'un Banquier par jour de formation.

- ◆ Monsieur Issac Yankhoba NDIAYE, Doyen de la Faculté des Sciences Juridiques et Politiques de l'UCAD .
- ◆ Monsieur Ndiaw DIOUF, Professeur agrégé des Facultés de Droit.
- ◆ Monsieur Amady BA, Magistrat, Directeur du CFJ, ancien président de la chambre des saisies du Tribunal Régional Hors Classe de Dakar.
- ◆ Monsieur Mamadou DIAKHATE, Magistrat, Conseiller à la Cour d'Appel de Dakar, formateur en contentieux économique au CFJ.
- ◆ Monsieur Cheikh Tidiane LAM, Magistrat, président de la chambre des saisies immobilières du Tribunal Régional Hors Classe de Dakar, formateur au CFJ.
- ◆ Monsieur Abdoulaye NDIAYE, Magistrat, Directeur adjoint du CFJ
- ◆ Messieurs Ibrahima NDAYE, Sous Directeur à la BICIS , Georges Senghor, Chef du Département Contentieux au Crédit Agricole du Sénégal.

Participants :

- ◆ Six (6) magistrats des juridictions de Dakar impliqués dans le traitement des dossiers bancaires et de saisie.
- ◆ 10 Magistrats des juridictions de l'intérieur, dont un (1) de la Cour d'Appel de Kaolack, impliqués dans le traitement des dossiers.
- ◆ Chefs de contentieux ou Chefs de service juridique ou de crédit des banques de la place , 2 par banque.
- ◆ 6 Avocats spécialisés, désignés par le bâtonnier de l'ordre des avocats.
- ◆ 3 Notaires désignés par le président de la chambre des notaires.
- ◆ 3 Huissiers de justice, désignés par le président de l'ordre des huissiers de Justice.
- ◆ 1 Représentant de la faculté des sciences juridiques et politiques de l'UCAD.

Programme :

➤ Lundi 05 Novembre 2001

- 8 h 30 - 9 h 00** **Ouverture de la session**
par Monsieur Basile SENGHOR, Garde des Sceaux, Ministre
de la Justice,
en présence du Représentant du Conseil Consultatif
de la formation de l'APB et du Directeur de l'USAID.
- 9 h 00 - 9 h 30** **Pause café**
- 9 h 30 - 10 h 00** **Aspects Administratifs et pédagogiques**
- 10 h 00 - 12 h** **Présentation de l'Acte Uniforme de l'OHADA
sur les sûretés**

sous thème 1 ; les sûretés réels, mobilières et immobilières

.. **Monsieur Isaac Yankhoba NDIAYE**
♦ **Monsieur Ahmed Tidiane LAM**
♦ **Monsieur Ibrahima NDIAYE, BICIS**
- 12h 00 - 13h** **Débats sous thème 1**
- 13h00 - 14h 00** **Déjeuner**
- 14h00 - 15h 00** **Sous thème 2 : - Les sûretés personnelles**

.. **Monsieur Isaac Yankhoba NDIAYE**
♦ **Monsieur Ahmed Tidiane LAM**
♦ **Monsieur Ibrahima NDIAYE, BICIS**
- 15h 00 - 16h** **Débats sous thème2**

➤ **Mardi 06 Novembre 2001**

- 9h 00 - 10h 00** **thème 2: Les procédures simplifiées de recouvrement**
- .. **Monsieur Ndiaw DIOUF**
 - ♦ **Monsieur Moustapha FAYE**
 - ♦ **Monsieur Georges SENGHOR**
- 10h 00 - 10h 30** **Pause café**
- 10h 30 - 13h 00** **Débats thème 2:**
- 13h 00 - 14h 00** **Déjeuner**
- 14h00 - 15h 00** **thème 3 : Les voies d'exécution**
Sous thème 1 ; Les saisies mobilières
 ⊙ **La saisie conservatoire**
- .. **Monsieur Ndiaw DIOUF**
 - ♦ **Monsieur Moustapha FAYE**
 - ♦ **Monsieur Georges SENGHOR**
- 15h 00 - 16h 00** **Débats et Discussions : Sous thème 1**

➤ **Mercredi 07 Novembre 2001**

9h 00 - 10h 30	Sous thème 1 suite: <ul style="list-style-type: none">.. Les mesures tendant a la réalisation de biens meubles<ul style="list-style-type: none">- Saisie vente- Saisie des droits d'associés et des valeurs mobilières Saisie des récoltés sur pied.. Les mesures tendant a l'attribution d'une créance de débiteur <ul style="list-style-type: none">.. Monsieur Ndiaw DIOUF◆ Monsieur Mamadou DIAKHATE◆ Monsieur Georges SENGHOR
10h 30 - 11h 00	Pause café
11h 30 - 13h 00	Débats
13h 00 - 14h 00	Déjeuner
14h00 - 15h 00	⊕ La mesure tendant à l'exécution d'une obligation de délivrance ou de restitution <ul style="list-style-type: none">.. Monsieur Ndiaw DIOUF◆ Monsieur Mamadou DIAKHATE◆ Monsieur Georges SENGHOR
15h 00 - 16h	Débats
16h 00	Pause café

➤ **Jeudi 08 Novembre 2001**

Sous thème 2 : La saisie immobilière

- Monsieur Ndiaw DIOUF
- ◆ Monsieur Mamadou DIAKHATE
- ◆ Monsieur Georges SENGHOR

9h 00 - 10h 00	⊖ Les conditions de la saisie immobilière
10h 00 - 10h 30	Pause café:
10h 30 - 12h 00	⊖ Le déroulement de la procédure
12h 00 - 13h 00	Débats
13h 00 - 14h 00	Déjeuner
14h 00 - 15h	⊖ Les incidents de la saisie immobilière
15h 00 - 16h	Débats
16h 00	Pause café

➤ **Vendredi 09 Novembre 2001**

- 9h 00 - 10h 00** **Travaux en ateliers:**
- Sous groupe 1 : dirigé par Maître Moustapha FAYE
- Sous groupe 2 : dirigé par Monsieur Mamadou DIAKHATE
- Sous groupe 3 : dirigé par Monsieur Cheikh Tidiane LAM.
- 10h 00 - 10h 30** **Pause café**
- 10 30 - 12h 00** - **Restitution en plèniere des travaux réalises en sous groupes et correction collective.**
- 12 00 - 12h 30** **Rapport de synthese**
- Appréciation critique de la nouvelle législation
- Appréciation critique des pratiques bancaires judiciaires et recommandations
Monsieur Abdoulaye NDIAYE, Directeur adjoint du CFJ, assistant du cours
- 12h 30 - 13h 00** **Clôture des travaux par Monsieur le Directeur de cabinet du Garde des Sceaux, Ministre de la Justice., après exploitation des fiches d'évaluation**
- 13h 00** **Clôture des travaux**

Appendix P:

Cost Sharing/December 2001

COST SHARE STATISTICS FOR GHANA, MALI AND SENEGAL

GHANA COST SHARE/COURSES

<i>Course</i>	<i>Date</i>	<i>Contributions Cedis</i>
Credit Risk Management	April 23 – 27, 2001	8,350,000
International Banking	April 30 – May 4, 2001	8,070,000
International Banking	June 11 – 15, 2001	10,030,000
Credit Risk Management	June 25 – 29, 2001	11,710,000
Problem Loan Management	December 3 – 7, 2001	9,750,000
Training of Trainers	December 10 – 14, 2001	7,790,000
<i>TOTAL CONTRIBUTIONS FOR TRAINING IN GHANA</i>		<i>55,700,000</i>

The National Banking College contributed a total of 55,700,000 Cedis (approximately \$7,545).

MALI COST SHARE/COURSES

<i>Course</i>	<i>Date</i>	<i>Fees FCFA</i>
Credit Risk Management	July 23 – 27, 2001	600,000
International Banking	July 30 – August 3, 2001	225,000
International Banking	September 17 – 21, 2001	675,000
Credit Risk Management	September 24 – 28, 2001	975,000
Problem Loan Management	October 29 – November 2, 2001	150,000
Financial Institutions Analysis	November 5 – 9, 2001	300,000
<i>TOTAL FEES COLLECTED FOR TRAINING IN MALI</i>		<i>2,925,000</i>

The Malian banks contributed a total of 2,925,000 FCFA (approximately \$4,179).

COST SHARE VERSUS ACTUAL COSTS/MALI

<i>Courses</i>	<i>Cost FCFA</i>	<i>Fees FCFA</i>	<i>Difference CFA</i>
Credit Risk Management and International Banking	1,139,500	825,000	-314,500
Training of Trainers, International Banking and Credit Risk Management	1,665,750	1,650,000	-15,750
Problem Loan Management and Financial Institutions Analysis	690,000	450,000	-240,000
<i>TOTAL</i>	<i>3,495,250</i>	<i>2,925,000</i>	<i>-570,250</i>

SENEGAL COST SHARE/COURSES

<i>Course</i>	<i>Date</i>	<i>Fees FCFA</i>
Credit Risk Management	July 16 – 20, 2001	735,000
International Banking	July 23 – 27, 2001	455,000
International Banking	September 10 – 14, 2001	385,000
Credit Risk Management	September 17 – 21, 2001	420,000
Problem Loan Management	October 15 – 19, 2001	750,000
Financial Institutions Analysis	October 22 – 26, 2001	375,000
TOTAL FEES COLLECTED FOR TRAINING IN SENEGAL		3,120,000

The Senegalese banks contributed a total of 3,120,000 FCFA (approximately \$4,457).

COST SHARE VERSUS ACTUAL COSTS/SENEGAL

<i>Courses</i>	<i>Cost FCFA</i>	<i>Fees FCFA</i>	<i>Difference CFA</i>
Credit Risk Management and International Banking	1,190,000	1,190,000	0
Training of Trainers, International Banking and Credit Risk Management	2,685,420	805,000	-1,880,420
Problem Loan Management and Financial Institutions Analysis	1,049,000	1,125,000	76,000
TOTAL	4,924,420	3,120,000	-1,804,420