

ADBBU358

SENEGAL PVO/NGO SUPPORT PROJEC

685-0284

PROJECT PAPER

USAID/Senegal
7 June 1990

5201-0

AGENCY FOR INTERNATIONAL DEVELOPMENT
PROJECT DATA SHEET

1. TRANSACTION CODE
 A A = Add
 G = Change
 D = Delete

Amendment Number _____

DOCUMENT CODE
3

COUNTRY/ENTITY
SENEGAL

3. PROJECT NUMBER
685-0284

4. BUREAU/OFFICE
AFRICA

5. PROJECT TITLE (maximum 60 characters)
 06 **SENEGAL PVO/NGO SUPPORT**

6. PROJECT ASSISTANCE COMPLETION DATE (FACD)
 MM DD YY
06 30 98

7. ESTIMATED DATE OF OBLIGATION
 (Under "B." below, enter 1, 2, 3, or 4)
 A. Initial FY 90 B. Quarter 3 C. Final FY 95

8. COSTS (\$000 OR EQUIVALENT \$1 = _____)

A. FUNDING SOURCE	FIRST FY <u>90</u>			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	62	69	131	5,900	9,100	15,000
(Grant)	(62)	(69)	(131)	(5,900)	(9,100)	(15,000)
(Loan)	()	()	()	()	()	()
Other						
U.S.						
Host Country					1,500	1,500
Other Donor(s)						
TOTALS	62	69	131	5,900	10,600	16,500

9. SCHEDULE OF AID FUNDING (\$000)

A. APPRO- PRIATION PURPOSE	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) SS	200B	240				15,000		15,000	
(2)									
(3)									
(4)									
TOTALS						15,000		15,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each)
920 812 840 100

11. SECONDARY PURPOSE CODE

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BRW	BS	PART	PVOU	PVON
B. Amount	8,000	5,000	15,000	5,000	3,000

13. PROJECT PURPOSE (maximum 480 characters)

To enable local non-governmental organizations (NGOs), NGO associations and community groups with U.S. PVO assistance to plan, design and carry out sustainable development activities.

14. SCHEDULED EVALUATIONS

Interim MM YY MM YY Final MM YY
03 93 03 96 08 98

15. SOURCE/origin OF GOODS AND SERVICES
 000 941 Local Other (Specify) 935

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment)

Concurrence: *Moussa Ganne*
 Thomas J. Walsh, III
 Controller, USAID/Senegal

17. APPROVED BY

Signature: *Julius E. Coles*
 Title: Julius E. Coles, Director, USAID/Senegal

Date Signed: MM DD YY
06 21 98

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION
 MM DD YY

ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/SENEGAL

DATE: 11 June 1990

FROM: Terry Myers, PDO

SUBJECT: Project Authorization for Senegal PVO/NGO Support Project (685-0284)

I. ACTIONS REQUESTED:

Your approval is requested for a grant of fifteen million dollars from the Section 121, Sahel Development Program and the Sub-Saharan Africa, Development Assistance Appropriation (DFA) (Pub. L. 100-102) to Senegal for the Senegal PVO/NGO Support Project (685-0284). It is planned that a total of \$3.0 million will be obligated in Fiscal Year 1990.

II. DISCUSSION

A. PROJECT BACKGROUND AND DESCRIPTION

Senegal is in the midst of a lengthy structural adjustment period and is trying to recover from serious economic stagnation. Production of food crops has not been able to keep pace with population growth. The formal industrial sector has lost jobs since independence. The public sector is unable to serve as employer of last resort and provider of subsidized services. One hundred thousand new workers enter the job market each year. Quality of life indicators are low.

The government and donors have recognized the difficulty public services have in coping with the demands imposed by population growth and rural-urban migration. They are looking increasingly to the private sector to accept the burden for services which were once viewed as the purview of the government.

This changed approach is incorporated in the GOS structural reform program. Encouraging a reduced role for government and increased opportunity for the private sector, it has created a new environment both more conducive to and more dependent on the development of strong non-governmental organizations. As the government withdraws from providing services to local communities, the communities themselves must assume new responsibilities and find the resources to support them.

As communities take on new responsibilities, local people have been forming community-initiated, democratic and non-state controlled associations and federations in both rural and semi-urban areas. The number of NGOs has grown from 50 to more than 120. Village organizations have grown dramatically. It is estimated that NGO activities have an impact on approximately three million Senegalese. Moreover, unlike most other Sahelian countries, Senegal has NGO coordinating bodies and structures already in place and a positive NGO-GOS relationship.

At the same time, GOS perceptions of the NGOs' roles have changed drastically. From viewing NGOs as a competing provider of services,

government officials have moved to encourage a wider role for NGOs, and the changed attitude has been recognized in revised policies. In June 1989, President Diouf issued a new decree providing specific legal status to NGOs for the first time, and recently the GOS has begun to support NGO efforts to establish a grass-roots credit movement. The Government has started work on a legal framework for NGO credit programs and invited NGO representatives to participate in policy discussions.

Thus the current environment in Senegal--whereby private initiatives are becoming more integral to national development and a new public-private relationship is emerging--is conducive to an expanded role for NGOs and NGO associations in development. The government appears ready to accept, even encourage, that role. The need is evident, and community groups are organizing to respond.

The principal problem this project addresses is the need for local communities to mobilize their own resources to plan and carry out sustainable development activities which raise their quality of life. It is clear that the government alone does not possess the capacity to reach poor communities, whether in rural areas or in towns and cities, with the services required to break the economic stagnation of the past twenty years. Consequently, both the GOS and donors are looking to NGOs as an important means of reaching those without access to services. NGOs and PVOs are already working at the local level, mainly in rural areas, to reach poor, unskilled, illiterate and isolated groups.

The demand for NGO and PVO services, however, far exceeds their capacity. Many NGOs have only recently been formed in response to the drought in the late 1970's and to rising unemployment and declining government opportunities and services in the 1980's. They have been forced to respond to immediate demands from needy constituents or to donor demands for specific projects. Consequently, most lack the time and staff to engage in capacity building. They have not been able to research, plan or develop strategies to approach the problems they face.

To increase their effectiveness, U.S. PVOs in Senegal, and local NGOs and NGO consortia need to develop staff and build institutional capacity. They need to professionalize their workforce and operations to attract and retain top-level Senegalese development experts while maintaining a volunteer and grass-roots spirit. They need a chance to develop an institutional vision, goals and strategies, to diversify financial support, and to improve their network of contacts within and outside of Senegal. If they can plan, manage, monitor and evaluate their activities, they will be able to take advantage of, and use more effectively, growing donor interest and resources.

The possibility of assisting local NGOs is enhanced by U.S. PVO activity in Senegal. A number of American PVOs are already here and more have expressed an interest in starting activities in Senegal. Some are working closely with Senegalese NGOs to strengthen their institutional capacity. Others are looking for opportunities to collaborate with Senegalese counterparts. U.S. PVOs are learning from local NGOs about working in the local context and at the community level. Also, although partnerships between

U.S. PVOs and local NGOs are emerging, it will take time to overcome constraints to improving relationships and moving toward equal partnerships.

In summary, there is a key and growing role for NGOs and PVOs in developing and sustaining private, community initiatives. U.S. PVOs, NGOs and NGO associations need financial support to provide this assistance. At the same time, PVOs and NGOs in Senegal need institutional support to deliver services more effectively and to strengthen their side in the emerging private-public relationship.

B. PROJECT IMPLEMENTATION AND STRATEGY

The PVO/NGO Support project strategy focuses on:

(1) long-term, systematic support for institutional development on a program rather than project basis to the wide range of NGOs and PVOs in Senegal;

(2) sub-project support for sustainable community activities that correspond to the beneficiaries' needs and situations;

(3) systemic support to the NGO movement in general, focusing on networking, local-level PVO/NGO collaboration and coordination and development of institutional mechanisms for fund raising; and

(4) a participatory approach at all levels in project design and implementation.

The project will have two major elements linked both conceptually and operationally: (1) institutional support to NGOs, PVOs and NGO associations; and (2) sub-grants to U.S. PVOs, NGOs working in Senegal or U.S. PVOs and local NGOs working collaboratively for discrete community-based, sustainable activities.

The project will be implemented through an umbrella NGO support unit (USU) that will be set up and managed by a registered, competitively selected U.S. PVO or U.S. PVO consortium, possibly in collaboration with a local NGO. The USU will organize and provide the full range of training, technical assistance, grant processing, monitoring, evaluation, financial management and organizational support carried out under the project. The USU will sub-contract with local NGOs or local private firms or institutions as much as possible to provide required services.

A national project committee (NPC) will be established and composed of representatives from the NGO community, USAID, the Ministry of Interior, the Ministry of Finance and the USU. The NPC will provide policy guidance to the USU, review the USU's quarterly and annual reports, review all sub-grants, approve sub-grants worth over \$200,000, and offer a forum for the NGO community, donors and the government.

The project will provide 47 person-years of long-term technical assistance and 29 person-months short-term technical assistance (both U.S. and

Senegalese); training to enhance institutional capacity of PVOs, NGOs and community groups at all levels; sub-grants to U.S. PVOs and NGOs working in Senegal for community-level development activities, limited commodities and equipment to support the USU and sub-project activities, and internal and external evaluations and audits. Finally, the project will finance a USAID project manager over the LOP to assure appropriate USAID project monitoring and management and coordination with the USU and the NPC.

C. WAIVERS

No special waivers are required for the PVO/NGO Support project. The project is funded through the Development Fund for Africa (DFA), which provides a special waiver to the Foreign Assistance Act of 1961 pertaining to U.S. source and origin rules for procuring goods and services. Procurement under the DFA is authorized for geographic code 935 countries, which are defined as "Special Free World" and the participating country. Nevertheless, as a DFA-funded project, this project must have a DFA procurement plan that shows an order of preference for U.S. source and origin followed by Code 941 source/origin to the fullest extent possible.

The USU will be responsible for ensuring that the sub-project proposals include source and origin information for all commodity procurements and that order of preference is documented.

D. CONDITIONS AND COVENANTS

1. Conditions

In addition to the standard clauses, the Grant Agreement will require the Government of Senegal, prior to initial disbursement, to provide USAID in writing the names and signatures of any individuals acting on behalf of the Government of Senegal in connection with this project.

2. Covenants

The Project Grant Agreement will also contain the following special covenants:

a. The GOS agrees to officially establish a National Project Committee with representatives from the Ministry of Interior, the Ministry of Economy and Finance, USAID/Senegal, the NGO community and the Umbrella Support Unit.

b. The GOS agrees to establish in conjunction with A.I.D., an evaluation program as part of the project. The evaluation program will include, during the implementation of the project and at points afterward:

(1) evaluation of progress toward attainment of the objectives of the project;

(2) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(3) assessment of how such information may be used to help overcome such problems; and

(4) evaluation, to the degree feasible, of the overall development impact of the project.

c. All organizations to receive sub-grants under the project must be recognized by the Government of Senegal.

d. Project funds will not be obligated as sub-grants under the project until such time as the GOS and A.I.D. agree that environmental review of the sub-grant activities is completed or assured, and that the provisions of those environmental reviews will be adhered to during sub-grant implementation.

III. ECONOMIC AND FINANCIAL SUMMARY

Fifteen million dollars is proposed from DFA funds out of a total project cost of \$16.5 million as follows (in '000s):

1. Cooperative Agreement	
A. Umbrella Support Unit	\$5,277
B. Institutional Support Activities	1,450
C. Subproject Budgets	7,250
Cooperative Agreement Sub-total	13,977
2. Commodities	201
3. USAID Project Management Support	822
Total	\$15,000

Counterpart contribution will be \$1.5 million.

IV. COMMITTEE ACTION AND CONGRESSIONAL NOTIFICATION

The Project Review Committee met on May 18, 1990 to review the Project Paper and to prepare issues for the Mission Executive Committee for Project Review (MECPR) which was held June 1, 1990. The MECPR discussed each of the issues presented by the project committee in the issues paper (attached) and as a result the following revisions were made to the project paper:

1. Language was added stating that non-Senegalese and non-U.S. NGOs may be approved for sub-project funding only on an exceptional basis to be approved by the USAID Director and the GOS to take advantage of targets of opportunity.

2. The proposed national project committee was expanded to include five members: USAID, Ministry of Interior, Ministry of Economy and Finance, representative from the NGO community, representative from the USU.

3. Selection criteria for sub-grants now include a requirement that all local required administrative approvals be received by the PVOs or NGOs prior to approval of the sub-grant proposal.

4. Language was added stating that "the intent is to strengthen PVO/NGO capacity to deliver services in Senegal; it is not to provide incentives to US PVOs to establish new operations in Senegal by defraying start-up costs."

5. All PVOs and NGOs with legal status as NGOs in Senegal are eligible for sub-grant financing. It is understood and agreed by the Government that legal status is conferred by recognition by the GOS and implies that the registration process is underway and will be approved subsequently.

6. Project priority areas have been expanded to include non-formal education.

7. Preference will be given to sub-projects that indicate "the potential for self-sufficiency at the end of the sub-grant period."

Representatives of the PRM, CONT, IWME, ADO, HPNO, PDO and Director's office attended the MECPR and concluded that the project paper, with the revisions noted above, should be approved.

The IEE was approved by the Mission Director on December 20, 1989 and in AID/W on February 14, 1990. The CN was transmitted to Congress on June 6, 1990 and the waiting period expired without comment June 21, 1990.

V. RESPONSIBLE OFFICERS

The project will be managed within USAID/Senegal by the Project Development Office (PDO). Implementation will require the full-time attention of one Foreign Service National (FSN) contractor to be funded under the project under the supervision of the chief PDO. This contractor will serve a dual role as the USAID project manager for the PVO/NGO Support project and as USAID's designated PVO liaison officer. The proposed budget includes funding for this FSN contractor for the full eight years of project implementation.

PDO will manage this project within its current staff levels.

VI. GRAY AMENDMENT

As mentioned previously, the project will be implemented by a registered U.S. PVO or U.S. PVO consortia. There are a number of Gray Amendment U.S. PVOs that are eligible to apply to be the lead PVO. In addition, all applicants will be highly encouraged to solicit the participation, to the maximum extent possible, of U.S. small business concerns, economically and socially disadvantaged enterprises, women-owned firms, historically black universities and colleges, and minority NGOs. The evaluation criteria for the applications will include additional points for applications which show participation of Gray Amendment entities, either as the lead PVO or as sub-contractors for project implementation.

VII. RECOMMENDATION: that you sign the attached Project Authorization and the Project Paper.

Approved Julius E. Gabe

Disapproved _____

Date 6/21/1990

Drafted: PDO: *DRobinson*, June 11, 1990

Clearances:

HPNO:	MAMicka	<i>MAMicka</i>	Date	<i>6/8/90</i>
IWME:	GHaycock	<i>GHaycock</i>	Date	<i>6/11/90</i>
PRM:	RGilson	<i>RGilson</i>	Date	<i>6/18/90</i>
CONT:	MGianni	<i>MGianni</i>	Date	<i>6/20/90</i>
RLA:	AAdams	<i>AAdams</i>	Date	<i>6/20/90</i>
DDIR:	GNelson	<i>GNelson</i>	Date	<i>6/20/90</i>

DOC 53530

PROJECT AUTHORIZATION

COUNTRY: Senegal
PROJECT TITLE: Senegal PVO/NGO Support
PROJECT NUMBER: 685-0284

1. Pursuant to Section 121 of the Foreign Assistance Act of 1961, as amended, and the Section entitled "Sub-Saharan Africa, Development Assistance" (the "Development Fund for Africa") contained in the Foreign Operations, Export Financing and Related Programs Appropriations Act, FY 1990, I hereby authorize the Senegal PVO/NGO Support project for Senegal (the "Cooperating Country") involving planned obligations of not to exceed Fifteen Million United States Dollars (US \$15,000,000) in grant funds (the "Grant") over a five-year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D./OYB allotment process, to help in financing foreign exchange and local currency costs for the project. The planned life of project is eight years from the date of initial obligation.

2. The project ("Project") will enable local, non-governmental organizations (NGOs), NGO associations and community groups, with U.S. PVO assistance, to plan, design and carry out sustainable development activities. The Project will have two major elements linked both conceptually and operationally: (1) institutional support to local NGOs and NGO associations and (2) sub-grants to U.S. PVOs, NGOs working in Senegal or U.S. PVOs and local NGOs working collaboratively for discrete community-based sustainable activities. The Project will be implemented through an umbrella support unit (USU) structure which will be set up and managed by a registered U.S. PVO or U.S. PVO consortium.

3. The Project Agreement, which may be negotiated and executed by the officer to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority, shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Commodities, Nationality of Services.

Except as A.I.D. may otherwise agree in writing:

- (1) Commodities financed by A.I.D. under the Project shall have their source and origin in the United States, the Cooperating Country, or in countries included in A.I.D. Geographic Code 935;
- (2) The suppliers of commodities and services financed by A.I.D. under the Project shall have the United States, the Cooperating Country, or countries included in A.I.D. Geographic Code 935 as their place of nationality;

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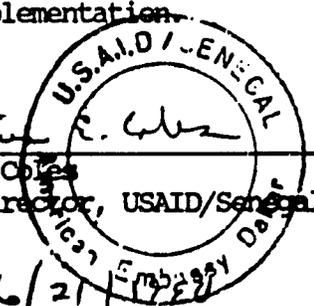
- (3) Ocean shipping financed under the Project shall be financed only on flag vessels of countries in A.I.D. Geographic Code 935.
- (4) The procurement policies established by the Assistant Administrator for Africa for the Development Fund for Africa shall be applied to the procurement of goods and services, including transportation services financed by A.I.D. under this Project.

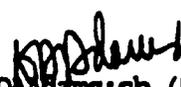
b. Covenants

The Cooperating Country shall covenant that, unless AID otherwise agrees in writing:

- (1) It will officially establish a National Project Committee with representatives from the Ministry of Interior, the Ministry of Economy and Finance, USAID/Senegal, the NGO community and the Umbrella Support Unit.
2. It will establish in conjunction with A.I.D., an evaluation program as part of the Project. The evaluation program will include, during the implementation of the Project and at points afterward:
 - (a) evaluation of progress toward attainment of the objectives of the Project;
 - (b) identification and evaluation of problem areas or constraints which may inhibit such attainment;
 - (c) assessment of how such information may be used to help overcome such problems; and
 - (d) evaluation, to the degree feasible, of the overall development impact of the Project.
3. All organizations to receive sub-grants under the Project must be recognized by the Government of Senegal.
4. Project funds will not be obligated as sub-grants under the project until such time as the Cooperating Country and A.I.D. agree that environmental review of the sub-grant activities is completed or assured, and that the provisions of those environmental reviews will be adhered to during sub-grant implementation.


 Julius E. Cobles
 Mission Director, USAID/Senegal


 Date


 Drafted RIA:DA:Adams:sb (5/17/90)
 Clearances: As shown on Action Memorandum

2849G

MISSION ECPR

Issues Paper for Senegal PVO/NGO Support Project Paper (PP)
June 1, 1990 at
USAID/Senegal Conference Room

Country : Senegal
Project Name and Number : Senegal PVO/NGO Support (685-0284)
LOP Funding : \$15 million
Planned FY 90 Obligation : \$3 million
Authorization Venue : USAID/Senegal

I. Description

Senegal is in the midst of a lengthy structural adjustment program trying to recover from a period of economic stagnation. Quality of life indicators are low, per capita income is less than at independence, 20 years ago, and both the Government of Senegal (GOS) and donors recognize the inability of public services to cope with population growth, rising unemployment, and rural-urban migration. They are increasingly looking to local communities to mobilize their own resources and to the private sector--particularly to non-governmental organizations (NGOs) and private voluntary organizations (PVOs)--to help local communities play a larger role in development.

The principal problem addressed by the project is the need for local communities to mobilize their own resources. NGOs and PVOs are already working with local organizations, but the demand for NGO services far outpaces NGO capacity. NGOs and PVOs need help to develop their institutional capacity, to develop and professionalize staff, to attract and retain top-level Senegalese development experts while maintaining a volunteer and grass roots spirit. They need time to develop an institutional vision, goals and strategies, to diversify financial support and to improve their network of contacts within and outside Senegal. They also need funds for specific, community-level, project activities.

The goal of the project is to improve the standard of living for poor Senegalese as measured by increases in income from local productive activities, increases in access to inputs, goods and markets, and improved access to primary health care, literacy training and credit and savings. The project purpose is to enable local NGOs, NGO associations and community groups, with PVO assistance, to plan, design and carry out sustainable development activities.

Project emphases will be twofold. First, the project will finance self-sustaining, local-level activities initiated by the beneficiaries themselves in priority development areas such as agriculture, health, natural resources management and small and micro-enterprise development. Second, the project will provide systematic and collaborative institutional support to the wide range of NGOs, NGO associations and NGO consortia in Senegal.

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Achievement of the project purpose will be measured by (1) the degree to which community-based activities are sustained at the end of the project and (2) the ability of local NGOs and NGO associations to plan, design and carry out expanded development activities using diversified funding sources.

The PVO/NGO Support project is an eight-year, \$15 million project funded from the Development Fund for Africa (DFA). It is expected that \$3 million will be obligated during FY 1990 and the remainder funded incrementally over the next five years. In addition, sub-grantees and the beneficiaries will contribute both in-kind and in cash an estimated amount of \$1.5 million. Hence, the total project cost will be approximately \$16.5 million.

II. Issues

The Project Review Committee met on May 18, 1990, to review the draft Project Authorization, Project Paper and Annexes for the PVO/NGO Support project. The following issues were raised by the project committee. They were discussed in the Mission ECPR held June 1, 1990, with the following actions recommended:

A. Issue #1: Should the project finance sub-grants to non-U.S. and non-Senegalese PVOs/NGOs?

Discussion: There are numerous European NGOs, mainly French, and international NGOs that carry out community-level development activities in Senegal. Many of the international NGOs are African NGOs with country activities in Senegal. The PP allows for sub-grants to be provided to non-U.S. and non-Senegalese NGOs on an exceptional, case-by-case basis to be approved by the Mission Director and the Ministry of Interior. Further, the PP makes it clear that the focus of the project sub-grant assistance will be for U.S. and Senegalese PVOs/NGOs.

Action: The Mission ECPR recommended that the project keep its emphasis on US and Senegalese PVOs/NGOs but should retain some flexibility to finance sub-grant activities on an exceptional basis, with the approval of the USAID mission director, to take advantage of targets of opportunity. Language to that effect was incorporated on page 13 of the project paper.

B. Issue #2: What should be the composition of the National Project Committee (NPC) and its relationship to the NPC already formed under the Community and Enterprise Development (CED) project?

Discussion: The NPC structure under the PVO/NGO Support project has been designed based on the successful model used in the CED project. The CED NPC has functioned well and allowed the government and USAID to assure coordination of project activities, make informed policy decisions concerning the project, keep abreast of project activities and solve problems early on. With the phasing-out of the PVO component of the CED project in December, 1990, the CED NPC will be focused on micro- and small-scale enterprise credit issues and the institutionalization of the CED credit activities. The planned NPC for the PVO/NGO Support project will be completely separate from the CED NPC. The PP envisions the composition of the NPC to include just four members (whereas the NPC under the CED project had seven members): representatives from USAID, the Ministry of Interior (President of the NPC), Ministry of Economy and Finance and the NGO community (probably CONGAD). The NGO

representative will allow close participation of local NGOs in the decision- and policy-making project committee and assure that NGO concerns are addressed.

Action: The project committee recommended to the MECPR that the NPC be formed completely separate from the CED NPC and that it have four members: USAID, Ministry of Interior, Ministry of Economy and Finance and a representative of the NGO community, preferably from the PVO/NGO consortium in Senegal, CONGAD. The MECPR accepted the recommendation but suggested that a fifth member representing the USU also be included on the committee. PDO discussed the possibility with representatives of the GOS who agreed that the USU could be represented on the committee, and language to that effect has been added to the PP on page 11.

C. Issue #3: What is the involvement of local administrative officials in the sub-grant approval process?

Discussion: The long and somewhat arduous approval process for PVO sub-grants under the CED project was a major factor in the delays of the PVO component. The PVO/NGO Support project is designed to streamline that process through more and closer assistance of the Umbrella Support Unit (USU) and fewer members on the NPC. However, at the same time, the Government of Senegal requires that local administrative officials, namely prefets and sous-prefets, and members of the local "Comite d'Expansion Rurale" (CER), be fully aware of local development projects in their areas. In addition, the Government normally requires that the local committee for development and the departmental committee for development, consisting in each case of local level administrative officials and local community leaders, approve all community level activities to assure that they fit within the local or departmental development plans.

The USU will have to ensure that PVOs and NGOs obtain any required administrative approval at the local level as part of the sub-grant review process. This requirement will be added to the selection criteria. In addition, the USU will organize meetings with local administrative officials in each region early in the project to assure that all local officials are aware of the project and the role of PVOs/NGOs in the project. Also, the USU will stress a participative approach to sub-project design, including especially local-level community beneficiaries but also local-level administrative officials. Finally, the planned beneficiary impact studies based on PVO/NGO sub-grant proposals will allow the USU to assure that appropriate local administrative approval was assured.

Action: The MECPR accepted the recommendation by the project committee that the selection criteria for sub-grants include a requirement that all required local administrative approvals be received by the PVOs or NGOs prior to approval of the sub-grant proposal.

D. Issue #4: To what extent should the project encourage new U.S. PVOs to seek sub-grant funding and set up in Senegal?

Discussion: There are 27 registered U.S. PVOs in Senegal, about half of which are active in carrying out local-level development activities, the remainder being mainly religious organizations. During the past several years and especially during project design, a number of U.S. PVOs have shown interest in

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setting up offices in Senegal to implement activities or to work with local NGOs or other groups to carry out development activities. Some countries in Africa, such as Zaire, have specifically stated in their small-activity umbrella project that new U.S. PVOs would not be eligible for sub-grants. Other umbrella projects have generally encouraged new U.S. PVO activity in a country, either through financial incentives or other means.

The PVO/NGO Support will encourage collaborative relationships between U.S. PVOs and local NGOs or other community groups through selected grants for institutional linkage activities. These grants could go to new U.S. PVOs with particular expertise or experience working with local NGOs. At the same time, though, given the range of U.S. PVOs and local NGOs already working in Senegal and the focus of the project on institutional development of the large number of local NGOs, the project should be neutral on the issue of recruitment of new U.S. PVOs and should not provide any special financial incentives for new U.S. PVOs to set up in Senegal.

Action: The MECPR accepted the recommendation that the project should not actively encourage or discourage new US PVOs to set up operations in Senegal with project funding. The project should welcome participative institutional relationships between US PVOs and local NGOs but should not provide any special financial incentive for new US PVOs to set up in Senegal. Language so stating has been included on page 12: "The intent is to strengthen PVO/NGO capacity to deliver services in Senegal; it is not to provide incentives to US PVOs to establish new operations in Senegal by defraying start-up costs."

E. Issue #5: In order to be eligible for project sub-grant funding, should PVOs and NGOs be registered as NGOs with the Government of Senegal or just have a legal status of NGOs in Senegal?

Discussion: The draft Project Authorization includes a covenant which states: "The parties agree that all organizations to receive sub-grants under the project must have recognized legal status as NGOs in Senegal." Some members of the project committee felt that it would be more appropriate to require all NGOs to be registered with the Government of Senegal to be eligible for project sub-grant funding.

In Senegal, an NGO or a U.S. PVO must be registered in order to carry out any development activities in Senegal as an NGO. However, the registration process can be long, especially the negotiation of an agreement between the Government of Senegal and the PVO/NGO concerning privileges. Once a PVO or NGO applies for registration with the Government, and prior to the actual registration as an NGO, they are provided legal status as NGOs and allowed to operate as NGOs pending the successful negotiation of the agreement and subsequent registration. For example, a U.S. PVO, Winrock International, received a matching grant from A.I.D. to carry out seed development activities in Senegal. Winrock's registration as an NGO took over a year but in the meantime they were allowed to carry out planned activities pending the actual registration approvals.

If the project required PVOs/NGOs to be registered in order to be eligible for sub-grant financing, some new PVOs or NGOs with excellent programs or ideas would have to wait for what could be one to two years for project financing. The project would maintain its flexibility and still comply with Government

regulations if sub-grant financing could be available for all PVOs and NGOs with recognized legal status with the Government of Senegal, including all registered PVOs/NGOs and those pending official registration but with Government approval to implement activities in Senegal.

Action: The MECPR accepted the recommendation of the project committee that all PVOs and NGOs with legal status as NGOs in Senegal should be eligible for sub-grant financing of local-level development activities. It would be understood and agreed by the Government that legal status was conferred by recognition by the GOS and would imply that the registration process is underway and would be approved subsequently.

F. Issue #6: Does the failure to note specifically literacy as a priority eliminate literacy projects from funding?

Discussion: It was not the intent of the project to exclude literacy from the project. Rather, it was expected that literacy may play a role in a number of activities funded by sub-project grants.

Action: The discussion of project priorities in the project paper, on pages 1, 13 and 14, has been expanded to include non-formal education.

G. Issue #7: Do all sub-projects have to lead to self-sufficiency?

Discussion: Many of the sub-projects will finance activities that can eventually become self-sustaining. Some, such as health, may involve social services where income generation is more difficult.

Action: The MECPR agreed that sub-project should encourage diversification of funding working toward self-sufficiency. Language on page 13 was changed to make reference to preference being given to sub-projects that indicate "the potential for self-sufficiency at the end of the sub-grant period."

Project Review Committee Members:

Gary Nelson, Deputy Director	<u>[Signature]</u>	Date	6/21/90
Monica Gianni, Controller	<u>MB</u>	Date	6/17/90
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Julius E. Coles, Director (Chairperson) [Signature] Date 6/21/1990
 Project Review Committee

Senegal PVO/NGO Support Project

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LIST OF ACRONYMS/ABBREVIATIONS

AID/W	Agency for International Development/Washington
AJAC	Association des Jeunes Agriculteurs de la Casamance
CA	Cooperative Agreement
CDSS	Country Development Strategy Statement
CED	Community & Enterprise Development Project
CONGAD	Conseil National des ONG d'Appui au Développement
CRS	Catholic Relief Services
DFA	Development Fund for Africa
ECA	Economic Commission for Africa
EOP	End-of-project
FAFD	Federation des Associations du Fouta pour le Développement
FAFS	Federation des Associations Feminines du Senegal
FONGS	Federation des Organisations Non-Gouvernementales du Senegal
FSN	Foreign Service National
GIE	Groupement d'Interet Economique
GOS	Government of Senegal
IDRC	International Development Research Centre
IEE	Initial Environmental Examination
INGO	International Non-Governmental Organization
LOC	Letter of Credit
LOP	Life of Project
NAP	New Agricultural Policy
NCNW	National Council of Negro Women
NGO	Non-Governmental Organization
NRM	Natural Resource Management
NPC	National Project Committee
OEF	Overseas Education Fund
PDO	Project Development Office
PIO/T	Project Implementation Order/Technical Services
PP	Project Paper
PVO	Private Voluntary Organization
REDSO/WCA	Regional Economic Development Service Office/West and Central Africa
TA	Technical Assistance
UNDP	United Nations Development Program
U.S.	United States
USU	Umbrella Support Unit
USAID	United States Agency for International Development
VO	Village Organization

PROJECT DESIGN TEAM

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I. EXECUTIVE SUMMARY

A. **Background:** Senegal is in the midst of a lengthy structural adjustment program trying to recover from a period of economic stagnation. Quality of life indicators are low, per capita income is less than at independence, 20 years ago, and both the Government of Senegal (GOS) and donors recognize the difficulty public services have in coping with population growth, rising unemployment, and rural-urban migration. They are increasingly looking to local communities to mobilize their own resources and to the private sector—particularly to non-governmental organizations (NGOs) and private voluntary organizations (PVOs)—to help local communities play a larger role in development.

B. **Problem statement:** The principal problem addressed by the project is the need for local communities to mobilize their own resources. NGOs and PVOs are already working with local organizations, but the demand for NGO and PVO services far outpaces their capacity.

NGOs and PVOs need help to develop their institutional capacity, to develop and professionalize staff, to attract and retain top-level Senegalese development experts while maintaining a volunteer and grass roots spirit. They need time to develop an institutional vision, goals and strategies, to diversify financial support and to improve their network of contacts within and outside Senegal. They also need funds for specific, community-level, project activities.

C. **The project:** The goal of the project is to improve the standard of living for poor Senegalese as measured by increases in income from productive activities, increases in access to inputs, goods and markets, and improved access to primary health care, literacy training and credit and savings.

The project purpose is to enable local NGOs, NGO associations and community groups, with U.S. PVO assistance, to plan, design and carry out sustainable development activities.

Project emphases will be twofold. First, the project will finance self-sustaining, local-level activities initiated by the beneficiaries themselves in priority development areas such as agriculture, primary health, family planning, natural resources management, small and micro-enterprise development and non-formal education. Second, the project will provide collaborative institutional support to the wide range of NGOs, NGO associations and NGO consortia in Senegal. Achievement of the project purpose will be measured by (1) the degree to which community-based activities are sustained at the end of the project and (2) the ability of local NGOs and NGO associations to plan, design and carry out expanded development activities using diversified funding sources.

The PVO/NGO Support project is an eight-year, \$15 million project funded from the Development Fund for Africa (DFA). It is expected that \$3 million will be obligated during FY 1990 and the remainder funded incrementally over the next five years. In addition, sub-grantees and the beneficiaries will contribute both in-kind and in cash an estimated amount of \$1.5 million. Hence, the total project cost will be approximately \$16.5 million.

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The project will be implemented through an umbrella support unit (USU) structure which will be set up and managed by a U.S. FVO or a consortium of U.S. FVOs competitively selected. The USU will organize and provide the full range of training, technical assistance, grant processing, monitoring, evaluation, financial management and organizational support carried out under the project.

II. PROJECT BACKGROUND AND RATIONALE

A. Background and Setting

Senegal is in the midst of a lengthy structural adjustment period trying to recover from a period of economic stagnation. Production of food crops has been unable to keep pace with population growth. The formal industrial sector has lost jobs since independence. The public sector is unable to serve as employer of last resort and provider of subsidized services. 100,000 new workers enter the job market each year.

Quality of life indicators are low. According to recent World Bank, WHO and UNICEF estimates: life expectancy at birth is 48 years old; 20 percent of all children die before the age of five; adult literacy is estimated at 30 percent and barely half of those eligible attend primary school. Per capita income, less than it was at independence, is half that of the Camerouns or Ivory Coast.

The government and donors have recognized the difficulty of public services to cope with the demands imposed by population growth and rural-urban migration. They are increasingly looking to the private sector to accept the burden for services which were once viewed as the purview of the government.

This changed approach is incorporated in the GOS structural reform program. Encouraging a reduced role for government and increased opportunity for the private sector, it has created a new environment both more conducive to and more dependent on the development of strong non-governmental organizations. The first major reduction of government services to rural areas began with the adoption of the New Agricultural Policy in 1984 which cut back the operations of the rural development agencies and signaled the end of GOS subsidies to inputs and support for marketing monopolies. Subsequent policy initiatives, spurred in large part by budget realities, further reduced government services in rural areas. Coupled with a collapse of the banking system and the steadily declining force of the government cooperative movement, this left communities with little but their own resources to fall back on.

The result has been a significant expansion of community-initiated, democratic and non-state controlled associations and federations in both rural and semi-urban areas. The number of NGOs has grown from 50 to more than 120. Village organizations have grown dramatically. One federation of village unions boasts more than 100,000 dues-paying members affecting more than a million Senegalese. It is estimated that NGO activities have an impact on approximately three million Senegalese. Also, unlike most other Sahelian countries, Senegal has NGO coordinating bodies and structures already in place and a positive NGO-GOS relationship.

At the same time, GOS perceptions of the role NGOs can and should play has changed drastically. From viewing NGOs as a competing provider of services, government officials have moved to encourage a wider role for NGOs, and the changed attitude has been recognized in revised policies. The government created new legislation permitting the establishment of "economic interest groups" (GIEs) with minimal red tape. In six years, the number of GIEs has grown to 6,000, and increasingly NGOs are establishing GIEs to launch profit-making activities that can finance their own not-for-profit development projects. In June 1989, President Diouf issued a new decree providing specific legal status to NGOs for the first time, and recently the GOS has begun to support NGO efforts to establish a grass-roots credit movement. It has started work on a legal framework for NGO credit programs and invited NGO representatives to participate in policy discussions.

Thus, the current environment in Senegal—whereby private initiatives are becoming more integral to national development and a new public-private relationship is emerging—is conducive to an expanded role for NGOs and NGO associations in development. The government appears ready to accept, even encourage, that role. The need is evident, and community groups are organizing to respond. The number of Senegalese NGOs has grown dramatically, and foreign PVOs and donors are increasingly interested in working with local NGOs.

B. The Problem

The principal problem to be addressed by the project is the need for local communities to mobilize their own resources to plan and carry out sustainable development activities which raise their quality of life. The principal beneficiaries of this project are the rural and urban poor living in these communities. A high proportion of the target population is expected to be women who are key participants in food production, marketing, income generation activities and family health care and often have a tradition of participation in community-level organizations. It is clear that the government alone does not possess the capacity to reach poor communities, whether in rural areas or in towns and cities, with the services required to break the economic stagnation of the past twenty years. Consequently, both the GOS and donors are looking to NGOs as an important means of reaching those without access to services. NGOs and PVOs are already working at the local level, mainly in rural areas, to reach poor, unskilled, illiterate and isolated groups.

The demand for NGO and PVO services, however, far outpaces their capacity. Many NGOs have only recently been formed. They are inexperienced and underfunded. Most are understaffed. For example, according to the GOS NGO-database, 69% of all of the NGOs/PVOs working in Senegal have been created or have arrived within the past 10 years. More than 40% have fewer than ten staff members and almost 40% have an annual budget of less than \$150,000. 90 percent of national NGO's financing comes from outside the country.

Many NGOs and PVOs began in response to the drought in the late 1970's and to rising unemployment and declining government opportunities and services in the 1980's. They have been forced to respond to immediate demands from needy constituents or to donor demands for specific projects. Consequently, most lack the time and luxury to engage in capacity building. They have not been able to research, plan or develop strategies to approach the problems they

face. Now, pressured by the demands of villagers and urban poor on the one hand and by anxious donors on the other, both local NGOs and U.S. PVOs are often tempted to try to undertake more than is possible.

The potential offered by the PVO/NGO community is impressive. Work under the USAID-funded Community and Enterprise Development (CED) project, for example, has shown village organizations capable of launching income-producing projects, profiting and paying off loans; it has shown that PVOs and NGOs have first-rate field technicians, able to organize and advise villagers; it has demonstrated that PVOs, NGOs and village organizations can collaborate effectively on training and credit programs.

At the same time, however, it has raised concerns about the institutional weakness of many NGOs and PVOs. Many lack the capacity to research, design, implement, monitor and evaluate projects. Few have the resources to do their own manpower planning and development. Their ability to train is limited by finances, and their capacity for long-term planning is limited by experience.

To increase their effectiveness, U.S. PVOs in Senegal, and local NGOs and NGO consortia need to develop staff and build institutional capacity. They need to professionalize their workforce and operations to attract and retain top-level Senegalese development experts while maintaining a volunteer and grass-roots spirit. They need a chance to develop an institutional vision, goals and strategies, to diversify financial support and to improve their network of contacts within and outside of Senegal. If they can plan, manage, monitor and evaluate their activities, they will be able to take advantage of, and use more effectively, growing donor interest and resources.

For USAID, as for other donors and the GOS itself, the development of a strong local NGO community is an imperative—we all need a means of reaching beneficiaries with services that the government cannot provide and of gaining grass-roots input into the policy dialogue. They provide a possible way to mitigate some of the harsher effects of structural reform, but also a means to take advantage of structural reform's liberalization of the economy and increasing private initiatives.

The possibility of assisting local NGOs is enhanced by U.S. PVO activity in Senegal. A number of American PVOs are already here and more have expressed an interest. Some are working closely with Senegalese NGOs to strengthen their institutional capacity. Others are looking for opportunities to collaborate with Senegalese counterparts. U.S. PVOs can benefit greatly from increased collaboration with local NGOs. U.S. PVOs are learning from local NGOs about working in the local context and at the community level. But although partnerships between U.S. PVOs and local NGOs are emerging, establishing effective relationships can be challenging and equal partnerships take time to develop.

In summary, there is a key and growing role for NGOs and PVOs in developing and sustaining private, community initiatives. U.S. PVOs, NGOs and NGO associations need money to provide this assistance. At the same time, PVOs and NGOs in Senegal need institutional support to deliver services more effectively and to strengthen their side in the emerging private-public relationship.

C. Rationale and Strategy

The project's rationale is based on several premises: Senegal has a history of village groups; these village groups can organize effectively to carry out sustainable development activities that raise income and quality of life; NGOs can help strengthen the capacity of village organizations; US PVOs can support partnerships with NGOs and provide direct assistance to village organizations; and NGO consortia can be strengthened to provide increased services to their members.

USAID's Community and Enterprise Development project tested a number of these premises. It demonstrated the potential benefits of NGO and PVO assistance to village organizations. It also showed the need for institutional support to NGOs and PVOs.

Recent worldwide evaluations—including an evaluation of 14 years of USAID PVO co-financing in Indonesia, PVO umbrella groups in the Caribbean, U.S. PVO and local NGO collaboration in 18 countries, and a study of trends in PVO partnership in Central America—point to the following:

- increased involvement of local NGOs in national development;
- evolutionary relationship between northern and southern NGOs from tutor to partner to resource;
- effective funding for NGOs dependent on a local capacity to absorb, orchestrate and manage resources;
- in all areas, local capacity of NGOs in need strengthening;
- umbrella structures as an effective means of providing systematic institutional support.

The PVO/NGO Support project strategy reflects the findings of these evaluations within the dynamic local NGO context. The project strategy focuses on:

- (1) long-term, systematic support for institutional development on a program rather than project basis to the wide range of NGOs and PVOs in Senegal;
- (2) provision of sub-project support for sustainable community activities that correspond to the beneficiaries' needs and situations;
- (3) systemic support to the NGO movement in general, focusing on networking, local-level PVO/NGO collaboration and coordination and development of institutional mechanisms for fund raising; and
- (4) promotion of a participative approach at all levels in project design and implementation.

D. Relationship to Government of Senegal and USAID Objectives

The Government of Senegal's New Agricultural Policy (NAP), published in 1984, calls for reducing the government's development services in favor of greater participation by rural Senegalese in their own development. The major focus of the GOS structural adjustment programs since 1984 has continued to decrease the role of the government in the economy. The GOS strategy includes

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a balanced pursuit of growth, employment, productivity, food self-sufficiency and human welfare objectives. The NAP and other recent GOS policies, while citing the importance of national programs, recognize that the process of development also requires an approach that reflects the needs of the local communities and stimulates development from the bottom up. This strategy, rural producers taking responsibility for their own development, was confirmed in the recent GOS Eighth Development Plan for 1989-1995.

Increasingly, key GOS officials have recognized the role of non-governmental organizations (the GOS does not differentiate between PVOs and NGOs, thus all mention of NGOs represents the entire PVO/NGO community in Senegal) in providing direct assistance at the local level and fully support programs designed to both assist local-level associations and groups and local NGOs. In June 1989, the President of Senegal signed a decree which underlines the GOS support for NGOs in Senegal, defines intervention modalities and coordination mechanisms, and, for the first time, provides a legal framework specifically for NGOs. The PVO/NGO Support project directly supports the GOS strategy: (1) to assist villagers and community groups initiate, plan and carry out their own development activities, and (2) to provide complementary private alternatives to direct government services as the GOS continues to diminish its direct involvement in the economy.

The current USAID/Senegal Country Development Strategy Statement (CDSS), confirmed in the FY 1990 Action Plan, defines the goal of U.S. assistance to Senegal as "increased per capita growth and food security through an orderly process of financial stabilization, structural reform, and carefully selected project activities in the key areas of agriculture, natural resources, health, and family planning." The strategy has three priority objectives:

- a dynamic market economy;
- increased cereals production; and
- improved family health.

A dynamic market economy requires structural reforms that reduce the government's role in the overall economy and expand the role of the private sector. To increase cereals production, the Mission is emphasizing the introduction of low-cost technologies and private sector approaches to water management, rural credit, reforestation, soil conservation, seed multiplication, and input supply. Improved family health, including family planning coverage, rests on developing low-cost, preventive, community-supported, or private sector delivery mechanisms.

By promoting private sector traders, providing alternatives to direct GOS services to rural producers, initiating and developing village-supported health facilities, and introducing relevant, low-cost technologies at the community level, U.S. PVOs, NGOs and rural associations can help USAID meet its priority objectives. The PVO/NGO Support project directly assists U.S. PVOs, local NGOs and community-initiated associations in carrying out direct assistance to the small-scale private sector and to rural producers based on their needs. The project advances USAID's strategy of emphasizing local and private resources, while reducing the government's role.

E. Complementary USAID and Other Donor Activities

The CED Project includes a pilot component similar to the proposed umbrella approach under the PVO/NGO Support project. The CED project, started in 1985, is a pilot effort limited to the Kaolack and Fatick regions to test the ability of U.S. PVOs and local NGOs to deliver direct services to villagers and village associations. It was the first project in Senegal by a major donor to transfer resources directly to rural villagers solely through U.S. PVOs and local NGOs rather than through government ministries. As such it has made a significant impact on the GOS perceptions of the role of NGOs in directly assisting village groups undertake economic activities.

The CED project's PVO/NGO component has changed substantially since the original 1983 project paper (PP) was prepared. The PP assumed that the PVOs would be capable of developing and using methodologies to build the capacities of village groups to carry on without outside assistance. It also made clear that credit was a major input in the program. However, following early workshops with U.S. PVOs and NGOs, project management changed the strategy to emphasize the development of the NGOs and PVOs as well as the village-level associations with which they worked and to assist local NGOs prepare sub-project proposals.

In June 1987, a mid-term evaluation of the project concluded that the U.S. PVOs and NGOs with which the project worked were managerially weaker and required more training than originally anticipated. Delays in the PVO component were due both to inherent NGO managerial and operational weaknesses and to the proposal preparation and approval process.

In November 1988, an internal evaluation of the component pointed to difficulties within the PVO component: (1) assumptions concerning profitability of activities such as vegetable gardening were not valid due to marketing constraints; (2) technical problems concerning wells, pumps, and irrigation piping considerably delayed implementation of certain village organization (VO) activities; and (3) loan repayments were behind schedule. The evaluation also identified real successes: (1) increased consumption of more nutritious food such as eggs and vegetables; (2) VO members experienced with the formal banking system; (3) increased transport and exchange services; and (4) an additional 153 VOs and five NGOs seeking project assistance for similar activities. The evaluation concluded that the best PVOs and NGOs have two common characteristics: good support and monitoring of the VOs on a regular basis, and a participative, rather than directive, approach to community development.

The PVO/NGO Support project is the logical next phase of USAID support to NGOs and U.S. PVOs. It is based on the successful delivery mechanism of the CED project and builds on the lessons learned to improve project implementation and beneficiary impact. For example, the PVO/NGO Support project acknowledges both the weakness and the potential of NGOs in Senegal. It will systematically provide training and technical assistance to improve the overall institutional capacity of a wide range of local NGOs instead of providing limited and sporadic training only to those NGOs receiving sub-grants. Also, the new project will have a streamlined and standardized approval process and more technical resources to assist NGOs in preparing proposals. It will ensure that sub-project implementation schedules are

realistic and provide appropriate technical advice to NGOs and their beneficiaries. Finally, the new project will see that PVO/NGO proposals are based on specific needs and interests of the beneficiaries and on PVO/NGO's own capabilities and absorptive capacities.

In addition to the CED project, U.S. PVOs often funded by AID/² matching grants are carrying out a wide range of development activities in Senegal, sometimes in close collaboration with NGO partners. These PVOs, including Africare, Catholic Relief Services (CRS), Overseas Education Fund (OEF), World Vision, Winrock International, World Relief Corporation and National Council of Negro Women (NCNW), have relevant, important experience in Senegal and local offices and partners. We expect that the more than 12 AID-registered U.S. PVOs with programs in Senegal will be excellent candidates for receiving project sub-grants.

The project will also prepare the terrain for other donors interested in NGO/PVO activity. The Canadians, World Bank and European Development Fund have recently shown interest in channeling substantial resources through NGOs. Two important donor initiatives are underway. UNDP is increasingly active in the NGO community, financing a bilateral project with the former Ministry of Social Development which has two components: (1) development of a data base on PVOs/NGOs in Senegal and their activities, and (2) a small project fund (\$580,000 total) to provide grants to NGOs for village-level initiatives. The UNDP project has already developed a useful inventory of registered NGOs and U.S. PVOs in Senegal and will soon complete an evaluation of the impact of PVO/NGO activities in Senegal since 1982. In addition, UNDP has recently approved a regional project to promote collaboration between governments, NGOs and UNDP offices in selected countries in Africa, including Senegal. The UNDP project includes a small grant to CONGAD, the main NGO consortium in Senegal, for equipment and a series of conferences to improve collaboration among GOS, NGO and UNDP representatives.

In addition, the Canadian International Development Research Centre (IDRC), with additional funding from the Ford Foundation, is planning a major research activity aimed at improving the institutional environment of local, rural organizations in Senegal. This two-year activity will design, test and diffuse approaches to participatory rural development; increase available knowledge and understanding of the purposes, experiences, strengths and limitations of local organizations in Senegal; promote collaborative linkages between local organizations and government, donor and NGO agencies; improve the problem-solving and analytical skills of local organizations and of the resource people who collaborate with them; test a model of action-research by the local organizations and develop a critical mass of experienced and well-trained resource-persons supportive of local organization development. Since most local organizations are formed as NGOs or are potentially beneficiary groups under the PVO/NGO support project, the research and findings from the IDRC Local Organizations Support project will greatly inform the PVO/NGO Support project activities. Close coordination will be required to assure that local organization institutional support efforts are consistent and not duplicative. Finally, the innovative IDRC project will provide much needed research on the dynamics of local rural organizations in Senegal.

III. PROJECT DESCRIPTION

A. Project Goal and Purpose

The goal of the Senegal PVO/NGO Support project is to improve the standard of living for poor Senegalese as measured by increases in income from local productive activities, increases in access to inputs, goods and markets, and improved access to primary health care, literacy training or credit and savings.

The project purpose is to enable local NGOs, NGO associations and community groups, with U.S. PVO assistance, to plan, design and carry out sustainable development activities.

Project emphases will be twofold. First, the project will finance self-sustaining, local-level activities initiated by the beneficiaries themselves in priority development areas such as agriculture, natural resources management, small and micro-enterprise development, primary health and family planning, and non-formal education. Such activities frequently show benefits—increased self-reliance among the beneficiary communities and enhanced capacity within local organizations to improve local conditions and sustain that improvement, for example—which are hard to quantify yet are key to long-term development. Second, the project will provide systematic and collaborative institutional support to the wide range of NGOs, NGO associations and NGO consortia in Senegal.

Expected Achievements

Achievement of the project purpose will be measured by the degree to which community-based activities are sustained at the end of the project and the ability of local NGOs and NGO associations to plan, design and carry out expanded development activities using diversified funding sources.

Specifically, the end-of-project (EOP) status indicators are the following:

1. 30% of community activities become self-sustaining by EOP.
2. 50% of assisted communities plan and carry out new activities by EOP.
3. NGOs assisted under the project plan, design, manage and carry out expanded community development activities funded by USAID or other funding sources.
4. Established and improved collaborative partnerships and working relationships between U.S. PVOs and local NGOs and NGO associations.
5. Strengthened NGO/PVO service organization responding to needs of member NGOs/PVOs.

In addition, the project is expected to produce local solutions to local problems with local resources, broader community-level and local NGO participation in the development process, and increased income and employment opportunities.

B. Outputs

Project outputs are multi-faceted, including both NGO level and community level indicators, and are as follows:

1. Up to six U.S. PVO/NGO collaborative sub-grants funded to further institutional relationships through joint activities.
2. 75 NGOs received training and technical assistance (TA) for improved planning, financial management, project design, monitoring, evaluation and implementation capacity.
3. Up to 20 larger sub-grants and 20 micro sub-grants awarded to NGOs and/or U.S. PVOs to assist 70-150 community-level groups for sustainable, productive activities focused on agriculture, natural resource management (NRM), micro and small-scale enterprise support, primary health care, family health, and non-formal education.
4. Strengthened NGO consortia and NGO federations and associations providing improved services to their members.
5. Local training institutions develop capacity to provide required training to NGOs.
6. NGO monitoring, technical resource and information systems in place and functioning in CONGAD or other NGO resource institutions.

C. Project Elements

The project will have two major elements linked both conceptually and operationally: (1) institutional support to NGOs, PVOs and NGO associations and (2) sub-grants to U.S. PVOs, NGOs working in Senegal or U.S. PVOs and local NGOs working collaboratively for discrete community-based sustainable activities.

The project will be implemented through an umbrella support unit (USU) structure which will be set up and managed by a registered U.S. PVO or U.S. PVO consortium competitively selected, possibly in collaboration with a local NGO. This structure was selected to permit streamlined approval and financing activities; to bring consistent management attention to a diverse set of activities; to deal with common NGO problems; to enable a consistent and collaborative approach toward PVO/NGO institutional development; to link operationally in one structure the enhancement of PVO/NGO capacities and practical application of new approaches through sub-project activities; and to minimize the management burden on the USAID Mission in Senegal. It is envisioned that all U.S. PVO and NGO requests to USAID for assistance will be channeled through the project. The USU will develop a sound knowledge of local needs, of major and minor actors at every level, of the myriad of PVOs, NGOs and NGO associations in Senegal and their institutional strengths and weaknesses and of organizational capacities of recipient PVOs and NGOs. The lead PVO will be well-versed in USAID procedures and regulations to serve as a buffer between USAID rules and procedures and local NGOs. The USU will organize and provide the full range of training, technical assistance, grant processing, monitoring, evaluation, financial management and organizational

support carried out under the project. The USU will sub-contract with local NGOs or local private firms or institutions as much as possible to provide required services. The administrative analysis section of this paper describes in more detail the structure and role of the USU. The USU will work in a participative fashion with NGOs and PVOs in determining needs and developing programs to meet those needs.

A national project committee (NPC) comprised of representatives from the NGO community, USAID, the Ministry of Interior, the Ministry of Finance and the USU will be set up. The NPC will provide policy guidance to the USU, review quarterly and annual reports of the USU and provide feedback, review all sub-grants and approve sub-grants that are over \$200,000 in value, and offer a forum for NGO community, donor and government coordination.

1. Institutional Strengthening

The large number of NGOs in Senegal, including U.S. PVOs, range along a wide continuum of institutional capacities and maturity. Some of the larger NGOs could develop adequate sub-project proposals without any outside assistance whereas the majority of smaller, institutionally weak, and younger NGOs would need substantial institutional strengthening assistance at different levels before they could meet the criteria for sub-project selection. At the same time, experience in Senegal has shown that institutional support efforts are not without hazards. They may lead to competition between NGOs for funding or encourage NGO leaders to focus more on fund raising and donor requirements than on the needs of their constituents.

In order to minimize these and other potential problems, the project will be guided by the following basic principles:

(a) The lead U.S. PVO or U.S. PVO consortium selected to implement the project will have substantial NGO and community group, organizational development experience and be sensitive to the interactions and process-oriented requirements of institutional support.

(b) The USU will utilize and encourage a participative process at every level in determining needs, support programs and specific interventions.

(c) The project will focus on training as the most important means of providing institutional support.

(d) A deliberate, participative, and systematic approach will be used in design and execution of institutional support activities.

(e) Absorptive capacity will be considered to ensure that NGOs are not overwhelmed with resources that cannot be sustained once USAID assistance ends.

(f) Any institutional support activities must be consonant and coordinated with other donor NGO institutional support programs to avoid duplication of efforts and to learn from experiences.

(g) The USU will systematically assist local NGOs to diversify their financing sources. This may include increasing capacity of NGOs to attract

other donor funds, developing programs for fund raising and income generation, and charging for services.

Institutional support will be provided at various levels. Training modules for generic, cross-cutting themes will be developed in close coordination with NGO representatives and based on a training needs assessment of a wide range of NGOs. This training will be provided for interested NGOs, and the modules will be evaluated and refined as the project continues. At the same time, direct, specific support will be provided by the USU to selected NGOs based on a specific needs assessment of the NGO's strengths and weaknesses. The USU will develop a methodology to assess institutional capacities and a strategy to strengthen the institution. The USU will use this methodology to assess any NGO that submits a sub-project proposal to determine the NGO's capacity to carry out the sub-grant activities and the level of institutional support required both prior to or after approval of the sub-grant.

A study on NGO institutional needs carried out as part of the PP design identified the following priority areas for training: project management, financial management, project design, group dynamics, rapid rural appraisal techniques, appropriate technology, monitoring and evaluation, strategic planning, marketing, credit management and training of trainers in literacy.

The USU will also support and encourage collaborative, institutional strengthening relationships between U.S. PVOs, local NGOs or community associations through selected sub-grants, increased contacts and networking among U.S. PVOs and NGOs in Senegal and sharing of technical experiences among U.S. PVOs and NGOs with convergent interests. The intent is to strengthen PVO/NGO capacity to deliver services in Senegal; it is not to provide incentives to US PVOs to establish new operations in Senegal by defraying start-up costs. Up to six sub-grants may be provided for specific institutional linkage activities such as staff exchanges, joint-training activities or joint research between U.S. PVO and local NGO partners. Soon after the USU is set up, the lead PVO will organize a study to examine the actual state of partnership relationships between U.S. PVOs and local NGOs in Senegal, to examine problems and constraints in developing and improving these relationships and to develop recommendations and a specific framework to encourage and improve mutual institutional relationships.

2. Sub-grant Community Based Activities

The project will finance a wide range of community-level activities designed and implemented by the communities themselves with the assistance of U.S. PVOs, NGOs currently working in Senegal, and U.S. PVOs and local NGOs working collaboratively. These activities will not only provide direct benefits to the community through their outputs, but will also enhance the capacity of local organizations and community groups to plan, manage and carry out other development activities. The result will be a certain momentum to take advantage of the more favorable environment created by the government's withdrawal from rural areas.

Size of Sub-Grants: Grant amounts will vary from \$50,000 to \$1,500,000. This large range has been chosen to allow flexibility to fund a wide variety of NGO-supported activities. Also, it takes into account the absorptive capacity problem of most local NGOs to implement and account for large sub-projects by having a minimum amount which is relatively low. It is

expected that the USU will fund and monitor up to 20 larger sub-grants over the life of the project. Sub-projects will vary in length from one year to up to five years.

Registration and Eligibility: To be eligible for sub-project financing, all NGOs (including U.S. PVOs and other NGOs in Senegal) must be recognized by the GOS. The criteria for Senegalese recognition of NGOs are similar to A.I.D requirements: the organizations must be private, non-government, non-profit, non-political, non-sectarian and voluntary. Non-Senegalese and non-U.S. NGOs may be approved for sub-project funding only on an exceptional basis to be approved by the USAID Director and the GOS to take advantage of targets of opportunity. Local NGOs do not have to be registered with A.I.D. to be eligible for sub-project funding because the USU will be managed by a registered U.S. PVO. However, local NGOs must have appropriate financial management, monitoring, administrative and technical capabilities to implement the sub-projects as required in the sub-project selection criteria.

Selection Criteria: Annex G provides draft selection criteria to be followed by the NGOs in designing proposals with the beneficiaries and by the USU in evaluating the proposals. Once the lead PVO or PVO consortium sets up the USU and develops relationships with NGOs, appropriate government representatives and USAID, the USU will develop final selection criteria to be approved by the NPC.

PVO/NGO proposals are expected to address a wide range of community development and infrastructure concerns. Preference will be given to sub-projects which directly increase the general welfare and participation of low income groups, particularly women, foster employment and income generation, indicate participative design and the potential for self-sufficiency at the end of the sub-grant period, and enhance the community group's capacity to plan and manage new types of development activities. As mentioned previously, the project will fund sub-projects in priority areas such as agriculture, NRM, micro and small-scale enterprise support, primary health care, family planning and non-formal education.

Review and Approval of Sub-grant Proposals: The USU will be responsible to review all proposals submitted by eligible NGOs and U.S. PVOs in Senegal. The approval process is described in detail in Annex G. Once a proposal is received, USU staff will conduct two important studies: first, USU will analyze the capabilities of the NGO to administer, monitor, account for and evaluate the project. If needed, the NGO will be referred to the institutional support section of the USU for specific, targeted institutional assistance to make the NGO institutionally eligible for receiving sub-grants. The two components will work closely to assure that institutional assistance is relevant and targeted. Second, the USU and the NGO proposing the sub-project will undertake beneficiary impact studies for each sub-project proposal prior to sub-grant approval. The beneficiary impact study will ascertain the extent to which the beneficiaries participated in the sub-project design and will collect relevant baseline data on the beneficiaries to be used in monitoring results.

The USU may approve all sub-grants that are less than \$200,000 and clearly fit within the approved selection criteria. However, the USU will provide copies of all sub-project proposals under \$200,000 at least two weeks prior to sub-grant approval to the members of the NPC. The USU will submit all sub-grants which are more than \$200,000 for the life of the sub-project to

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USAID and the NPC for approval.

3. Experimental Micro-Grants Program

The USU will set up and manage an experimental micro-grants program to assist local NGOs engaged in small-scale, short-term, community-level activities. This program is designed to reach out to smaller regional and community-based NGOs which have some capacity to mobilize and manage local resources but lack the personnel, expertise, accounting systems or experience to apply for the sub-project grant program described above.

The rationale behind the experimental micro-grants program is that:

- the grants will directly help local communities to participate in their own development;
- the grants will finance small but innovative, community-initiated activities which would not be otherwise funded;
- the grants would support small local NGOs which could not manage larger sub-projects but which have the capacity to make effective use of small, micro grants; and
- they would also allow smaller or regional NGOs gain some experience in order to "graduate" to manage larger sub-project grants.

It is anticipated that by FY 1995, some 20 micro-grants will have been approved for a large variety of community activities. The micro-grants will range in size from \$5,000 to \$50,000, and the entire project contribution to the micro-grant program will not exceed \$500,000. Cash or in-kind contributions from the NGO and the beneficiary community groups will be required although no specific percentage will be required.

The USU will develop separate selection criteria for the micro-grants program and a more streamlined review and approval process for proposals which will be approved by the NPC. Since small and micro grants are generally just as management intensive as larger grants, the USU will have one full-time Senegalese professional to manage the micro-grant program. It is expected that the small, locally-based projects will be of short duration, completed in a period of less than two years. They may involve construction of community facilities or support of community affairs. They may also involve setting up local income-generation or productive activities. The micro-grant activities must support the same general areas as the larger sub-project program--agriculture, natural resource management, small and micro-enterprise development, primary health, family planning and non-formal education. The micro-grantee organizations will be required to provide semi-annual reports on their activities and to account for the funds in much the same way as the larger sub-grants.

D. Project Inputs

In order to achieve the results described above the project will finance the following inputs over the eight-year life-of-project (LOP):

Long-term and short-term technical assistance (both U.S. and Senegalese),

significant targeted training to enhance institutional capacity of FVOs, NGOs and community groups at all levels, sub-grants to U.S. FVOs and NGOs working in Senegal for community-level development activities, limited commodities and equipment to support the USU and sub-project activities, and internal and external evaluations and audits.

Long-term technical assistance will be provided by ten person-years of expatriate assistance and over 37 person-years of Senegalese assistance in the USU. In addition, support staff and operational costs for the USU activities will also be funded.

Short-term technical assistance will include approximately 29 person-months of expatriate and Senegalese assistance in the USU. Substantial short-term TA is required in order to minimize the number of long-term professionals needed in the USU and to provide flexibility and a wide scope in designing training modules, carrying out needs assessments, developing institutional capacity-building methodologies, promoting collaborative relationships and promoting networking and sharing of technical information among FVOs/NGOs.

In addition, a wide range and variety of in-country training will be funded by the project as described previously. The USU will sub-contract with local training institutions or local NGOs and use short-term technical assistance to design and carry-out the required training. Most of the training will take place in Senegal. The project will also fund short observational tours for FVO, NGO and community group leaders.

The project will fund required equipment and commodities for the USU and the TA team. Also, limited equipment and commodities will be provided in the sub-grants. Vehicles will be provided for the USU and will be included in sub-grant proposals for FVO/NGO use.

Approximately 50% of project financing will be used to finance some 20 larger sub-grants to FVOs and NGOs for community-level activities. The sub-grants will include financing for a wide range of inputs: technical assistance, training for both FVO/NGO staff and community groups and members, equipment and commodities, limited infrastructure development, field operational support, overhead for FVOs and NGOs and vehicles. Also, up to 20 micro-grants of between \$5,000 to \$50,000 will be financed by the project.

In addition, the project will finance a USAID Project Manager over the IOP to assure appropriate USAID project monitoring and management and coordination with the USU and the NPC. Also, three evaluations and periodic financial compliance audits will be financed.

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IV. IMPLEMENTATION PLAN

A. Introduction

The USU will be responsible for implementation and major monitoring functions for all project activities other than evaluations and external audits. The USAID Project Officer will have an important role in project start up, monitoring, evaluation, audit and overall coordination. Likewise, NGOs will be active participants in project implementation. Finally, the GOS will be actively involved through the NPC and through development committees in project implementation. Project implementation will have the following four phases:

- Preparation
- Project start-up
- Full-scale operations
- Phase-down

B. Discussion of Project Phases

1. Preparation

Preparation for project implementation has in effect already started. As part of the project paper design, USAID financed a team of five NGO leaders to visit USAID-funded umbrella projects in Zaire, Liberia and Kenya to see how umbrella projects work, the role of an umbrella support unit, the role of NGOs and NGO consortium in different countries, the relationships between USAID, the lead PVO, other PVOs/NGOs and the local government, and constraints and problems with umbrella projects and A.I.D. regulations. They have provided considerable input into the PP design and will be especially useful when the lead PVO sets up the USU. In addition, the Mission organized a one-day workshop for all NGOs and PVOs in Senegal to introduce the PVO/NGO Support project to the NGO community and to obtain their feedback on project design issues. More than 110 representatives from well over 60 NGOs attended the workshop and contributed to a participative dialogue on general NGO and specific project design issues. The workshop and observational tour were the first steps in a continuing process of involving NGO collaboration and participation at all levels of project implementation.

Significant project preparation activity will take place once the project agreement is signed with the GOS. USAID will immediately issue a PIO/T requesting the USAID Agreement Officer in REDSO/WCA in Abidjan to issue the request for applications to the community of registered PVOs in the U.S. A number of U.S. PVOs and PVO consortia have already shown interest in submitting applications to be the lead PVO in the project. Upon receipt of applications, the lead PVO will be selected by USAID and the GOS to set up and manage the USU and to implement project activities.

While the lead PVO is being selected, USAID will competitively select an experienced Senegalese project officer for the project. Also, USAID will procure necessary household furniture for the long-term expatriate TA members and procure necessary office equipment and commodities for the USU from U.S. sources. Concurrently, USAID will procure the necessary vehicles for the USU so that the lead PVO can start work immediately upon arriving in Senegal.

In addition, the USAID project officer will maintain close contact with the government during this time to assure that appropriate GOS representatives to the NPC are nominated and with NGOs and NGO associations to keep them fully informed of project status.

2. Project Start-up

The project start-up begins when the cooperative agreement (CA) is signed with the lead PVO or PVO consortium and continues throughout year one of the project. The cooperative agreement should be signed within six months following project obligation and the expatriate team should be in place within one month following signature of the CA.

The lead PVO will be provided information and guidance by USAID, but will not depend on the Mission for logistical support. During project start-up the lead PVO will complete the following tasks:

- Establishment of the USU and all facilities, including: office space, supplies, additional equipment, housing for two long-term expatriate technical advisors; recruitment and training of initial local-hire professional and support staff for the USU; home office backstop and support system.
- Establishment of appropriate inventory control systems, financial management systems and monitoring and reporting systems for the USU.
- Initial contacts, field visits, and research to become acquainted with and knowledgeable about the PVO/NGO community in Senegal and community groups and other private initiatives at the local level, other donor activities, and GOS and USAID interests and objectives. Organize a series of meetings with NGOs and NGO associations and with local government representatives around the country. Develop a program for sharing of technical information and lessons learned among interested PVOs/NGOs.
- Develop a detailed workplan and budget for the first year of implementation activities. This document will provide the benchmark for assessing implementation progress and lead PVO performance and will be updated annually.
- Develop appropriate methodologies for assessing individual NGO institutional strengthening needs. Complete more detailed training needs assessment of entire NGO community and develop participative process for designing training modules.
- Organize a study to examine the actual state of partnership relationships between U.S. PVOs and local NGOs in Senegal, to examine problems and constraints in developing and improving these relationships and to develop recommendations and a specific framework to encourage and improve mutual institutional relationships.
- Develop final sub-project selection criteria and review procedures for both the larger sub-grants and the micro-grants for approval of the NPC, assuring that the NGO community has had a chance to comment where appropriate. Develop standard procedures and guidelines booklet for all interested PVOs and NGOs in proposal format, content, approval procedures, criteria etc.

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- Start review of sub-grant proposals submitted by FVOs and NGOs.

During this time, the NPC will review and approve the final selection criteria and procedures developed by the USU for both larger sub-grants and micro-grants and will review and approve the annual workplan and budget.

3. Full-scale Operations

This period lasts from year two of the project to year seven and will be characterized by the approval of sub-project proposals with FVOs and NGOs; a systematic institutional support program for a full range of NGOs and NGO associations in Senegal; information, communication and networking among NGOs, FVOs and others; monitoring, evaluation and feedback on project implementation and project strategies; and evolving partnership relationships between U.S. FVOs and selected NGOs and NGO associations.

Specific tasks for the USU will include, inter alia, the following:

- Assistance to FVOs/NGOs in the preparation of sub-project proposals, including an organizational assessment of the FVO/NGO and a beneficiary impact study of the beneficiaries for each serious proposal. Review and approval of micro sub-grants and larger sub-grants under \$200,000. Review of larger sub-project proposals over \$200,000 and submission to USAID and the NPC for approval.

- Development and implementation of an institutional support program with close participation of the beneficiary NGOs and NGO associations, including significant training at all levels and targeted short-term technical assistance to improve the institutional capacity of participating NGOs.

- Disbursement of funds to sub-grantees, close monitoring of expenditures and accounts.

- On-going and active monitoring and evaluation of the USU institutional support and the sub-grant activities; providing feedback for project strategy or procedures corrections. On-going technical support to NGOs and their beneficiary groups as needed.

- Reporting on a quarterly basis to USAID and the NPC and developing annual reports and annual workplans based on experiences to date.

- Developing and continuing promotion of partnerships between U.S. FVOs and local NGOs and NGO associations.

- Continuing liaison with entire NGO community, other donors and USAID; promoting the exchange of information and ideas, technical directions, lessons learned, and implementation successes.

- Participation in external evaluations and periodic financial compliance audits.

After about 18 months of project implementation, USAID and the NPC will undertake an internal evaluation to address management and administrative issues. After year three, USAID and the NPC will organize a major external evaluation to look at both administrative and management issues and at

capacity building and project impact. A second internal evaluation is planned after five years jointly with USAID, NPC and USU to evaluate management and administrative constraints and bottlenecks, success to date in attaining project outputs and project purpose indicators.

4. Phase-down

Phasing down of project activities will begin starting year eight of the project. All of the sub-project activities must be completed by this time and all sub-grants will have been closed out. During the last year, the US staff will spend more of their attention to developing a recommended model for any future replication or additional phases of the project by USAID or other donors. The USU will especially focus on continuity of PVO/NGO institutional support activities and sub-grant activities possibly through a foundation or using existing, strengthened NGO consortia. Finally, a final impact and lessons learned evaluation will be conducted which will provide independent observations concerning the USU recommendations concerning future PVO/NGO support activities.

C. Gray Amendment Considerations

As mentioned previously, the project will be implemented by a registered U.S. PVO or U.S. PVO consortia. There are a number of Gray Amendment U.S. PVOs that are eligible to apply to be the lead PVO. In addition, all applicants will be highly encouraged to solicit the participation, to the maximum extent possible, of U.S. small business concerns, economically and socially disadvantaged enterprises, women-owned firms, historically black universities and colleges and minority NGOs. The evaluation criteria for the applications will include additional points for applications which show participation of Gray amendment entities, either as the lead PVO or as sub-contractors for project implementation.

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Implementation/6/90

TABLE 1

SENEGAL PVO/NGO SUPPORT PROJECT - 685-0284

D. IMPLEMENTATION SCHEDULE

ACTIVITY	1990				1991				1992				1993				1994				1995				1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
- PP Approval		X																																		
- Prdg Signed		X																																		
- Solicit and Select Lead PVO		X	X	X																																
- UNHCR Procures Equipment/ Commodities/Vehicles for USG		X	X	X																																
- Cooperative Agreement signed				X																																
- USG Expat Team Arrives				X																																
- USG Established, Seneg. prof. and Staff hired, operating procedures set up				X	X	X																														
- USG develops relationships/ conducts workshops on project					X	X																														
- USG completes first annual workplan						X																														
- USG develops final sub-grant criteria and procedures/NPC approves						X	X																													
- USG develops institutional support program with close participation of NGOs and NGO associations					X	X	X																													
- Institutional support program instituted - training and TA					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
- USG receives sub-grant proposals, carries out studies, assists NGOs/ PVOs in finalizing proposals					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
- USG evaluates/reviews/approves sub-grants; NPC approves larger sub-grants					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
- Sub-projects funded					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X

BEST AVAILABLE DOCUMENT

TABLE I

SENEGAL PVO/NGO SUPPORT PROJECT - 685-0284

D. IMPLEMENTATION SCHEDULE

ACTIVITY	1990				1991				1992				1993				1994				1995				1996				1997				1998			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
- Sub-projects implemented					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
- USU submits quarterly reports to USAID and NPC					X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
- USU Annual Reports submitted and approved by NPC									X				X				X				X				X				X				X			
- Periodic USU Audits									X				X				X				X				X				X				X			
- Internal USAID/NPC evaluations					X																															
- External evaluations of entire project																																				

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V. COST ESTIMATE AND FINANCIAL PLAN

A. Summary

The Senegal PVO/NGO Support project is an eight-year, \$15 million project funded from the Development Fund for Africa (DFA). It is expected that \$3 million will be obligated during FY 1990 and the remainder funded incrementally over the next five years. In addition, sub-grantees and the beneficiaries will contribute both in-kind and in cash an estimated amount of \$1.5 million. Hence, total project cost will be approximately \$16.5 million.

B. Financial Plan

Tables 2 through 4 summarize the financial plan for A.I.D. financing under the project. A.I.D.-funded project costs are broken down into four main areas: umbrella support unit costs, institutional strengthening activities, sub-grants, and USAID project management support. Table 2 is an overall summary of the life-of-project budget for A.I.D.-funded expenditures. Tables 3 and 4 show a detailed breakdown by cost item for these four cost categories, including number of person-months and timing of technical assistance, number of training courses and estimated number and size of sub-grants over the life-of-project. There are no separate contingency or inflation line items in the budget, although a five-percent annual inflation factor was included for the long-term technical advisors and a four-percent factor for the USAID project manager.

The budget indicates that about 48 percent of the total project budget will be used for sub-grant activities and about 10 percent for institutional strengthening activities. In fact, the USU will carry out important direct technical assistance functions other than management. USU staff will organize and provide direct institutional development assistance to a wide range of PVOs and NGOs. The USU will also organize all institutional development and training assistance to be provided by private consultants or contractors. Finally, the project design has minimized the amount of expensive expatriate technical assistance and has maximized the use of Senegalese technical resources for project activities.

All inputs other than the USAID project management support line items and procurement of initial commodities and equipment and vehicles will be funded through the cooperative agreement with the lead PVO. Since the lead PVO will manage and be responsible for all project funds not managed directly by USAID, a 121 (d) negative determination has been approved (Annex J).

C. Disbursement Plan

The project will be funded with \$15 million from the DFA. Funds to finance the planned cooperative agreement, including costs of all sub-grants, will be made available to the lead PVO through a Letter of Credit (LOC) in the U.S., as needed. USAID will issue PIO/Ts to be approved by the GOS to fund the Cooperative Agreement. The lead PVO will transfer dollars from their U.S. account to a special account set up in Senegal to be managed by the USU. The USU will develop appropriate financial control and accounting procedures for all USU operations, including the local currency account, which will be approved by the USAID Controller. The lead PVO will issue quarterly reports of their financial expenditures through the appropriate AID/Washington

pvaqg:6/19/90

SENEGAL PVO/NGO SUPPORT PROJECT
TABLE 2
LIFE-OF-PROJECT BUDGET (ILLUSTRATIVE) \$000

	FY 90	FY91	FY92	FY93	FY94	FY95	FY96	FY97	FY98	TOTAL
I. COOPERATIVE AGREEMENT										
A. Umbrella Support Unit										
1. Chief-of-Party	\$0	\$132	\$184	\$193	\$203	\$213	\$223	\$235	\$62	\$1,444
2. Financial Mgmt Spec.	\$0	\$129	\$179	\$187	\$49	\$0	\$0	\$0	\$0	\$543
3. Short term TA	\$0	\$90	\$79	\$66	\$69	\$73	\$77	\$40	\$0	\$494
4. Local hire professional	\$0	\$54	\$112	\$118	\$152	\$159	\$167	\$176	\$46	\$984
5. Support staff	\$0	\$23	\$47	\$50	\$52	\$55	\$57	\$60	\$16	\$359
6. Office operations	\$0	\$65	\$60	\$60	\$60	\$50	\$50	\$50	\$13	\$408
7. Travel/Per Diem	\$0	\$22	\$22	\$22	\$22	\$22	\$22	\$22	\$4	\$158
8. Internal Audits	\$0	\$15	\$15	\$15	\$15	\$15	\$15	\$15	\$0	\$105
9. Home Office Support	\$0	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$0	\$140
10. G&A, 0122	\$0	\$72	\$90	\$88	\$84	\$73	\$76	\$74	\$18	\$574
11. Vehicle Procurement	\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$0	\$0	\$61
Sub-Total	\$0	\$620	\$807	\$819	\$787	\$680	\$707	\$692	\$165	\$5,277
B. Institutional Streng. Activities										
1. Workshops/Conferences	\$0	\$60	\$60	\$60	\$60	\$60	\$60	\$60	\$15	\$435
2. Training courses	\$0	\$30	\$50	\$50	\$60	\$60	\$40	\$40	\$0	\$330
3. Study/Obser. tours	\$0	\$25	\$30	\$50	\$50	\$50	\$50	\$30	\$0	\$285
4. U.S. PVO/NGO Streng grant	\$0	\$0	\$100	\$200	\$100	\$0	\$0	\$0	\$0	\$400
Sub-Total	\$0	\$115	\$240	\$360	\$270	\$170	\$150	\$130	\$15	\$1,450
C. Sub-Project Budgets										
1. Large sub-projects	\$0	\$600	\$600	\$1,200	\$1,200	\$0	\$0	\$0	\$0	\$3,600
2. Smaller sub-projects	\$0	\$450	\$700	\$900	\$450	\$450	\$0	\$0	\$0	\$3,150
3. Microgrants	\$0	\$50	\$100	\$100	\$100	\$100	\$50	\$0	\$0	\$500
Sub-Total	\$0	\$1,100	\$1,600	\$2,200	\$1,750	\$550	\$50	\$0	\$0	\$7,250
Cooperative Agreement Sub-total	\$0	\$1,835	\$2,647	\$3,379	\$2,807	\$1,400	\$907	\$822	\$180	\$13,977
II. COMMODITIES										
1. Vehicle Procurement	\$61	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$61
2. USU Procurement	\$62	\$48	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$140
Sub-Total	\$123	\$48	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$201
III. PROJECT MANAGEMENT SUPPORT										
1. USAID Project Manager	\$0	\$45	\$47	\$49	\$51	\$53	\$55	\$57	\$30	\$392
2. Evaluations	\$0	\$25	\$0	\$80	\$0	\$25	\$80	\$0	\$80	\$290
3. Audits	\$0	\$0	\$20	\$20	\$20	\$20	\$20	\$20	\$20	\$140
SUB-TOTAL	\$0	\$70	\$67	\$149	\$71	\$98	\$155	\$77	\$130	\$822
GRAND TOTAL	\$131	\$1,953	\$2,744	\$3,527	\$2,878	\$1,497	\$1,062	\$899	\$310	\$15,000

SENEGAL PVO/NGO SUPPORT PROJECT
TABLE 3
DETAILED LIFE-OF-PROJECT BUDGET BY CATEGORY \$000

	FY 90		FY 91		FY 92		FY 93		FY 94		FY 95		FY 96		FY 97		FY 98		TOTAL	
A. UMBRELLA SUPPORT UNIT	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs	P/N	Costs
1. Chief-of-Party	0	80	8	\$132	12	\$184	12	\$193	12	\$203	12	\$213	12	\$223	12	\$235	3	\$62	84	\$1,444
2. Financial Inpt Spec.	0	80	8	\$128	12	\$179	12	\$187	3	\$49									36	\$543
3. Short term TA	0	80	8	\$70	8	\$79	4	\$66	4	\$69									28	\$494
4. Local hire professional			30	\$54	60	\$112	60	\$110	63	\$152	72	\$159	72	\$167	72	\$176	18	\$46	447	\$964
Trng/Inet Dev Asst.			8	\$12	12	\$25	12	\$26	12	\$26	12	\$26	12	\$26	12	\$26	3	\$8	81	\$182
Grants Manager/Monitor			8	\$12	12	\$25	12	\$26	12	\$26	12	\$26	12	\$26	12	\$26	3	\$8	81	\$182
Grants Manager/Monitor			8	\$12	12	\$25	12	\$26	12	\$26	12	\$26	12	\$26	12	\$26	3	\$8	81	\$182
Micro-Grants manager			8	\$10	12	\$21	12	\$22	12	\$23	12	\$24	12	\$25	12	\$26	3	\$7	81	\$160
Financial/Admin Manager			8	\$8	0	\$0	0	\$0	3	\$28	12	\$29	12	\$31	12	\$32	3	\$8	88	\$219
Admin. Asst			8	\$8	12	\$16	12	\$17	12	\$17	12	\$18	12	\$19	12	\$20	3	\$6	31	\$120
5. Support staff			42	\$23	84	\$47	84	\$50	84	\$52	84	\$55	84	\$57	84	\$60	21	\$15	867	\$389
2 Drivers			12	\$6	24	\$13	24	\$13	24	\$14	24	\$15	24	\$15	24	\$16	6	\$4	162	\$76
2 Secretaries			12	\$10	24	\$20	24	\$21	24	\$22	24	\$23	24	\$25	24	\$26	6	\$7	162	\$183
3 Guards			18	\$7	36	\$14	36	\$15	36	\$16	36	\$17	36	\$18	36	\$18	9	\$6	162	\$110
6. Office operations				\$65		\$60		\$60		\$60		\$50		\$50		\$50		\$13		\$408
7. Travel/Per Diem				\$22		\$22		\$22		\$22		\$22		\$22		\$22		\$4		\$158
8. Internal Audits				\$15		\$15		\$15		\$15		\$15		\$15		\$15		\$4		\$105
9. Home Office Support				\$20		\$20		\$20		\$20		\$20		\$20		\$20		\$8		\$148
10. Vehicle procurement				\$0		\$718		\$731	3	\$61		\$67		\$62		\$68		\$148		\$61
Sub-Total		\$0		\$65		\$60		\$60		\$60		\$50		\$50		\$50		\$13		\$408
11. Overhead @12%		n/a		\$66		\$66		\$66		\$66		\$66		\$66		\$66		\$16		\$174
Total USU		\$0		\$614		\$604		\$619		\$677		\$680		\$707		\$692		\$165		\$6,277

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SENEGAL PVO/NGO SUPPORT PROJECT
 TABLE 3
 DETAILED LIFE-OF-PROJECT BUDGET BY CATEGORY \$000

SENEGAL PVO/NGO SUPPORT PROJECT
TABLE 4
DETAILED LIFE-OF-PROJECT BUDGET BY CATEGORY \$000

N. INSTITUTIONAL STRENGTHENING ACTIVITIES															
	Per Unit Cost	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	TOTAL				
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs
1. Workshops/Conferences	\$15	0	4	4	4	4	4	4	4	4	1	29	\$15	29	\$435
2. In-country trig courses	\$10	0	3	5	5	5	5	4	4	0	30	33	\$30	33	\$330
3. Study/Obser. tours	\$5	0	5	5	10	10	10	10	5	0	30	57	\$30	57	\$285
4. US PVO/NGO Strong grant	\$100	0	0	1	2	1	0	0	0	0	0	4	\$0	4	\$400
SUB-TOTAL		0	12	16	21	21	20	18	14	1	29	\$115	29	\$1,460	
C. SUB-PROJECT BUDGETS															
	Average Cost	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	TOTAL				
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs
1. Large sub-projects	\$600	0	1	1	2	2	0	0	0	0	6	\$600	6	\$3,600	
2. Smaller sub-projects	\$225	0	2	4	4	2	2	0	0	0	14	\$225	14	\$3,150	
3. Microgrants	\$25	0	2	4	4	4	4	2	0	0	20	\$25	20	\$500	
SUB-TOTAL		0	5	9	10	8	6	2	0	0	40	\$1,100	40	\$7,250	
II. COMMODITIES															
		FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	TOTAL				
		0	0	0	0	0	0	0	0	0	0	0	0	0	0
		Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs
1. USU Procurement		\$62	\$48	\$30	\$0	\$0	\$0	\$0	\$0	\$0	\$3	\$140	\$62	\$3	\$140
2. Vehicles		\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$0	\$0	\$0	\$61	\$0	\$0	\$61
Subtotal											\$201	\$201			\$201
III. USAID PROJECT MANAGEMENT SUPPORT															
	Average Cost	FY 90	FY 91	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97	FY 98	TOTAL				
		PIU/0	PIU/0	PIU/0	PIU/0										
		Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs	Costs
1. USAID Project Manager		2	12	12	12	12	12	12	12	6	92	\$392	2	92	\$392
2. Evaluations			1	0	1	0	1	1	0	1	5	\$250		5	\$250
- Internal	\$25		1								2	\$50		2	\$50
- External	\$80										3	\$240		3	\$240
3. Audits	\$20	2	13	13	14	13	14	14	13	8	104	\$520	2	104	\$520
SUB-TOTAL		2	13	13	14	13	14	14	13	8	104	\$520	2	104	\$520

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channels and will send a copy of the quarterly expenditures to the USAID project officer at the same time it is sent to AID/Washington.

Sub-grantees and beneficiaries will be required to contribute either in cash or in-kind to the sub-project costs although no set percentage will be applied. The selection criteria will emphasize FVO/NGO contribution and especially beneficiary contribution to the project. The USU will identify, where possible, other areas where the sub-grantee or the beneficiaries would be able to increase their contribution to their sub-project. By so doing, the USU not only increases the leveraging of project funds, but also enhances local participation, and hence commitment, to the sub-grant activity. It is estimated that in-kind and in cash contributions of the sub-grantees and beneficiary community for project activities will be \$1.5 million over the life-of-project.

After receipt, review and approval of a sub-project proposal, including verification by the USU that the FVO/NGO has appropriate accounting procedures, the sub-grantee will estimate the local currency required for the first quarter and the USU will advance these funds to the sub-grantee through a special account set up by the grantee exclusively for these funds. At least two responsible members of the sub-grantee organization, one of them the financial manager, will need to sign to release funds from this bank account. All subsequent advances will be made on a quarterly basis by the USU once the sub-grantee has accounted for expenses made during the previous quarter and justified needs for the next quarter. The USU will have to track advances and expenditures closely to assure that appropriate accounting for expenditures is being made and expenses are made in accordance with the budget.

One problem that surfaced under the CED project involved sub-grants to U.S. FVOs and the requirement to pay their home office costs in dollars. The lead FVO's home office and the USU will have to set up special procedures to deal with payment of dollars to U.S. FVOs for U.S.-based sub-grant costs and tracking these expenditures in the sub-grant budgets. In any case, the sub-grantee will be responsible for reporting on all expenditures made under the project, both in local currency and in U.S. dollars.

D. Financial Control

Accurate financial control and reporting on all dollar and local currency expenditures to USAID and to the GOS will be the responsibility of the lead FVO. The USAID/Senegal Controller will approve the accounting system set up by the USU. All financial records should be computerized by the USU. The USU expense reports showing expenditures compared to annual budgets and to the total CA budget and the sub-project expenditure reports should be submitted to the USAID project officer and to the GOS at least quarterly.

The USU operations will undergo periodic financial compliance audits by an independent auditor to review all financial procedures and assure to both USU personnel, to USAID/Senegal and to the GOS that project activities and financing are in full compliance with GOS and A.I.D. regulations and are being accurately reported. Several locally based auditing firms are fully capable of performing such audits. These audits will be supervised by the Regional Inspector General's Office for Audit in Dakar.

E. Methods of Implementation and Financing

<u>Method of Implementation</u>	<u>Method of Financing</u>	<u>Approximate Amount (\$000)</u>
1. <u>Cooperative Agreement</u> with U.S. PVO to provide: TA, training, commodities, equipment, sub-grants, USU operational costs, local hire salaries, home office support, audits, G&A.	Letter of Credit	13,977
2. <u>USAID Commodity Purchases</u> vehicles, office equipment and initial supplies, household furniture. Purchase Order or PSA.	Direct payment or Bank L/Comm for PSAs Direct L/Comm for PSA Fee.	201
3. <u>USAID Evaluations and Audits</u> -IQCs or local contracts	Direct Payment	430
4. <u>USAID Project Officer</u> -Local contract	Direct Payment	392

* Note: Bank L/Comm will be used when proliferation of invoices is expected.

VI. SUMMARIES OF PROJECT ANALYSESA. Technical Analysis

The technical analysis of the project involves two related issues: (1) the technical feasibility of the overall project approach and methodology, i.e. financing PVO/NGO activities to provide assistance to community groups and poor beneficiaries and improving the institutional capacity of PVOs and NGOs to provide the needed services and assistance; and (2) the technical feasibility of the individual PVO/NGO sub-projects.

1. Technical Feasibility of Working through PVOs/NGOs

This is a time of transition for non-governmental and private voluntary organizations as their actions are becoming more integral to national development. PVOs, local NGOs and local organisations are being called upon to shoulder more responsibility for, and to play a more active role in, national development. These demands are being exacerbated by the structural adjustment programs and reduced role of governments throughout Africa and are coming internationally from the donor community, the United Nations and the Economic Commission for Africa (ECA), among others. Major multilateral institutions such as the World Bank and UNDP and many bilateral donors have added NGO divisions to their structures within the last three to five years.

NGOs for their part are reviewing their roles and priorities and are trying to evaluate how they may contribute meaningfully to the process of

sustainable development. For many organisations this means a change in approach, especially by NGOs that have been created in response to emergency situations. Among other changes, this includes consulting with beneficiaries about their needs. Likewise, the roles of NGOs, local organizations, community groups, and federations of local organizations frequently overlap and create confusion, dependency and duplication of efforts.

A growing and recent body of literature on FVO umbrella projects, north-south NGO partnership and collaboration, trends in national NGO development and evolving private-public relationships in the third world (see Annex I, Bibliography) show:

- increased involvement of local NGOs in national development;
- evolutionary relationship between northern and southern NGOs from tutor to partner to resource;
- effective funding for NGOs dependent on a local capacity to absorb, orchestrate and manage resources;
- local capacity of NGOs in need strengthening;
- umbrella structures as an effective means of providing systematic institutional support.

The project's approach—improving NGO's capacity to design, manage, account for, monitor and evaluate their assistance activities through a participative process and nurturing U.S. FVO/local NGO partnerships—is clearly consistent with these conclusions. Considerable evidence also exists which shows the unique contributions that FVOs and NGOs provide in the national development context, especially working directly with local organizations in the local context.

The current economic and social environment in Senegal corresponds closely to the NGO and private-public trends found in other parts of the world and the conclusions above are just as valid in Senegal. In order to develop a profile of the FVO/NGO community and Senegal and to ascertain the institutional capacities and needs of FVOs and NGOs, an institutional survey and analysis was conducted as part of the PP design by an Institutional Development Specialist and is found in Annex E. This section will briefly summarize the major findings and conclusions of the NGO institutional analysis and will highlight the following topics: profile of FVOs/NGOs in Senegal, NGO national structures, FVO/NGO institutional capacity, sustainability and demand for project activities.

a. Profile of FVOs/NGOs in Senegal

As of December 1989, 174 non-profit associations were registered with the GOS. Of these, 135 associations had received recognition as NGOs from the former Ministry of Social Development (the responsibility in the GOS for coordinating all NGO activity has recently been moved to the Ministry of Interior) and are therefore registered officially as NGOs. Of the registered NGOs, over half are Senegalese, while about half are French, American, European and international NGOs.

The following statistics are taken from the data base of the 65 NGOs which are members of the NGO consortium in Senegal, CONGAD, but represent fairly accurately the entire NGO community:

* Orientation: 66% are involved in project implementation, with half of the national NGOs and three quarters of the international NGOs (INGOs) executing projects. 75% of all NGOs provide some type of training in their programs, while 58% provide technical assistance and 35% provide information and research services.

* Activities: It is estimated that NGO activities are having an impact on approximately three million Senegalese. 75% of NGOs are involved in agriculture and 75% in education, 62% work with women and 60% with youth and 52% are involved with water activities.

* Staffing: The activities of the majority of NGOs are being carried out with a staff of less than five persons, whereas only 11% of NGOs have a staff of over 15 persons.

* Budgets: For 1988-89, NGOs' annual income varied between CFA 4 million to CFA 348 million. 39% of the NGOs have an annual budget of less than CFA 50 million.

* History: 69% of NGOs working in Senegal have been created or have begun operations in Senegal within the past 10 years (60% national NGOs, 69% American NGOs and 77% of the INGOs). However, 13 NGOs, including four American PVOs, have more than 20 years experience.

In summary, the PVO/NGO community in Senegal can be characterized as focusing on agriculture and education, providing important services such as training and technical assistance, being fairly new and relatively small and being involved with project implementation. Further, PVOs/NGOs already impact almost half of all Senegalese in the country and this will only increase as private initiatives continue to increase.

The GOS considers all groups that are non-governmental in nature to be NGOs. There is no such category or distinction as private voluntary organizations. Therefore, there are a wide range of types and sizes of NGOs in Senegal. Also, there is an important conceptual and practical distinction between "member NGOs" and "technical and professional NGOs". Member NGOs are normally federations or unions of local, village-level organizations that have formed to provide services to its member constituents and to help coordinate outside assistance. Most national or regional NGO federations can be classified as member NGOs. Alternatively, technical and professional NGOs provide discrete, limited, usually project-type assistance to beneficiary groups. These different types of NGOs will require different types and levels of institutional support assistance.

b. NGO National Structures

NGO coordinating bodies and structures in Senegal are in place. The "Conseil des Organisations Non-Gouvernementales d'Appui au Developpement" (CONGAD) is the national coordinating organization for NGOs. Of the 135 NGOs registered with the Ministry of Social Development, 65 are currently members of CONGAD with 12 more having requested membership. 11 American PVOs are members.

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CONGAD's objectives include to: promote collaboration among development NGOs and coordinate their activities; provide information and documentation on development issues to NGOs and the public; provide a forum for exchange among development NGOs, public sector and international organisations; reinforce relations between the Government of Senegal and NGOs; reinforce relationships which create partnerships (north/south or south/south); support administrative activities of NGOs. CONGAD is considered to be the national NGO consortium and national coordination structure by most NGOs in Senegal, even those NGOs that are not members of CONGAD. The GOS has made it clear that they consider CONGAD as the official NGO representative national organization. Therefore, CONGAD has an important and growing role to play in the emerging NGO community and NGO-GOS dialogue.

The major national coordinating organization for rural, village-level organizations is the "Federation des Organisations Non-Gouvernementales du Senegal" (FONGS). Current membership includes 17 departmental and regional unions with over 100,000 members. Objectives of this NGO are to provide technical assistance and administrative support to its member groups; to provide training and information; and to assure cooperation between members engaged in development activities.

Local organizations are also organized (1) regionally such as the "Federation des Associations du Fouta pour le Developpement" (FAFD) which comprises some 60 VOs in two departments (Podor, Matam), or 10% of the VOs in the region of Fouta; (2) by constituency such as women, with the "Federation des Associations Feminines du Senegal (FAFS) which brings together women associations across the country; or (3) by interest such as "L'Association des Jeunes Agriculteurs de la Casamance" (AJAC) created in 1974 in the region of Ziguinchor. FONGS, FAFD and FAFS are all approved NGOs and are members of CONGAD; AJAC is a member of FONGS.

c. PVO/NGO Institutional Capacity

Autonomy and self-sufficiency are the expressed objectives of NGOs and NGO associations interviewed in the survey. These priorities were confirmed during the workshop held on April 6, 1990 for the PVO/NGO community.

By autonomy and self sufficiency NGOs mean they wish to:

- (1) be more involved in decision making at every level including Government, donor and beneficiary,
- (2) be better able to define their own needs,
- (3) be less dependent on single donors,
- (4) diversify sources of income,
- (5) generate revenue, and
- (6) better manage their own affairs such as planning, financial management, project design, evaluation and monitoring.

Every NGO or NGO association interviewed by the survey team or the design team agreed that institutional capacity was their major concern in trying to become more autonomous and self-sufficient, while carrying out their activities in the most effective manner possible. There is considerable concern in the NGO community that without concerted institutional strengthening, NGOs may not be up to the task ahead and may even lose credibility as alternative service providers.

PVOs/NGOs have identified two areas that require support in order to achieve their stated objective of more independence: (1) institutional support in terms of training and technical assistance and (2) donor diversification. The project will need to examine and analyze in more depth, and in a participatory manner, overall and specific NGO needs for training, technical assistance and field level programs. At the same time, it will need to identify present learning and experience and existing resources and to disseminate this information among all NGOs.

Institutional development is not an end in itself but a means to the goal of more effective and sustainable development. The project's approach to institutional strengthening should be dynamic and multifaceted. It is an open ended process and not a blueprint. It is a long-term commitment which encourages the shaping of viable, autonomous local institutions, through financial support, dialogue, experimentation and different programs and forms of interaction. NGO institutional development is an investment in human resource development. It includes initial training and follow up, upgrading of skills and systems, introduction of a more participative process, evaluative activities, and economic and technical feasibility studies regarding capacity and new ventures.

The survey indicated that specific training is needed in the areas of organizational development, project planning, project design, diversified sources of financing, monitoring, evaluation, financial management, marketing and feasibility studies. These are all areas that require attention for the NGOs to develop a strong institutional foundation on which to carry out their program. The training and technical assistance should utilize, to the extent possible, existing national institutions and human resources possessing the necessary expertise and experience.

d. Sustainability of NGO/PVO Efforts

The project has placed a great deal of emphasis on continuing activities undertaken by the sub-projects beyond LOP. It is useful to define some concepts of sustainability as it applies to the institutions which are to benefit from the project. The key element of sustainability is choice. Beneficiary groups along with the intermediary organizations must choose those benefits early on which they find important enough to sustain over time. This is not to be confused with maintaining infrastructure or generating income to keep a community group functioning. Every development activity has inputs and outputs that allow it to achieve its objectives. Some of these such as extension assistance should be temporary or focused on specific actions such as introducing new technologies. They need not be continued over time. A community should be given the opportunity to choose which benefits it wishes to sustain and what trade offs it will make to sustain them. The NGO cannot decide this for the community. In its work with each NGO to plan its long term objectives in the project, the USU should introduce this concept of sustainability and foster a maximum amount of local decision-making on the use of scarce resources over time.

e. Demand for Project Activities

There is a clear and urgent demand for systematic institutional support to the growing NGO community in Senegal. NGOs have indicated their desire to be involved in the project's institutional development activities. During the

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workshop held on April 6, 1990 to introduce the project approach and methodology, there was overall consensus on the need for institutional support and the proposed project methodology. The FVOs and NGOs insist, and rightly so, that they have a major voice in the analysis of specific institutional needs and the design of the programs to meet those needs. Another concern is that USAID should not insist on seeing results immediately from the institutional support provided, but recognize that this kind of support and partnership requires necessarily a long-term commitment.

Concurrently, there is a large demand for financing community-based sustainable development activities. Although only U.S. FVOs had sub-projects "on-the-shelf", most local NGOs also have ideas, contacts and requests from community groups for development activities. However, one major concern among FVOs and NGOs and other donors concerning this project was the level of funds which will be made available to the FVO/NGO community for sub-projects. The project will be especially mindful of the absorptive capacity of the NGOs and the ultimate beneficiaries when funding sub-project activities and will take time to assure NGO capacity prior to moving on sub-grant approval.

2. Technical Feasibility of FVO/NGO Sub-projects

The sub-projects approved under the project should not be technically complex or difficult. Technical feasibility will be assured both in the review of the sub-project proposals by the USU, or by USAID and the NPC for larger sub-projects, in the selection criteria to be used to assure the most appropriate technology and in the monitoring by the USU and provision of technical assistance as needed. One of the lessons learned from the CED FVO/NGO activities was the lack of technical expertise among the FVOs/NGOs and the village organizations. The USU will assure that the technical aspects of all sub-project proposals are properly conceived, adequate and appropriate for the task and backed up by necessary expertise from available technical resources.

B. Economic and Financial Analyses

1. Cost-Benefit Considerations

The Senegal FVO/NGO Support project is expected to have positive economic effects at different levels. The project will develop activities which are locally-based, diverse, self-sustaining, and characterized by increased productivity and improved well-being among the beneficiaries, which are important to Senegal's economic development. The project will support villager-initiated, democratic groups and associations in carrying out economic activities in a wide variety of areas. At the same time, as more donor funds get channeled through NGOs, improving the capacity of local NGOs to provide direct community-level assistance will provide important economic benefits. Without the project these benefits are less likely to occur and will occur more slowly.

The economic feasibility of the Senegal FVO/NGO Support project rests upon a demonstration of the least cost features of the project's institution-building components in support of an overall program of FVO/NGO activities that are cost beneficial. The general cost efficiency of FVO/NGO activities has been suggested in relevant sections of A.I.D.'s enabling

legislation, and in specific A.I.D. policy guidance. However, precise cost-benefit analysis of individual sub-grants under this project may not itself be cost beneficial nor even possible because of the difficulty of quantifying the value of some sub-grant outputs; may be beyond the capability of individual sub-grantees; and may unnecessarily bias sub-grant selection toward fewer, larger scale, and more conservative projects prepared by the more sophisticated U.S. PVOs and local NGOs in Senegal. In contrast, the project emphasizes a broad distribution of benefits, diversification of risks among many sub-projects, institution building, innovation, and the development of indigenous capability. Selection of sub-grants with the highest cost-benefit ratio, even if it were possible, would involve development and analysis of a shelf of sub-grant proposals, whereas the project's preferred methodology is to begin implementation immediately but gradually, to build institutional capability through early project activities, to monitor and evaluate results as the project progresses, to learn from mistakes, and to make necessary corrections and adjustments to improve allocation and overall return on funds at each stage of project implementation.

Despite various obstacles to standard cost-benefit analysis of each individual sub-grant under the project, it is possible to elaborate on the expected low-cost features of likely sub-grant activities, as well as on the reasons for expecting a high level of benefits. Criteria for sub-grant analysis and selection by the umbrella support unit are defined in Annex G. Such criteria include for each sub-project a discussion of economic and financial soundness (costs, benefits, recurrent costs, cost recovery, financial sustainability). The sub-project proposals will include a statement of the economic effects of the project (a) on its major intended beneficiaries, (b) on related groups, and (c) on the potential to reach beneficiaries at low per capita cost. Such effects could include such desirable purposes as increased income and employment; enhanced job opportunities through encouragement of labor intensive, low cost systems of production and services; improved literacy, and better forms of education and training to help people qualify for opportunities. Although a detailed benefit-cost analysis will not be expected for each sub-project, the USU will be comparing the benefits of the project with the cost of the proposed effort to determine cost effectiveness and economic viability. To the extent the PVO/NGO can supply information in their proposals to assist this comparison, review of the proposal will be facilitated. The following economic characteristics of PVO/NGO projects with high internal rates of return will be used in the sub-project proposal review by the USU:

-- Costs

-- The project has low capital costs (relative to labor costs and to total project funding), minimizing the use of imported inputs, particularly of capital equipment.

-- The project has low labor costs, minimizing the use of expatriate personnel, and maximizing the use of volunteer labor.

-- The project utilizes simple technology appropriate to the skill levels of project participants.

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— The project has low operating and maintenance costs compared to expected benefits.

— The project has a system to recover all or part of recurrent costs from participants, leading to careful use of project inputs.

— Benefits

— The project participants are members of the poorest groups or communities in Senegal.

— The project generates saleable outputs capable of recovering project costs.

— The project responds to highly valued requirements which are widely recognized by the participants' community, and which may be identified by the willingness of participants to share in coverage of recurrent costs.

— Time Value of Money

— The start-up period before project benefits begin to flow is short, two years at most, and usually much less.

— Project participation and benefits grow as rapidly as possible.

— The implementation plan is realistic and takes account of likely delays. Procurement of imported and other capital equipment, and hiring of expatriate and other high cost personnel are planned accordingly.

— The project does not introduce completely new activities in cases where improvements to already existing activities would be sufficient.

— Other

— Sustainability (related to costs and benefits above, but involving non-economic factors as well).

— Replicability (an externality to subproject cost/benefit analysis).

2. Cost Effectiveness Considerations

At each stage of development and design of the project, attention has been given to the incorporation of least-cost approaches to funding a limited number of essential institution-building activities to increase the impact of FVO/NGO development operations in Senegal on a sustainable basis. Concentration on a low-cost combination of inputs and on high priority sustainable outputs contributes to the essential cost-effectiveness of overall project design.

The project approach by which a separate umbrella support unit external to USAID will manage a range of activities and provide funding and services to support them was selected as the least costly and most effective for achieving

the project's objectives. This decision is based upon USAID's own experience in the CED project as well as experience in other Missions in Africa and elsewhere in managing small sub-projects. Alternatives considered ranged from one extreme—that USAID cannot afford to support small sub-project activities through NGOs because of the concomitant management burden and costs—to the other—that USAID Mission staff directly manage all facets of project activities concerning NGO institutional development and sub-grant management and accounting.

The chief advantage of an umbrella approach managed by one U.S. PVO or consortium of U.S. PVOs is that it groups and focuses the Mission's PVO/NGO assistance activities, permitting economies in management and training, amplifying and reinforcing benefits of both components, providing feedback among sub-projects, and enabling adequate control over, and protection of, U.S. funds. Placing a U.S. PVO or consortium of U.S. PVOs rather than a for-profit contractor with the responsibility of implementing and managing all project activities will also reduce the management cost of the overall project. The approach selected promises a relative high degree of management and coordination at a relatively low cost with the assurance that the bulk of project funding actually reaches the designated beneficiaries: the local NGOs and the local communities.

C. Social Soundness Analysis

1. Beneficiaries

The principal project beneficiaries are rural and urban poor participating in local community groups to plan and carry out sustainable development projects. Many of these organizations are organized and led by women for women. The project will support the efforts of NGOs and PVOs to strengthen the capacity of community organizations to design and develop activities that increase income, improve health, and marshal local resources more effectively. The project's ultimate success must be measured by the extent to which groups have been able to mobilize their members and resources to establish activities and programs that are self-sustaining. The members of these groups, the large, mainly rural, poor population, will benefit from improved services such as training, input supply, marketing, credit, health and literacy.

The project will directly support local NGOs and NGO federations and their staff to increase their capacity to service their members, to assist community clients and to increase their sources of funding.

2. Sociocultural Feasibility

The sociocultural feasibility of the project depends upon a number of assumptions:

- o Willingness of beneficiaries to participate in groups and to contribute to a common project; availability of labor.
- o Continued interest among Senegalese both in urban and in rural areas in sustainable development projects in health, income generation, agriculture, natural resource management.

- o Willingness and ability of village and community organizations to work in a collaborative relationship with NGOs and FVOs.
- o Agreement between the government, NGOs and FVOs on their respective roles.
 - a. Willingness of beneficiaries to participate in groups

Traditional village institutions and groups are common to nearly all ethnic groups in Senegal which provide for coordination of activities and joint participation in projects. While differences exist between ethnic groups, collaboration between groups is common and intermarriage, migration, religion—85 percent of Senegalese are Muslim, seven percent Christian—have reduced cultural differences.

There are variations between villages, but most include a village chief, council of elders, men's and women's and youth groups of age peers and agricultural work groups. There are certainly varying degrees of dynamism, cohesion and strength among village groups, and the respective roles of groups and institutions may differ between villages depending on leadership. Some villages are more fragmented than others. The cohesion and role of the traditional age peer groups and agriculture work groups also vary between villages, although memberships of the diverse traditional village groups frequently overlap.

Most important, however, is the long-standing tradition of group participation. Through collective activities, groups raise money for buying equipment or services, a mill for women, a rural maternity, a school or dispensary. Villagers have constructed walls; youth groups have organized tree nurseries; women's associations have paid for training of midwives.

Superimposed on this structure of traditional village groups is a plethora of more modern organizations. Some are formal institutions set up under the auspices of national government agencies while others have been organized by NGOs around particular development activities. The predominant of these structures are the rural communities, rural councils, centers for rural extension, women's groups organized by the former Ministry of Social Development, producer groups organized by rural development agencies, and farmers associations, sometimes organized spontaneously, often in response to outside initiatives by NGOs. In semi-urban and urban areas groups may be organized around a variety of factors:—work, religious or ethnic affiliation, age groups, gender, or commercial interest.

As migration has increased, NGOs have begun to look at collaboration with groups outside of rural areas and some have undertaken projects based on neighborhood, employee, language, and commercial interest association. All of these groups represent potential participants in the project.

b. Availability of labor

Labor will be available for project activities. The availability of year-round labor in certain rural areas has declined, but many of the activities to be undertaken by groups under the project target those least likely to leave—women. Women's groups are active around vegetable growing

and cereals processing projects. Often, the activities are counterseasonal, when labor is least utilized. In semi-urban and urban areas the supply of labor far outpaces the demand for labor.

c. Collaboration between community organizations and associations and NGOs

Community groups and associations have shown a willingness to participate in design and implementation of activities in collaboration with NGOs. As pointed out recently by the Canadian IDRC, there may be certain difficulties in insuring a collaborative relationship that fosters democratic participation rather than a client-patron relationship. Rural associations are often under pressure from NGOs on whom they depend to accept new ideas, projects or technologies, many of which may be untested. NGOs are under pressure, in turn, to demonstrate to their supporters that they are able to work directly with villagers through village organizations. They need village clientele. The mutual pressure may not always be salubrious. To avoid conflicts, NGOs and particularly the lead FVO, must pay particular attention to collaborative design efforts, joint evaluations, opportunities for beneficiary participation in research and analysis of options as project activities are designed and implemented.

Certainly, there is no shortage of experience in working with community level organizations. In USAID's own experience, village organizations, aided by NGOs, have shown their ability to organize, agree on common goals, borrow capital, invest in and successfully undertake income generating activities, and pay back loans. Also, the growing commitment of community groups and associations in semi-urban and urban areas to self-sustaining activities is evident in the increased interest among groups and NGOs in forming GIEs, USAID's experience in lending to village organizations for income generating projects and initiatives in fee-for-service health activities and in private reforestation.

In addition, NGO interest in the project was clearly demonstrated at the recent all-day workshop to discuss the project and its design. Over 110 FVO/NGO representatives attended the seminar and participated actively both in plenary and workshop sessions and four representatives from the NGO community, following a visit to three African countries to evaluate on-going USAID NGO projects, are meeting regularly with the mission reviewing the design.

d. Agreement between the GOS, donors, NGOs and FVOs on their respective roles

The recent shift in ministerial responsibility for NGOs from the former Ministry of Social Development to the Ministry of Interior may be evidence of a concern that the GOS, particularly its local representatives at the prefecture level, be kept informed of NGO activity. During the first few years of the project, the NGO consortia and associations will need to work closely to establish lines of communication and to define roles. The lead FVO will be in a position, under the project, to encourage discussions between NGOs and the government. The lead FVO will also need to work with other donors to coordinate policies and avoid overlap.

3. Participation

The project will emphasize a participative process for both community-level development activities and for local NGO institutional development. The CED project clearly illustrated that U.S. PVOs and NGOs initially using a directive approach in working with village groups suffered from lack of participation. These PVOs and NGOs showed measurable success once they changed their approach and began to work collaboratively with village groups to identify needs and approaches. NGOs and PVOs have worked to involve the local community organizations in identification of problems, selection and planning of a solution, contribution of labor, operation and maintenance, purchase of inputs, marketing of products and evaluation and monitoring. In some cases, it is the local groups themselves who have taken the initiative, seeking out support from the NGOs or PVOs.

Similarly, member NGOs or federations of NGOs are democratic in nature and include their members in defining needs, developing interventions and carrying out activities. In design of the project paper, USAID has worked closely with local NGOs and U.S. PVOs to develop an approach that includes not only their ideas but encourages their support.

The USU will be responsible for continuing this collaboration in developing workplans, reviewing proposals, providing technical assistance, monitoring and evaluating performance. It will engage Senegalese staff, including NGO professionals, to assist in sub-grant review, management and evaluation, and will work closely with a project committee that includes GOS and NGO representation.

4. Impact

The project will help NGOs work more effectively with village organizations and associations to develop self-sustaining activities. The aim is to develop local capacity. If it succeeds, the spread effect should be measurable in replicable activities. For example, we expect that one of the projects to be funded under the project will help develop the capacity of village groups, largely women, to mobilize savings and extend credit. The impact should be the establishment of permanent village groups capable of lending to their members as well as the strengthening of an organization capable of training other groups in credit union formation. A number of NGOs will be working with village groups on vegetable raising and livestock operations or on food processing. These activities will provide income to villagers which can be reinvested in other activities. While initially, many of these investments may be used to meet daily needs or extraordinary social requirements—marriages, baptisms and funerals—some will be made in other income generating activities.

It is expected that successful tree plantings or self-financed health programs will encourage other village organizations to undertake similar activities and inspire other donors and NGOs to support them. At the same time, strengthened NGOs should have an improved capacity for designing and carrying out projects with village organizations or associations in semi-urban and urban areas. Their increased efficiency should enable them to use their resources more judiciously, undertake more projects and work with more partners, increase their services and broaden their reach. It should also make them more attractive to donors.

Finally, stronger NGO consortia and associations should be better able to respond to the needs of their members for training or technical assistance. They will be able to do a better job of coordinating NGO views and representing NGO opinions both to government and to foreign donors.

5. Women in Development

Women will play an active role in the project both in its implementation and as its beneficiaries. Women traditionally have been active in village groups. The national federation of groups for the promotion of women, for example, includes more than 300,000 members. The former Minister of Social Development has estimated that throughout the country there are more than 13,000 women's groups, engaged in a variety of activities ranging from horticulture to health. Donors, FVOs and NGOs have worked closely with these groups in the past. Nearly half of the beneficiaries in the Community and Enterprise Development project, for example, have been women and two of the eight FVOs/NGOs with which USAID is working target women's groups specifically.

The new project will promote this focus on women and women's groups as beneficiaries of sub-project activities. It includes among its criteria the requirement that all sub-project proposals include a discussion of the role of women, women's involvement in management and implementation, and the sub-project's impact on women. If the activity does not specifically target women, the proposal should provide an analysis showing that women are neither excluded nor harmed by the sub-project activities.

The project will also provide support to women involved in NGO and FVO management. Women play key roles in NGO administration. Some NGOs and FVOs were established by women, are managed by women, to improve the lot of women. In others, women serve as executive directors or in important management positions. The project will aim at increasing the number of women playing professional roles in NGO and FVO management. The project will provide training opportunities and workshops. In planning and implementing its training programs and in its technical assistance for capacity building, the project will make a special effort to involve women. It will also encourage projects that not only assist women directly, but which encourage attitudinal changes that can result in greater participation by women throughout the society.

6. Issues

The major issues remaining to be worked out in implementation relate largely to the concerns already expressed about the absorptive capacity of NGOs, their ability to work with village organizations in a participative relationship, avoiding the possible conflicts inherent in patron-client relations, the respective roles of government and NGOs, and problems of donor coordination. Most can be addressed by the lead FVO through the technical assistance and training it provides to those participating in the project. In reviewing sub-project proposals, the USU will have to spend time with NGOs helping develop strategy and a design approach that encourages the NGOs to think through the implications of their activities and provides data and a monitoring system that keeps them informed on project progress and impact. It will be the lead FVO's job to assure participation at the lowest level in the design of project activities and to make sure that collaboration between village organizations and NGOs or between U.S. FVOs and local NGOs builds toward partnership.

D. Administrative Analysis

The management of the Project will be assured, at different levels, by four major actors: (a) USAID/Senegal, (b) the Government of Senegal, (c) an Umbrella Support Unit and (d) the community of NGOs and NGO associations in Senegal. The role and responsibilities of each of these four elements are as follows:

1. Role and Responsibilities of AID

Although project implementation will be executed by a lead U.S. FVO or a U.S. FVO consortium, USAID/Senegal will play an important role of guiding, monitoring and evaluating the project's implementation, and will participate in policy and programming dialogue with the Government of Senegal and the FVO/NGO community in Senegal. Specific USAID responsibilities are outlined below.

a. USAID Management Structure and Staff

The project will be managed within USAID/Senegal by the Project Development Office (PDO). The proposed project's effective implementation will depend on the full-time attention of one Foreign Service National (FSN) contractor to be funded under the project under the supervision of the Chief PDO. This contractor will serve a dual role as the USAID project manager for the FVO/NGO Support project and as USAID's designated FVO Liaison Officer. The experience under the CED project showed that, even though the project's USU takes much of the management burden, a full-time staff member is required in USAID to coordinate and manage overall project activities and approvals within USAID and especially with the government and the NPC. The proposed arrangement will assign to one position and one office:

- the task of being the repository of USAID FVO/NGO knowledge and experience in Senegal;
- the responsibility of USAID-U.S FVO and USAID-NGO liaison and the point of contact with other donors and GOS agencies supporting and encouraging FVO/NGO activities in Senegal;
- the primary oversight for FVO/NGO support in Senegal, including project monitoring and evaluation and supervision of the Cooperative Agreement; and
- the responsibility and ability to respond quickly and knowledgeably to AID/Washington inquiries or reporting requests on the Mission's FVO/NGO activities.

The proposed budget includes funding for this FSN contractor for the full eight years of project implementation.

PDO will manage this project within the current staff levels.

b. USAID Project Committee

PDO will need the participation of different Mission Offices to manage the project. A USAID Project Committee (PC) will be set up for the project and will meet regularly to give pertinent advice on all aspects of project management. The PC will be composed of representatives from the Director's office, program office, controller's office, legal office and PDO. Technical offices will be included in PC review of sub-grants within their respective technical areas.

Mission offices are expected to provide the following support:

- Regional Legal Advisor, for review of project grant agreement, cooperative agreement, sub-grants and other legal instruments used under the project.
- Controller's Office, for normal project accounting and financial management and supervision of financial audits.
- Supply Management Office, for initial procurement of project commodities and assistance, as required, to USU for procurement actions.
- Executive Office, for advice and assistance on a wide range of implementation, administrative and personnel issues.
- Program Office, for advice and assistance on execution of the project grant agreement, Cooperative Agreement and sub-grants.
- Technical Offices, such as Agriculture, Health and Population and Irrigation, Water Management and Engineering, for advice on proposed sub-grant activities in their respective technical areas. Engineering Office may need to approve plans and specifications for construction activities although very few construction activities are envisioned in the project.

c. Senior Mission Management

Senior Mission management attention will be involved at key intervals: the initial selection of the lead PVO, approval of large sub-grants, semi-annual project reviews, external evaluations and annual project reviews with lead GOS officials.

d. REDSO/WCA Assistance

The REDSO/WCA Regional Contracting Officer will assist in the selection process for the lead U.S. PVO or U.S. PVO consortia and will be the Agreement Officer for the Cooperative Agreement.

2. Role and Responsibilities of the GOS and the NPC

Following on the successful model of the CED project, a National Project Committee will be formed including representatives from the Ministry of Interior, in charge of GOS-NGO liaison, and the Ministry of Finance which will sign the Project Grant Agreement for the GOS.

In addition, the NPC will include a representative from USAID (PDO project officer), a representative of the NGO community and the head of the USU. The presence of the NGO representative is an innovation to assure a collaborative involvement of all partners in the execution of the project. The CED project experience and constant discussions with the GOS and NGOs confirmed the necessity of this level of collaboration to put in place in this project.

The role of the NPC will be to: (a) provide overall policy directions for the project; (b) provide liaison between GOS, USAID and NGOs and with other government Ministries; (c) approve sub-grants over \$200,000 that fit agreed-upon criteria; (d) approve annual USU workplans; (e) organize semi-annual project reviews and, (f) approve final selection criteria and review procedures developed by the USU.

In addition, as required by the GOS, all sub-project proposals funded under the project will be approved by local administrative authorities prior to AID funding.

3. Role and Responsibilities of the USU

The USU will be the main implementing agency for this project. It will carry out all project activities other than evaluations and audits and will be monitored directly by USAID under the assistance mechanism of a Cooperative Agreement and indirectly by the Community Development Division at the Ministry of Interior.

The USU will be organized and managed by a U.S. PVO or consortium of U.S. PVOs selected through open competition and awarded a Cooperative Agreement to perform, inter alia, the following tasks:

(a) Assume responsibility for setting up, maintaining, managing and eventually closing down all project operations, including staffing, housing and office support.

(b) Develop annual workplans and prepare quarterly and annual reports.

(c) Screen all requests for funding under this project, promptly notify proposing NGOs or U.S. PVOs of their prospects for financing, assist PVOs and NGOs as necessary in the presentation and analyses of the proposals for funding, ensure that potential sub-grantees have adequate accounting and financial management capabilities, provide specific targeted training to alleviate shortfalls, obtain USAID and NPC approval of sub-project proposals over \$200,000, execute sub-grant agreements, finance the activities through the sub-grants, monitor and evaluate PVO/NGO activities, and submit timely progress and financial reports to USAID and the NPC on the umbrella and the sub-grants.

(d) Provide technical assistance and specialized training to CONGAD, local NGOs and NGO federations based on detailed needs assessments to be carried out by the USU in order to significantly improve the institutional capacity of the local NGOs and develop a corps of NGO professionals in Senegal.

(e) Provide technical and other assistance to the sub-grantees as necessary to ensure that activities are successfully implemented and will be sustainable after the IOP.

(f) Encourage and undertake coordination, communication and information activities among U.S. PVOs, NGOs, the GOS and other donors.

(g) Select adequate staff to manage and implement the project within an effective structure. Key positions of Chief of Party and Financial Manager specifically should be expatriate Americans. PVOs or PVO Consortia that bid on the project will have the flexibility to nominate whoever they think is most highly qualified for the positions to be filled.

(h) Help the project to organize an NGO Consultative Committee to assist USU staff in planning and programming institutional development and training activities.

(i) Sub-contract with appropriate Senegalese consultants and firms to provide required technical assistance and training.

The USU has been budgeted to include seven professional staff, two expatriates and five Senegalese, to manage project activities. The Chief-of-Party/Institutional Development Specialist will remain for the entire seven-year life of the Cooperative Agreement. The other expatriate, the Financial Manager, will stay for three years during which time an appropriate system will be set up and a Senegalese trained to take over as Financial Manager for the final four years of the CA. Figure 1 includes an organizational chart for the USU and Annex L includes discussion of the USU structure and scopes-of-work for the professional staff.

It is planned that the USU will set up an NGO Advisory Committee to provide advice, feedback and liaison with the NGO community on all aspects of USU operations. This will further the necessary participative USU-NGO relationship in a coordinated fashion.

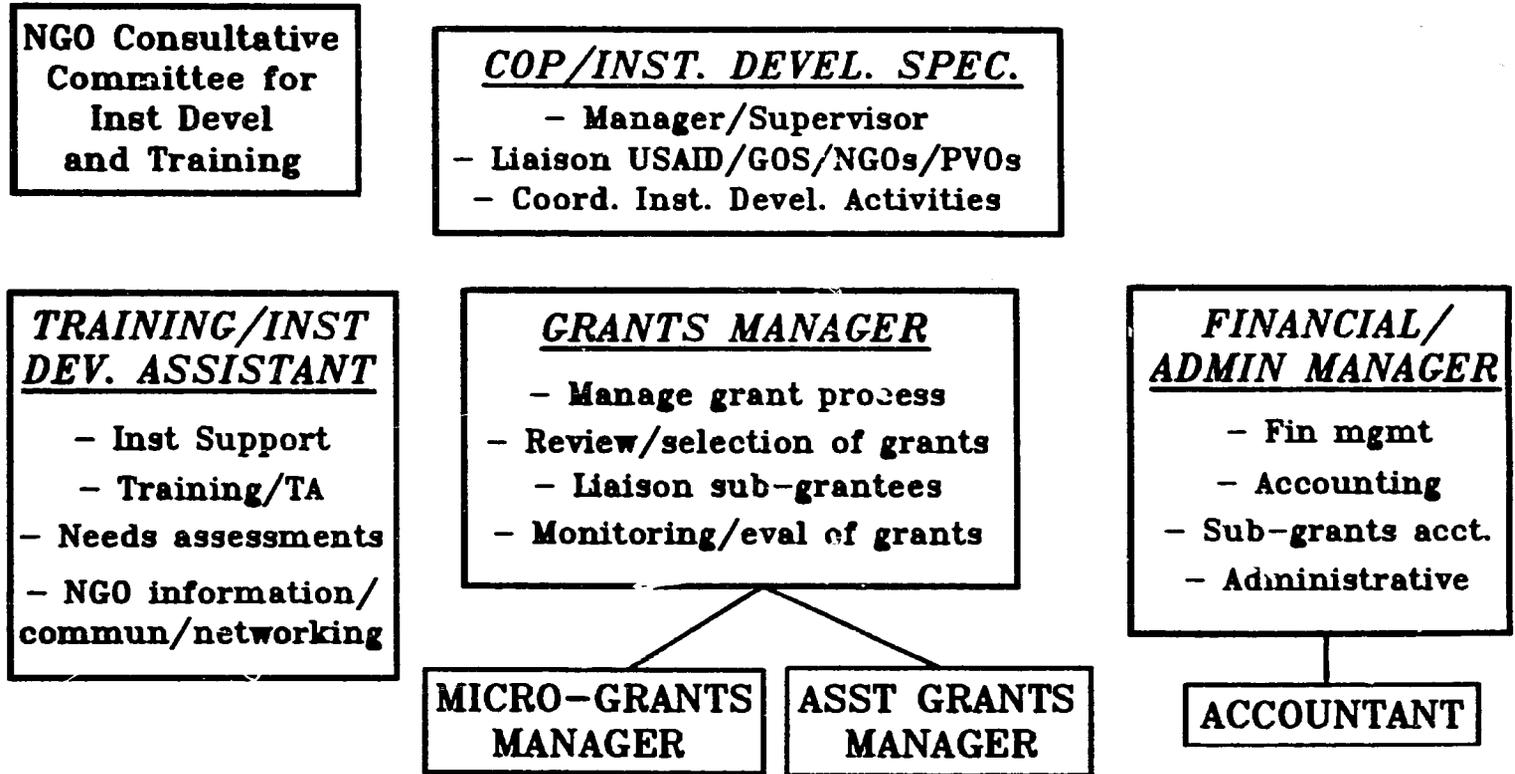
4. Role and Responsibilities of U.S. PVOs and NGOs Active in Senegal

Local NGOs and U.S. PVOs will be the direct recipients of sub-grants under the project. The USU implementing organization will sign sub-grant agreements with NGOs or U.S. PVOs or NGO/PVO partnerships to fund all sub-grant activities. The recipient NGOs or PVOs will be responsible for all sub-project implementation activities, accounting for all sub-grant funds, reporting on a semi-annual basis to the USU and providing appropriate technical assistance and training to the beneficiary community groups.

In addition, local NGOs, NGO federations and the NGO consortia such as CONGAD will receive direct technical assistance and training. NGOs will be active participants in project implementation, both through their representative on the NPC but more importantly through a collaborative and participative working relationship with the USU in determining specific

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FIGURE 1 USU ORGANIZATIONAL STRUCTURE



relationship with the USU in determining specific institutional needs and designing programs to meet the needs. Also, NGOs and PVOs will be active in encouragement of research, networking, sharing information and coordinating activities by region where possible.

There appears to be a consensus among the NGO community in Senegal that CONGAD should represent the NGOs on the NPC. CONGAD is also considered the official NGO representative group by the GOS. CONGAD plans to hold its bi-annual planning meeting in July 1990 and at that time decide their specific role in the project and on the NPC.

E. ENVIRONMENTAL ANALYSIS

An initial environmental examination (IEE) has been prepared for this project and is shown in Annex K. The IEE recommends the management, training, institutional strengthening, and project development activities components of the project for categorical exclusion, since those activities will have no effect on the natural or physical environment pursuant to 22 CFR 216.2(c)(1)(i). The sub-grant activities component of the project was recommended for deferral in accordance with the provisions of 22 CFR 216.3(a)(7)(iii) and (iv), since they are and will remain "undefined at the time of authorization." In association with this recommendation, all of the provisions of 22 CFR 216.3(a)(7) have been met as described in Section III of the IEE, and the project agreement and other agreements obligating funds for these sub-grant activities will contain an appropriate condition precedent to disbursement or covenant stating that funds will not be obligated through sub-grants until such time as environmental review of the sub-grant activities is completed or assured, and that the provisions of those environmental reviews will be adhered to during sub-grant implementation. The final selection criteria and review procedures will ensure that appropriate environmental considerations are taken into account in all sub-grant proposals, including those for the micro-grants.

As shown in Annex K, the IEE was approved by the USAID/Senegal Mission Director and concurrence provided by the Regional Legal Advisor and the Bureau Environmental Officer.

VII. MONITORING, EVALUATIONS AND AUDITS

Monitoring and evaluation of the project will take place on three different levels. The goal of the project is to improve the standard of living for poor Senegalese: income, employment, health and literacy are indicators of the project's impact at this level. At the purpose level, the project will work to enable local NGO and NGO associations and community groups to plan, design and carry out sustainable development activities. Evidence of the project's success at this level will be reflected in the individual sub-projects on one side, the extent to which they are self-sustaining and local NGOs or community groups are able to expand the projects or diversify to other activities. On a second side, the project needs to measure the ability of NGO associations to service members, to provide training and technical assistance, and to respond to specific member

requirements. Finally, an evaluation will have to look at the ability of the lead PVO to orchestrate the project's activities, its financial and administrative ability in establishing programs, providing technical assistance, reviewing, awarding and monitoring sub-grants.

A. Evaluation of Progress Toward the Project Goal

The USU will be responsible for establishing baseline indicators and for working with individual sub-grantees on a management information system that will measure the project's impact on beneficiary living standards. Prior to the approval of each sub-grant proposal, the USU and the submitting NGO will carry out a beneficiary impact study to develop baseline data among the beneficiary group on such things as sex, income, employment, family size, health, education/literacy. During the course of the project and at the end of selected sub-project activities, the USU, with project-funded NGOs, will do follow-up impact appraisals and will update data collected initially.

B. Evaluation of NGO Capacity to Develop Sustainable Sub-projects

Annual reports by the USU will analyze the financial viability of sub-projects funded by the project. They will also look at the financial strength of NGOs participating in the project, their ability to manage their accounts, to report regularly to the project on their activities, to plan and carry out projects, and the extent to which income from the sub-projects or from fees paid by beneficiaries for services from the NGO have contributed to NGO income. Finally, annual reports will note NGO ability to attract other donor resources. These annual reports should compile and reflect information gathered quarterly from NGOs receiving sub-grants. NGOs will also be expected to include in their original proposals a statement of objectives, planned inputs and outputs, a system for measuring their progress towards objectives and impact on beneficiaries. They will provide the support unit with quarterly reports, if warranted by the level of project activity, and annual reports on their progress.

C. Monitoring and Evaluation of the Lead PVO

Within three months of beginning implementation of the project the USU will submit to the NPC an outline of goals and objectives, inputs and outputs, and indicators to be contained in regular quarterly reports to plot progress against objectives. The lead PVO will submit regular quarterly reports reporting on progress including summary information provided by the NGOs. It will also provide an annual report at the end of the year and an annual workplan at the beginning of each new year.

There will be an internal USAID-National Project Committee evaluation of the project after 18 months of operation to address management and administrative issues. A mid-term evaluation conducted by external consultants after three years will look at both administrative and management issues and at capacity building and project impact. A second internal evaluation will be held after five years and a second external evaluation will be held in year seven of the project to ascertain project goal-level impact, review achievement of the purpose-level indicators and recommend any phase two PVO/NGO support activities.

D. Audits

The USU will arrange for audits of sub-grantee activities by independent auditors; these audits will be financed through the Cooperative Agreement. USAID will arrange for periodic non-federal audits of the USU; these audits will be funded from the project, outside of the Cooperative Agreement.

VIII. CONDITIONS AND COVENANTS

The Project Grant Agreement will contain the following conditions precedent to disbursement of funds:

1. A statement of the name(s) of the person(s) holding or acting on behalf of the Government of Senegal and of any additional representatives, together with a specimen signature of each person(s) specified in such statement.

The Project Grant Agreement will also contain the following special covenants:

1. The GOS agrees to officially establish a National Project Committee with representatives from the Ministry of Interior, the Ministry of Economy and Finance, USAID/Senegal, the NGO community and the Umbrella Support Unit.

2. The GOS agrees to establish in conjunction with A.I.D., an evaluation program as part of the project. The evaluation program will include, during the implementation of the project and at points afterward:

(a) evaluation of progress toward attainment of the objectives of the project;

(b) identification and evaluation of problem areas or constraints which may inhibit such attainment;

(c) assessment of how such information may be used to help overcome such problems; and

(d) evaluation, to the degree feasible, of the overall development impact of the project.

3. All organizations to receive sub-grants under the project must be recognized by the Government of Senegal.

4. Project funds will not be obligated as sub-grants under the project until such time as the GOS and A.I.D. agree that environmental review of the sub-grant activities is completed or assured, and that the provisions of those environmental reviews will be adhered to during sub-grant implementation.

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ANNEX A

GRANTEE REQUEST FOR ASSISTANCE

MINISTERE DE L'ECONOMIE
ET DES FINANCES

N^o 05310 /M.E.F/D.G.F/

DIRECTION GENERALE
DES FINANCES

Dakar, le 14 JUIN 1990

DIRECTION DE LA DETTE
ET DES INVESTISSEMENTS

DUE	
06/08	
ACTION	PBO
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SMO	
WANG	
ASU	
MP	
RIG	
EMB	
CHRON	
RF	

Le Ministre

/-)

/)/)onsieur Julius E. COLES
Directeur USAID à
-o- DAKAR -o-

()bjet : Demande officielle d'assistance :
Projet d'Appui aux ONGs au
Sénégal (685-0284).

Date Rec'd	15. JUIN 1990
MRN	... No ... 0978
Action Taken	.....
Date	.....
Signature	.....

/)/)onsieur le Directeur,

Je vous confirme par la présente que le Gouvernement du Sénégal souhaite la mise en oeuvre du projet ci-dessus cité en objet par lequel l'USAID se propose d'apporter un financement pour un montant global de 15.000.000 de dollars américains sur huit ans.

Je vous informe que ce projet, qui a déjà fait l'objet de négociations avancées entre l'USAID, l'Administration sénégalaise et les ONG, a reçu l'approbation du Ministère des Finances et du Gouvernement du Sénégal.

La présente constitue la demande officielle du Ministère de l'Economie et des Finances d'une assistance de l'USAID à la Communauté des ONG et des Associations à la base dans le cadre du Projet Appui aux ONG au Sénégal.

Veillez agréer, Monsieur le Directeur, l'assurance de ma considération distinguée./-

Le Ministre de l'Economie
et des Finances
Moussa TOURE
Moussa TOURE

ANNEX B

FID APPROVAL

ANNEX B

PID APPROVAL

Approval authority for the Senegal PVO/NGO Support project was delegated to USAID/Senegal in the FY 1991 ABS Review cable (89 STATE 267427). The PID was approved by the USAID/Senegal Mission Director on December 20, 1989. USAID provided a summary of the project description, the PID review issues and the decisions taken at the PID Mission ECTR to AID/W in a cable (89 DAKAR 14883) and requested AID/W comments. AID/W comments were received in 90 STATE 53570 and have been incorporated in the PP design effort.

UNCLASSIFIED

STATE 353570/01

ACTION: AID INFO: AMB DCM RIG ECON

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PP RUEHDK
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Signature	Urk

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F.O. 12356: N/A
SUBJECT: SENEGAL PVO/NGO SUPPORT PROJECT (685-0284)

REF: DAKAR 14883

1. PER REFTTEL REQUEST, AFR/PD/SWAP CONVENED A PROJECT COMMITTEE TO INFORMALLY REVIEW THE SUBJECT PID. REPRESENTATIVES FROM AFR/SWA, PPC/CDIE, AFR/MDI, AND AFR/PD ATTENDED THE REVIEW. OVERALL, THE COMMITTEE FOUND THE PROJECT DESIGN AS OUTLINED IN THE PID TO BE REASONABLE, FEASIBLE, AND IN ACCORDANCE WITH THE BUREAU-WIDE DFA ACTION PLAN. THE MISSION'S INTERNAL REVIEW WAS ALSO CONSIDERED QUITE THOROUGH. THE FOLLOWING ARE COMMITTEE'S SUGGESTIONS FOR MISSION CONSIDERATION AS WORK ADVANCES ON THE PP DESIGN.

2. REGISTRATION OF LOCAL NGOS: THE PC NOTED MISSION'S ARGUMENTS FOR AND AGAINST THE REQUIREMENT THAT ALL PVOS PARTICIPATING UNDER THE PROJECT (INCLUDING LOCAL NGOS) BE REGISTERED WITH A.I.D. SINCE THE MISSION IS CONTEMPLATING IMPLEMENTING THE PROJECT THROUGH A GRANT OR COOPERATIVE AGREEMENT WITH A PVO WHICH HAS BEEN REGISTERED IN THE U.S., MISSION WOULD NOT, AS A MATTER OF LAW, BE REQUIRED TO REGISTER LOCAL NGOS IN ORDER FOR THEM TO BE RECIPIENTS OF SUB-GRANTS. MOREOVER, SINCE A MAJOR PROJECT OBJECTIVE IS TO PROMOTE THE DEVELOPMENT OF LOCAL PVO/NGO CAPACITY, PC RECOMMENDS THAT MISSION CONSIDER AS ONE OF THE BENCHMARKS OF MEASURING THE DEGREE OF INSTITUTIONAL STRENGTHENING OF LOCAL PVO/NGOS THE DEVELOPMENT OF THEIR OPERATIONS TO THE POINT WHERE THEY WOULD BECOME ELIGIBLE FOR DIRECT A.I.D. ASSISTANCE. FURTHERMORE, WE SUSPECT THERE MAY BE SEVERAL EUROPEAN-BASED PVOS OPERATING IN SENEGAL WHICH COULD CONTRIBUTE TO THE PROJECT'S OBJECTIVES BUT MIGHT BALK AT A USG REGISTRATION REQUIREMENT.

3. PRIVATE SECTOR SUPPORT: HAS THE MISSION CONSIDERED ENGAGING SENEGALESE BUSINESS ASSOCIATIONS OR CIVIC GROUPS IN SOME PROJECT-SUPPORT CAPACITY? IN ADDITION TO PROVIDING FUNDS FOR SUB-GRANTS, THEY MIGHT OFFER TECHNICAL SERVICES FREE OR ON A SUBSIDY BASIS. MOREOVER, SUCH GROUPS MIGHT HELP SUSTAIN A PROGRAM OF THIS NATURE IN THE POST-PROJECT PERIOD. MORE IMPORTANTLY, SENEGALESE WOULD BE HELPING SENEGALESE

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THROUGH NON-GOVERNMENTAL CHANNELS. THIS WOULD BE IN KEEPING WITH THE PROJECT'S UNDERLYING DEVELOPMENT PRINCIPLES.

4. GOS ROLE: WHILE RECOGNIZING THE NEED TO ENCOURAGE GOS RECOGNITION OF A LEGITIMATE NGO ROLE IN THE COUNTRY'S DEVELOPMENT, GOS DIRECT INVOLVEMENT IN SUB PROJECT APPROVAL (THROUGH THE NATIONAL PROJECT COMMITTEE MODEL) COULD DELAY SUB-GRANT APPROVALS AND IMPLEMENTATION. PERHAPS ARRANGEMENTS COULD BE MADE TO PROVIDE THE NPC WITH A SUMMARY OF THOSE SUB-GRANTS WHICH THE PROJECT'S MANAGEMENT UNIT FINDS ACCEPTABLE PURSUANT TO THE SUB-GRANT SELECTION CRITERIA (ATTACHMENT C), WHICH, PRESUMABLY, THE NPC WOULD HAVE CONCURRED IN AT THE OUTSET OF THE PROJECT. UNDER THIS SCENARIO, IF THE NPC VOICED NO OBJECTION WITHIN A REASONABLE PERIOD OF TIME, SUB-GRANT APPROVAL AND IMPLEMENTATION COULD PROCEED.

5. SMALL GRANTS FUND: THE PID CONTEMPLATES THE ESTABLISHMENT OF A SEPARATE SMALL GRANTS FUND OF UP TO DOLLARS 250,000 FOR HIGH POTENTIAL IMPACT ACTIVITIES. WHILE RECOGNIZING THAT COMMUNITY-BASED ACTIVITIES COULD BE FUNDED UNDER SUCH AN ARRANGEMENT, THE PC IS CONCERNED THAT THE MANAGEMENT BURDEN OF THIS FUND COULD DISTRACT FROM THE PROJECT'S INSTITUTIONAL CAPACITY BUILDING FEATURE. BESIDES, AT AN AVERAGE COST OF DOLLARS 25,000, ONLY 10 GRANTS COULD BE MADE UNDER THE FUND. ALTERNATIVELY, COULD SUCH ACTIVITIES BE FUNDED UNDER OTHER MISSION ACTIVITIES, SUCH AS THE COMMUNITY ENTERPRISE DEVELOPMENT PROJECT?

6. SUB-GRANT SELECTION CRITERIA: THE ILLUSTRATIVE SELECTION CRITERIA FOR SUB-GRANTS SET FORTH IN ATTACHMENT C, WHILE COMPREHENSIVE IN NATURE, WOULD BE OF GREATER OPERATIONAL VALUE IF THEY WERE ESTABLISHED AS SPECIFIC GUIDELINES RATHER THAN POSED IN THE FORM OF QUESTIONS. THE MISSION SHOULD ALSO CONSIDER DEVELOPING SELECTION CRITERIA ON A SECTORAL BASIS (E.G., HEALTH, AGRICULTURE, EDUCATION, SMALL AND MEDIUM SIZE BUSINESS) TO FACILITATE THE REVIEW AND APPROVAL PROCESS ONCE THE PROJECT IS UNDERWAY.

7. CRITERIA FOR SELECTING U.S. PVO OR PVO CONSORTIUM: AFR/MDI RECOMMENDS THAT IN ESTABLISHING CRITERIA FOR SELECTING A PVO MANAGEMENT UNIT FOR THE PROJECT, THAT THE MISSION EMPHASIZE DEMONSTRATED CAPACITY FOR TRAINING AND SKILLS DEVELOPMENT SINCE THIS FACTOR WILL BE

IMPORTANT IN DEVELOPING AND SUSTAINING LOCAL PVO CAPABILITIES.

8. HAITI MISSION PVO/NGO EXPERIENCE: USAID/SENEGAL MAY WISH TO CONTACT THE HAITI MISSION REGARDING THEIR EXTENSIVE EXPERIENCE WITH BOTH PVO/NGO DEVELOPMENT OVERALL AND THE USE OF PVO UMBRELLA ORGANIZATIONS FOR ADVANCING INSTITUTIONAL STRENGTHENING OBJECTIVES SIMILAR TO THOSE CONTEMPLATED UNDER THE SUBJECT PROJECT.

9. INITIAL ENVIRONMENTAL EXAMINATION: BUREAU ENVIRONMENTAL OFFICER, JOHN GAUDET, APPROVED THE IEE FOR THIS PROJECT ON FEBRUARY 14, 1990. COPY OF APPROVED IEE BEING POUCHED TO MISSION. BAKER

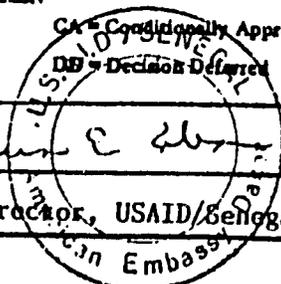
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AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT IDENTIFICATION DOCUMENT FACESHEET (PID)				1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete		Revision No. _____ DOCUMENT CODE 1			
2. COUNTRY/ENTITY SENEGAL				3. PROJECT NUMBER 685-0284					
4. BUREAU/OFFICE AFRICA				A. Symbol AFR		B. Code 06			
6. ESTIMATED FY OF AUTHORIZATION/OBLIGATION/COMPLETION A. Initial FY 9 | 0 | B. Final FY 9 | 4 | C. PACD 9 | 6 |				5. PROJECT TITLE (maximum 40 characters) SENEGAL PVO/NGO SUPPORT					
7. ESTIMATED COSTS (\$000 OR EQUIVALENT, \$1 =				FUNDING SOURCE A. AID 15,000 B. Other U.S. 1. PVO (est) 1,500 2. _____ C. Host Country 1,000 D. Other Donor(s) _____ TOTAL 17,500					
8. PROPOSED BUDGET AID FUNDS (\$000)									
A. APPROPRIATION		B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. 1ST FY 90		E. LIFE OF PROJECT		
			1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	
(1) SS		200 B	240		2,000		15,000		
(2)									
(3)									
(4)									
TOTALS					2,000		15,000		
9. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 920 812 840 100							10. SECONDARY PURPOSE CODES		
11. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code BRW BS PART PVOU PVON B. Amount 8,000 5,000 15,000 5,000 3,000									
12. PROJECT PURPOSE (maximum 480 characters) <div style="border: 1px solid black; padding: 10px; margin: 10px 0;"> To enable local non-governmental organizations (NGOs), NGO associations and community groups with U.S. PVO assistance to plan, design and carry out sustainable development activities. </div>									
13. RESOURCES REQUIRED FOR PROJECT DEVELOPMENT Staff: AID: USAID/PDO, Six weeks; USAID PVO liaison officer, Two weeks; USAID/Controller, One week; AFR Bureau PVO Coordinator, Two weeks; USAID/Prog. Econ., One week. Funds Contractor (IQC or local): PVO/NGO Institutional Devel. Specialist, Four weeks. P.D. & S: \$25,000 for Contractor O.E. for A.I.D. support									
14. ORIGINATING OFFICE CLEARANCE		Signature: <i>Desaix Myers, III</i> Title: Desaix Myers, III Chief, Project Development Office				Date Signed MM DD YY 11 22 08 9		15. DATE DOCUMENT RECEIVED, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY | | | | | |	
16. PROJECT DOCUMENT ACTION TAKEN <input type="checkbox"/> S = Suspended <input checked="" type="checkbox"/> A = Approved <input type="checkbox"/> D = Disapproved <input type="checkbox"/> CA = Conditionally Approved <input type="checkbox"/> DD = Decision Deferred					17. COMMENTS				
18. ACTION APPROVED BY		Signature: <i>J. E. ...</i> Title: Mission Director, USAID/Senegal			19. ACTION REFERENCE		20. ACTION DATE MM DD YY 11 22 08 9		



ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/SENEG/L

DATE: December 20, 1989
FROM: William Hamaker, PDO
THRU: Terry Evers, PDO
SUBJECT: Senegal PVO/NGO Support Project (685-0284)

PROBLEM: Your approval of the Project Identification Document (PID) for the subject project is required.

DISCUSSION: The Government of Senegal structural adjustment program and the 1984 New Agricultural Policy have emphasized the phasing out of certain direct government services throughout Senegal and a lessening of the role of the government in the economy. This has led to two important phenomena: (1) a significant expansion in the number and importance of community-initiated, democratic and non-state controlled community groups, associations and federations throughout Senegal in both the rural and urban areas, carrying out development activities; and (2) a change in the perception of key government officials and local non-governmental organization (NGO) leaders concerning the role of NGOs in providing direct assistance and training at the community level.

The phasing out of direct government services in marketing and input supply, a weak credit system and a moribund state-run cooperative movement together with growing community-level entrepreneurial activities point to an increasing role for NGOs in providing direct services for community development. The increasing number of community organizations, economic interest groups, and village associations and federations require technical assistance, training, management assistance, marketing assistance and links to formal credit which NGOs and U.S. PVOs are uniquely placed to provide.

Senegal has a growing movement of local and international NGOs and U.S. PVOs. Experience under the USAID-funded Community and Enterprise Development project (685-0260) has shown that many local NGOs lack the institutional capacity to design, implement, account for and evaluate village-level development activities. Institutional development and capacity building of local NGOs are the key to increasing the effectiveness of NGO assistance and maximizing their development impact.

The proposed project will directly improve the institutional capacity of local NGOs and NGO associations to provide community-level services and promote sustainable activities responsive to beneficiaries needs. The project purpose is to enable local NGOs, NGO associations and community groups with U.S. PVO assistance to plan, design and carry out sustainable development activities. The project will have two interrelated components: (1) institutional.

development of local NGOs and NGO associations, and (2) sub-grants to U.S. PVOs, local NGOs or U.S. PVOs and local NGOs working collaboratively for sustainable, community-based activities. The project will be implemented through an umbrella support unit structure and will use one lead U.S. PVO or U.S. PVO consortia to be responsible for all project activities. A total AID contribution of \$15,000,000 is proposed. An FY 1990 obligation of \$2,000,000 is planned.

Based on the nature of this umbrella project, the Initial Environmental Examination (IEE) recommends a categorical exclusion for the management, training, institutional strengthening, and project development activities of the project since those activities will have no effect on the natural or physical environment. Further, the IEE recommends a deferral for the sub-grant activities of the project since they are and will remain undefined at the time of authorization. The IEE is shown as Attachment B to the PID.

On December 12, 1989, the Mission ECPR met to review the PID for the PVO/NGO Support project. The MECPR discussed each of the issues presented by the Project Committee in the Issues Paper (attached). The following revisions to the PID or guidance to the project paper design team were made:

1. The PID was revised to change the proposed name of the management unit to the umbrella NGO support unit. This change better reflects the actual role of this unit: it will be responsible for the management of sub-grants but also direct support to local NGOs and NGO associations.

2. The MECPR agreed that a U.S. PVO or U.S. PVO consortia would be the most appropriate choice to manage and implement the project. Also, the MECPR agreed that the most appropriate mechanism for the project is an assistance instrument. With regard to the question of grant vs. cooperative agreement, the project paper design process will determine the most appropriate assistance instrument once the exact review and approval mechanisms are determined and the concomitant USAID responsibilities and involvement defined. The preference of the MECPR is to use a grant provided that the terms of the grant provide USAID the control and monitoring it requires.

3. The project paper design will examine specific ways for local NGOs and NGO associations to find other sources of financing, including fees for services, in order to become more self-sufficient. Finally, the PP design will specify in detail specific institutional development activities to be undertaken by the project.

4. The PID was revised to include provisions for a small-grants fund not to exceed \$250,000 over the life-of-project for small sub-grants of between \$10,000 to \$40,000 for small, discrete community-level activities with high potential. The project paper design will ascertain the extent of the demand for these types of grants and develop specific criteria and a more streamlined approval process for these small grants with minimal USAID involvement.

5. The Mission has agreed that appropriate project management can be provided within current Mission staff levels. Again, the project paper will further define the role and funding source of the FSN project manager.

ACTION MEMORANDUM FOR THE MISSION DIRECTOR, USAID/SENEGAL

6. The PID has been revised to eliminate its emphasis in the rural areas. Most sub-grant activities will be rural-based since most PVO/NGO activities are in the rural areas. However, the project should be flexible enough to fund sub-grants in urban or semi-urban areas within the USAID priority sectors.

Representatives of PRM, CONT, RLA, IWME, ADO, HPNO, PDO and Director's office attended the MECPR. The MECPR concluded that the PID, with revisions as noted above, should be approved and preparation of the Project Paper should begin.

AID/W delegated authority to USAID/Senegal to approve the PID in the FY 1991 ABS review cable (89 STATE 267427). You have authority to approve the PID under Delegation of Authority No. 551.

RECOMMENDATION: That you approve the subject PID by signing the facesheet, attached.

Clearances:	RLA:	AAdams	(Draft)	Date	12/12/89
	CONT:	TWalsh		Date	12/16/89
	PRM:	RGilson		Date	12/20/89
	ADO:	JBonner	(Draft)	Date	12/19/89
	IWME:	GHaycock	(Draft)	Date	12/19/89
	HPNO:	DBaker	(Draft)	Date	12/12/89
	PDO:	MFall	(Draft)	Date	12/19/89
	PDO:	ALy	(Draft)	Date	12/19/89

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ANNEX C

LOGICAL FRAMEWORK

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LOGICAL FRAMEWORK

PROJECT: SENEGAL PVO/WGO SUPPORT

NUMBER: 685-0284

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
<p><u>Program Goal</u></p> <p>Improved standard of living for poor Senegalese.</p>	<ol style="list-style-type: none"> 1. Communities assisted show increase in agricultural production and sales over LOP. 2. Communities assisted have increased access to necessary inputs, goods and markets over LOP. 3. People in communities assisted have improved access to primary health care, literacy training and credit and savings. 	<ol style="list-style-type: none"> 1. WGO monitoring reports. 2. Baseline surveys of target communities. 3. Evaluations/Impact studies. 	<ul style="list-style-type: none"> - Economic stabilization and sound agricultural pricing policy continues. - Adequate markets for increased production. - Assistance of govt extension and technical agents.
<p><u>Project Purposes:</u></p> <p>To enable local WGOs, WGO associations and community groups, with U.S. PVO assistance, to plan, design and carry out sustainable development activities.</p>	<ol style="list-style-type: none"> 1. 30% of community activities become self-sustaining by EOP. 2. 50% of assisted communities plan and carry out new activities by EOP. 3. WGOs assisted under project plan, design and carry out expanded development activities funded by USAID or other funding sources. 4. Established collaborative partnerships and working relationships between U.S. PVOs and local WGOs and WGO associations. 5. Strengthened WGO/PVO service organization fully responding to needs of member WGOs/PVOs. 	<ol style="list-style-type: none"> 1. Project records 2. WGO/PVO monitoring reports 3. Impact studies/project evaluations 4. Financial records 	<ul style="list-style-type: none"> - Incentives continue for increased ag. production. - Continued decrease of direct COS role in community activities. - PVO/WGO/COS collaboration at national and local levels. - Incentives continue for increased community involvement in economic activities (ie, formation of CIEs).

LOGICAL FRAMEWORK

PROJECT: SENEGAL PVO/NGO SUPPORT

NUMBER: 685-0284

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Project Outputs:			
1. U.S. PVO local NGO relationships strengthened.	1. Up to 6 U.S. PVO/NGO collaborative sub-grants funded to further institutional relationships through joint activities.	Project evaluations, sub-project evaluations, project reports, project implementation reviews.	- U.S. PVOs and local NGOs work collaboratively on NGO capacity building and sub-grantee productive activities.
2. Organizational/institutional development of local NGOs.	2. 75 NGOs receive training and TA for improved planning, financial management, project design, monitoring, evaluation and implementation capacity.		- NGO organization (CONCAD) provides timely and effective coordination and solutions to problems.
3. Local level sustainable productive activities established and providing income or other benefits to local groups.	3. Up to 20 larger sub-grants and 20 micro sub-grants awarded to NGOs and/or PVOs to assist		- Local groups exist with ideas for productive and sustainable activities.
4. Improved services available to NGO beneficiaries--villagers, micro-SSEs.	70-150 community-level groups for sustainable, productive, activities focussed on agriculture, natural resource management, micro and small -scale enterprise support, primary health care and family planning.		- COS continues to see PVO/NGO role as complementary and important source of local-level assistance.
5. Training for NGOs and NGO association staff.	4. Strengthened NGO consortia and NGO federations and associations providing improved services to their members.		
	5. Local training institutions develop capacity to provide required training to NGOs.		
	6. NGO/PVO monitoring, technical resource and information systems in place and functioning.		

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LOGICAL FRAMEWORK

PROJECT: SENEGAL PVO/NGO SUPPORT

NUMBER: 685-0284

NARRATIVE SUMMARY	OBJECTIVELY VERIFIABLE INDICATORS	MEANS OF VERIFICATION	IMPORTANT ASSUMPTIONS
Project Inputs - (\$000)			
A. AID:			
1. Project Management	5,478	- Project Implementation reviews	- Subproject proposals from both U.S.
2. USAID Oversight	392	Project accounting and	PVOs and local WGOs will be received
3. Training/Inst. Strength.	1,450	financial records	which meet selection criteria.
4. Sub-projects	7,250		- Competent umbrella mgmt organization
5. Evaluations/Audits	430		will be selected and begin implemen-
			tation on timely basis.
SUB-TOTAL	<u>\$15,000</u>		- Productive working relationships
			established between USAID, GOS NPC,
B. PVOs/NGOs/Community Groups	\$1,500		CONGAD, U.S. PVOs, local WGO and lead
TOTAL PROJECT	<u>\$16,500</u>		PVO/WGO consortia.

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BEST AVAILABLE DOCUMENT

ANNEX D

STATUTORY CHECKLIST

The Country Checklist for Senegal is presented in the Program Assistance Approval Document (PAAD) for the African Economic Policy Reform Program II (AEPRP II) (685-0292, 685-T-611) for the Banking Sector Reform Program authorized in FY 1990.

This Annex D includes the Project Checklist for the Senegal FVO/NGO Support Project.

5C(2) - PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A includes criteria applicable to all projects. Part B applies to projects funded from specific sources only: B(1) applies to all projects funded with Development Assistance; B(2) applies to projects funded with Development Assistance loans; and B(3) applies to projects funded from ESF.

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT?

A. GENERAL CRITERIA FOR PROJECT

- | | |
|---|-----|
| 1. <u>FY 1990 Appropriations Act Sec. 523; FAA Sec. 634A.</u> If money is to be obligated for an activity not previously justified to Congress, or for an amount in excess of amount previously justified to Congress, has Congress been properly notified? | YES |
| 2. <u>FAA Sec. 611(a).</u> Prior to an obligation in excess of \$500,000, will there be:
(a) engineering, financial or other plans necessary to carry out the assistance;
and (b) a reasonably firm estimate of the cost to the U.S. of the assistance? | YES |
| 3. <u>FAA Sec. 611(a)(2).</u> If legislative action is required within recipient country with respect to an obligation in excess of \$500,000, what is the basis for a reasonable expectation that such action will be completed in time to permit orderly accomplishment of the purpose of the assistance? | N/A |

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4. FAA Sec. 611(b); FY 1990 Appropriations Act Sec. 501. If project is for water or water-related land resource construction, have benefits and costs been computed to the extent practicable in accordance with the principles, standards, and procedures established pursuant to the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See A.I.D. Handbook 3 for guidelines.) N/A
5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and total U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability to maintain and utilize the project effectively? N/A
6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs. No.
7. FAA Sec. 601(a). Information and conclusions on whether projects will encourage efforts of the country to:
(a) increase the flow of international trade; (b) foster private initiative and competition; (c) encourage development and use of cooperatives, credit unions, and savings and loan associations; (d) discourage monopolistic practices; (e) improve technical efficiency of industry, agriculture and commerce; and (f) strengthen free labor unions.
(a) No.
(b) Project will support private Community-level initiatives and strengthen private non-governmental organizations.
(c) Project will support a sub-grant for encouragement of community-based credit unions.
(d) Project will increase production of agricultural items and encourage competition.
(e) Tech. asst. from NGOs will increase technical efficiency of agriculture.
(f) N/A
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
8. Project will encourage and support U.S. PVO participation in development projects in Senegal.

9. FAA Secs. 612(b), 636(h). Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.
9. All sub-grants activities must show important contribution from the implementing NGO and the beneficiary communities.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?
10. U.S. does not own any excess foreign currency.
11. FY 1990 Appropriations Act Sec. 521. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity?
11. N/A.
12. FY 1990 Appropriations Act Sec. 547. Will the assistance (except for programs in Caribbean Basin Initiative countries under U.S. Tariff Schedule "Section 807," which allows reduced tariffs on articles assembled abroad from U.S.-made components) be used directly to procure feasibility studies, prefeasibility studies, or project profiles of potential investment in, or to assist the establishment of facilities specifically designed for, the manufacture for export to the United States or to third country markets in direct competition with U.S. exports, of textiles, apparel, footwear, handbags, flat goods (such as wallets or coin purses worn on the person), work gloves or leather wearing apparel?
12. No.
13. FAA Sec. 119(q)(4)-(6) & (10). Will the assistance: (a) support training and education efforts which improve the capacity of recipient countries to prevent loss of biological diversity; (b) be provided under a long-term agreement in which the recipient country agrees to protect ecosystems or other
13. (a) Project will provide sub-grants to PVOs and NGOs involved with environmental conservation activities at the community level.
(b) No.
(c) No.
(d) No.

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wildlife habitats; (c) support efforts to identify and survey ecosystems in recipient countries worthy of protection; or (d) by any direct or indirect means significantly degrade national parks or similar protected areas or introduce exotic plants or animals into such areas?

14. FAA Sec. 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (either dollars or local currency generated therefrom)?
14. No. No project funds will be managed by or expended by the host government.
15. FY 1990 Appropriations Act, Title II, under heading "Agency for International Development." If assistance is to be made to a United States PVO (other than a cooperative development organization), does it obtain at least 20 percent of its total annual funding for international activities from sources other than the United States Government?
15. Yes.
Cooperative Agreement for lead PVO will be awarded to registered and eligible U.S. PVO.
16. FY 1990 Appropriations Act Sec. 537. If assistance is being made available to a PVO, has that organization provided upon timely request any document, file, or record necessary to the auditing requirements of A.I.D., and is the PVO registered with A.I.D.?
16. Lead U.S. PVO for the project to be identified will be registered with A.I.D.
17. FY 1990 Appropriations Act Sec. 514. If funds are being obligated under an appropriation account to which they were not appropriated, has the President consulted with and provided a written justification to the House and Senate Appropriations Committees and has such obligation been subject to regular notification procedures?
17. N/A

18. State Authorization Sec. 139 (as interpreted by conference report). Has confirmation of the date of signing of the project agreement, including the amount involved, been cabled to State L/T and A.I.D. LEG within 60 days of the agreement's entry into force with respect to the United States, and has the full text of the agreement been pouched to those same offices? (See Handbook 3, Appendix 6G for agreements covered by this provision).
18. Project Agreement dates will be cabled to State L/T and A.I.D. LEG.
19. Trade Act Sec. 5164 (as interpreted by conference report), amending Metric Conversion Act of 1975 Sec. 2. Does the project use the metric system of measurement in its procurements, grants, and other business-related activities, except to the extent that such use is impractical or is likely to cause significant inefficiencies or loss of markets to United States firms? Are bulk purchases usually to be made in metric, and are components, subassemblies, and semi-fabricated materials to be specified in metric units when economically available and technically adequate?
19. Yes. As much as is feasible.
20. FY 1990 Appropriations Act, Title II, under heading "Women in Development." Will assistance be designed so that the percentage of women participants will be demonstrably increased?
20. Project is designed to have a demonstrable impact on women in communities receiving sub-grant assistance.
21. FY 1990 Appropriations Act Sec. 592(a). If assistance is furnished to a foreign government under arrangements which result in the generation of local currencies, has A.I.D. (a) required that local currencies be deposited in a separate account established by the recipient government, (b) entered into an agreement with that government providing the amount of local currencies to be generated and the terms and conditions under which the currencies so deposited may be utilized, and (c) established by agreement the responsibilities of A.I.D. and that government to monitor and account for deposits into and disbursements from the separate account?
21. N/A.

Will such local currencies, or an equivalent amount of local currencies, be used only to carry out the purposes of the DA or ESF chapters of the FAA (depending on which chapter is the source of the assistance) or for the administrative requirements of the United States Government?

Has A.I.D. taken all appropriate steps to ensure that the equivalent of local currencies disbursed from the separate account are used for the agreed purposes?

If assistance is terminated to a country, will any unencumbered balances of funds remaining in a separate account be disposed of for purposes agreed to by the recipient government and the United States Government?

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

a. FY 1990 Appropriations Act Sec. 546 (as interpreted by conference report for original enactment). If assistance is for agricultural development activities (specifically, any testing or breeding feasibility study, variety improvement or introduction, consultancy, publication, conference, or training), are such activities: (1) specifically and principally designed to increase agricultural exports by the host country to a country other than the United States, where the export would lead to direct competition in that third country with exports of a similar commodity grown or produced in the United States, and can the activities reasonably be expected to cause substantial injury to U.S. exporters of a similar agricultural commodity; or (2) in support of research that is intended primarily to benefit U.S. producers?

a. (1) No.
(2) No.

b. FAA Sec. 107. Is special emphasis placed on use of appropriate technology (defined as relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

b. Yes. Use of Appropriate Technology is important part of sub-grant selection criteria.

c. FAA Sec. 281(b). Describe extent to which the activity recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civic education and training in skills required for effective participation in governmental and political processes essential to self-government

c. Project addresses principal problem of need for local communities to mobilize their own resources to plan and carry out sustainable development activities. FOCUS of project will be full participation of communities and NGOs in sub-project design.

54 +

d. FAA Sec. 101(a). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

e. FAA Secs. 102(b), 111, 113, 201(u). Describe extent to which activity will:
(1) effectively involve the poor in development by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, dispersing investment from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using appropriate U.S. institutions;
(2) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward a better life, and otherwise encourage democratic private and local governmental institutions; (3) support the self-help efforts of developing countries; (4) promote the participation of women in the national economies of developing countries and the improvement of women's status; and (5) utilize and encourage regional cooperation by developing countries.

f. FAA Secs. 103, 103A, 104, 105, 106, 120-21; FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA." Does the project fit the criteria for the source of funds (functional account) being used?

g. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA." Have local currencies generated by the sale of imports or foreign exchange by the government of a country in Sub-Saharan Africa from funds appropriated under Sub-Saharan Africa, DA been deposited in a special account established by that government, and are these local currencies available only for

d. Major focus is sustainable development based on community's and NGO's needs and capacities. Project will target self-sustaining economic activities initiated by communities themselves.

e. (1) Project will seek to fully involve mainly rural poor communities to expand their capacities to carry out sustainable productive development activities through U/S/ PWS

(2) One sub-grant proposal is to develop credit unions for local level mobilization of savings and provision of credit

(3) Project will support development of local NGOs and community groups to carry out their own development.

(4) Community activities will assure full participation of women at all levels.

(5) N/A

f. N/A

g. N/A

use, in accordance with an agreement with the United States, for development activities which are consistent with the policy directions of Section 102 of the FAA and for necessary administrative requirements of the U. S. Government?

h. FAA Sec. 107. Is emphasis placed on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)?

i. FAA Secs. 110, 124(d). Will the recipient country provide at least 25 percent of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed" country)?

j. FAA Sec. 128(b). If the activity attempts to increase the institutional capabilities of private organizations or the government of the country, or if it attempts to stimulate scientific and technological research, has it been designed and will it be monitored to ensure that the ultimate beneficiaries are the poor majority?

k. FAA Sec. 201(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

l. FY 1990 Appropriations Act, under heading "Population, DA," and Sec. 535. Are any of the funds to be used for the performance of abortions as a method of family planning or to motivate or coerce any person to practice abortions?

h. Yes

i. 25% cost sharing requirement not applicable under FAA 121.

j. Project will increase institutional capacities of local NCOs whose main beneficiaries are the very poorest rural villagers.

k. (repeat paragraph found under c. above on p. 17)

l. No.

Are any of the funds to be used to pay for the performance of involuntary sterilization as a method of family planning or to coerce or provide any financial incentive to any person to undergo sterilizations?

No.

Are any of the funds to be made available to any organization or program which, as determined by the President, supports or participates in the management of a program of coercive abortion or involuntary sterilization?

No.

Will funds be made available only to voluntary family planning projects which offer, either directly or through referral to, or information about access to, a broad range of family planning methods and services?

Yes.

In awarding grants for natural family planning, will any applicant be discriminated against because of such applicant's religious or conscientious commitment to offer only natural family planning?

No.

Are any of the funds to be used to pay for any biomedical research which relates, in whole or in part, to methods of, or the performance of, abortions or involuntary sterilization as a means of family planning?

No.

m. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise?

m. Yes. Competitive procedures will be used for awarding of Cooperative Agreement.

n. FY 1990 Appropriations Act Sec. 579. What portion of the funds will be available only for activities of economically and socially disadvantaged enterprises, historically black colleges and universities, colleges and universities having a student body in which more than 40 percent of the students are Hispanic Americans, and

n. Project does not set-aside funds for activities of economically and socially disadvantaged enterprises and historically black colleges and universities. However local U.S. PVO may be a minority, PVO. All applications must show and will be rewarded additional points for sub-contracting with minority firms or black colleges and universities.

private and voluntary organizations which are controlled by individuals who are black Americans, Hispanic Americans, or Native Americans, or who are economically or socially disadvantaged (including women)?

o. FAA Sec. 118(c). Does the assistance comply with the environmental procedures set forth in A.I.D. Regulation 16? Does the assistance place a high priority on conservation and sustainable management of tropical forests? Specifically, does the assistance, to the fullest extent feasible: (1) stress the importance of conserving and sustainably managing forest resources; (2) support activities which offer employment and income alternatives to those who otherwise would cause destruction and loss of forests, and help countries identify and implement alternatives to colonizing forested areas; (3) support training programs, educational efforts, and the establishment or strengthening of institutions to improve forest management; (4) help end destructive slash-and-burn agriculture by supporting stable and productive farming practices; (5) help conserve forests which have not, or been degraded by helping to increase production on lands already cleared or degraded; (6) conserve forested watersheds and rehabilitate those which have been deforested; (7) support training, research, and other actions which lead to sustainable and more environmentally sound practices for timber harvesting, removal, and processing; (8) support research to expand knowledge of tropical forests and identify alternatives which will prevent forest destruction, loss, or degradation; (9) conserve biological diversity in forest areas by supporting efforts to identify, establish, and maintain a representative network of protected tropical forest ecosystems on a worldwide basis, by making the establishment of protected areas a

o. Yes. No, Senegal contains a very small amount of tropical forests. Expect that many PVO sub-grants will be for reforestation or environmental preservation activities, to include training tech, asst. and programs.

condition of support for activities involving forest clearance or degradation, and by helping to identify tropical forest ecosystems and species in need of protection and establish and maintain appropriate protected areas; (10) seek to increase the awareness of U.S. Government agencies and other donors of the immediate and long-term value of tropical forests; and (11) utilize the resources and abilities of all relevant U.S. government agencies?

p. FAA Sec. 118(c)(13). If the assistance will support a program or project significantly affecting tropical forests (including projects involving the planting of exotic plant species), will the program or project: (1) be based upon careful analysis of the alternatives available to achieve the best sustainable use of the land, and (2) take full account of the environmental impacts of the proposed activities on biological diversity?

p. Project does not significantly affect tropical forest.

q. FAA Sec. 118(c)(14). Will assistance be used for: (1) the procurement or use of logging equipment, unless an environmental assessment indicates that all timber harvesting operations involved will be conducted in an environmentally sound manner and that the proposed activity will produce positive economic benefits and sustainable forest management systems; or (2) actions which will significantly degrade national parks or similar protected areas which contain tropical forests, or introduce exotic plants or animals into such areas?

q. (1) No.
(2) No.

r. FAA Sec. 118(c)(15). Will assistance be used for: (1) activities which would result in the conversion of forest lands to the rearing of livestock; (2) the construction, upgrading, or maintenance of roads (including temporary haul roads for logging or other extractive industries) which pass through relatively undergraded forest lands; (3) the

r. (1) No.
(2) No.
(3) No.
(4) No.

colonization of forest lands; or (4) the construction of dams or other water control structures which flood relatively undergraded forest lands, unless with respect to each such activity an environmental assessment indicates that the activity will contribute significantly and directly to improving the livelihood of the rural poor and will be conducted in an environmentally sound manner which supports sustainable development?

s. FY 1990 Appropriations Act Sec. 534(a). If assistance relates to tropical forests, will project assist countries in developing a systematic analysis of the appropriate use of their total tropical forest resources, with the goal of developing a national program for sustainable forestry?

s. N/A.

t. FY 1990 Appropriations Act Sec. 534(b). If assistance relates to energy, will such assistance focus on improved energy efficiency, increased use of renewable energy resources, and national energy plans (such as least-cost energy plans) which include investment in end-use efficiency and renewable energy resources?

t. N/A.

Describe and give conclusions as to how such assistance will: (1) increase the energy expertise of A.I.D. staff, (2) help to develop analyses of energy-sector actions to minimize emissions of greenhouse gases at least cost, (3) develop energy-sector plans that employ end-use analysis and other techniques to identify cost-effective actions to minimize reliance on fossil fuels, (4) help to analyze fully environmental impacts (including impact on global warming), (5) improve efficiency in production, transmission, distribution, and use of energy, (6) assist in exploiting nonconventional renewable energy resources, including wind, solar, small-hydro, geo-thermal, and advanced

- (1) None.
- (2) None.
- (3) None.
- (4) None.
- (5) None.
- (6) Possible that project will provide sub-grant funding for nonconventional renewable energy resources.
- (7) None
- (8) None
- (9) None.
- (10) None.

biomass systems, (7) expand efforts to meet the energy needs of the rural poor, (8) encourage host countries to sponsor meetings with United States energy efficiency experts to discuss the use of least-cost planning techniques, (9) help to develop a cadre of United States experts capable of providing technical assistance to developing countries on energy issues, and (10) strengthen cooperation on energy issues with the Department of Energy, EPA, World Bank, and Development Assistance Committee of the OECD.

u. FY 1990 Appropriations Act, Title II, under heading "Sub-Saharan Africa, DA"

(as interpreted by conference report upon original enactment). If assistance will come from the Sub-Saharan Africa DA account, is it: (1) to be used to help the poor majority in Sub-Saharan Africa through a process of long-term development and economic growth that is equitable, participatory, environmentally sustainable, and self-reliant; (2) being provided in accordance with the policies contained in section 102 of the FAA; (3) being provided, when consistent with the objectives of such assistance, through African, United States and other PVOs that have demonstrated effectiveness in the promotion of local grassroots activities on behalf of long-term development in Sub-Saharan Africa; (4) being used to help overcome shorter-term constraints to long-term development, to promote reform of sectoral economic policies, to support the critical sector priorities of agricultural production and natural resources, health, voluntary family planning services, education, and income generating opportunities, to bring about appropriate sectoral restructuring of the Sub-Saharan African economies, to support reform in public administration and finances and to establish a favorable environment for individual enterprise and self-sustaining development, and to take

- u. (1) Yes.
- (2) Yes
- (3) Yes. 100%
- (4) Yes.

into account, in assisted policy reforms, the need to protect vulnerable groups; (5) being used to increase agricultural production in ways that protect and restore the natural resource base, especially food production, to maintain and improve basic transportation and communication networks, to maintain and restore the renewable natural resource base in ways that increase agricultural production, to improve health conditions with special emphasis on meeting the health needs of mothers and children, including the establishment of self-sustaining primary health care systems that give priority to preventive care, to provide increased access to voluntary family planning services, to improve basic literacy and mathematics especially to those outside the formal educational system and to improve primary education, and to develop income-generating opportunities for the unemployed and underemployed in urban and rural areas?

(5) Yes.

v. International Development Act Sec. 711, FAA Sec. 463. If project will finance a debt-for-nature exchange, describe how the exchange will support protection of: (1) the world's oceans and atmosphere, (2) animal and plant species, and (3) parks and reserves; or describe how the exchange will promote: (4) natural resource management, (5) local conservation programs, (6) conservation training programs, (7) public commitment to conservation, (8) land and ecosystem management, and (9) regenerative approaches in farming, forestry, fishing, and watershed management.

v. N/A.

w. FY 1990 Appropriations Act Sec. 515. If deob/reob authority is sought to be exercised in the provision of DA assistance, are the funds being obligated for the same general purpose, and for countries within the same region as originally obligated, and have the House and Senate Appropriations Committees been properly notified?

w. N/A.

ANNEX E

INSTITUTIONAL SURVEY AND ANALYSIS

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ANNEX E

SENEGAL PVO/NGO SUPPORT PROJECT
NGO INSTITUTIONAL SURVEY AND ANALYSIS

Prepared for USAID/Senegal: FDO
by William Booth and Aoua Ly
20 April 1990

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1.0 INTRODUCTION

This is a time of transition in the field of development. Non Governmental organisations (FVOs/NGOs) and Grassroots organisations (VOs) are being called upon to shoulder more responsibility for and to play a more active role in national development. These demands are coming internationally for the donor community, the United Nations, the Economic Commission for Africa (ECA) and national governments, among others. Most major donor Institutions such as IERD, UNDP and many bilateral donors have added NGO Divisions to their structures within the last three to five years.

FVO/NGOs for their part are reviewing their roles, their priorities and are trying to evaluate wherein they may contribute meaningfully to the process of sustainable development. For many organisations this means a change in approach especially by NGOs who have been created in response to emergency situations. Among other changes this includes consulting with beneficiaries about their needs.

Many FVOs/NGOs lack the capacity and the resources to make this change for it is demanding a change in orientation as well as in management. The USAID/Senegal NGO Support Project provides the basis forse to

2.0 OBJECTIVE OF THE SURVEY

The objective of this survey is to collect and analyze information for the preparation of a report which will provide the basis of the technical and institutional analyses for the FVO/NGO Support Project design.

- describe the FVO/NGO community in Senegal
- analyze their institutional capacity
- analyze their training and technical assistance needs
- make recommendations

2.1 PURPOSE OF THE PROJECT

The FVO/NGO Support project is intended to assist with the development of the institutional capacity of local NGOs and NGO associations to provide community level services and promote activities responsive to beneficiaries needs. The project purpose is to enable local NGOs, NGO associations and community groups, with US FVO assistance, to plan, design and carry out sustainable development activities. The project will have two interrelated components: (1) institutional development of local NGOs and NGO associations, and (2) sub-grants to US FVOs, local NGOs or US FVOs and local NGOs working in collaboration for sustainable, community based activities.

2.2 COMPOSITION OF THE EVALUATION TEAM

This two member team is composed of William Booth, an Institutional Development Specialist, and Aoua Iy, a Senegalese Sociologist.

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3.0 METHODOLOGY

3.1. Four methods were used to collect data:

- a) Interviews with persons directly involved in the NGO sector including government, donors, FVO/NGOs, VOs, community leaders and beneficiaries.
- b) Direct observation of project activities on project sites in collaboration with NGOs, VOs, and beneficiaries.
- c) Presentation of preliminary findings* for discussion and feedback to 113 members* of the NGO community during a Study Day, April 06
- d) Examination of documents provided by USAID, FVO/NGOs, United Nations programmes, donors and NGOs, etc.

3.2. In addition to meeting with FVO/NGO representatives in Dakar a field visit was undertaken. Four regions of Senegal were chosen for site visits including Thies, St. Louis, Kaolack and Ziguinchor. Having identified the regions and the sectors of development in which we were interested the NGOs to be visited were

- (1) identified by the Sahel Information System (SIS);
- (2) suggested by FVO/NGOs during interviews in Dakar
- (3) reviewed by the Committee of five NGO leaders; and
- (4) discussed with the staff of PDO division of USAID.

3.1. During the period 15 March - 02 April 1990, the evaluators met with and interviewed a total of 47 organisations including seven donors and 24 FVO/NGOs and visited 21 VOs. This included two National Consortium, 12 International NGOs, six National NGOs, two NGO Consortium, and four Village Federations or Associations. We met directly with beneficiaries to better understand the roles and needs of NGOs while assessing their impact on VOs.

Information gathered in meetings with these organisations is the basis for the statistical Needs Analysis.

The findings, conclusions and recommendations follow.

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4.0 GOVERNMENT POLICY

The Government of Senegal acknowledges the need for and encourages involvement of NGOs in the development process and considers CONGAD their liaison with NGOs.

4.1.1 On 30 June 1989 the Government of Senegal issued Decree 89-775 fixing the modalities of NGO interventions in which it was stated that "in the last few years NGOs have occupied a fairly important place in the development assistance process." It is the government's opinion that "this increasing NGO role in national development will expand in view of the interest of many donors to work with them."

4.1.2 On 14 November 1989 the Ministry of Social Development circulated this decree with a covering letter to all Donors encouraging their support of NGO intervention within the Government's priorities for national development.

4.1.3 On 27 March 1990 the Ministry of Social Development was disbanded and the responsibility for NGOs moved to the Ministry of Interior. At the time of writing this report it is impossible to assess the implications of this change.

4.2.1 NGOs are private, nonprofit associations whose aim is to contribute to Senegal's development. The government designates two types of NGOs eligible for registration (1) foreign NGOs having permanent or semi-permanent agencies on the national territory and (2) national NGOs.

4.3.1. Article 4 states clearly how an NGO secures approval to operate in Senegal. All approvals are followed by an agreement between the GOS and NGO stating the framework of the agreement and specifying their respective commitments.

4.3.2 Project implementation requires approval of the GOS, after review of interested development committees. Once approved, the regional Governor is advised and responsibility is transferred to the head of the administrative region.

4.3.3 The GOS may request evaluations of NGO projects/programs at any time. Title IV deals with the revocation of Sanction Approval.

4.3.4 Article 17 states that "to the extent possible, foreign NGOs must train their Senegalese counterparts and staff as well as village level associations, with a view to allowing those individuals and associations to acquire essential capacity and skills to sustain implemented projects and programs in the future."

4.4.1 USAID/Senegal has developed and maintained a relationship with various Ministries through the CED/Kaolack Project Approval Committee. The FVO/NGO Support project will provide a forum for an interface between Government and NGOs through a similar Approval Committee. This is another important contribution offered by the project namely, strengthening Government - NGO relations.

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4.5.0 Economic Interest Group (GIE)

4.5.1 On May 11, 1984 the Government of Senegal passed into law Decree No. 84-37 creating a new legal entity called the GIE which may be used by any group wishing to undertake and conduct joint activities. The law specifies that "two or more private individuals or legal entities can set up a GIE among themselves for a determined length of time in order to implement all means that can facilitate or develop the economic activity of its members, improve or increase the output of this activity."

4.5.2 Organisations maintain their individuality and autonomy when becoming GIEs. "Only some of their activities are jointly undertaken for one or more specific projects for a limited period."

4.5.3 "...the GIE can be easily formed." All that is needed is to register with the GOS trade register. The group is limited to a specific length of time agreed to by all parties. Contributions, when agreed to by all parties, can be in any form (capital, in kind or labor). "Full liberty is therefore left to the parties to organize the management of the group." This social form was chosen with this in view that it allowed for the most modest and simplest of initiatives to organize and possibly have access to specialized credit organizations.

4.5.4 NGOs and VOs now have a way to undertake projects which may provide access to credit and to generate income for the group or for individuals within in the group.

4.5.5 According to the law in Senegal, NGOs must have as an objective volunteer activities which are non-profit in nature. This new legal entity is allowing NGOs to continue not-for-profit activities while at the same time allowing GIEs they may have set up to undertake profit making initiatives. One example is Réseau Africain Pour Le Développement Integre (RADI) a national NGO which has created GIEs such as RADI/COM and RADI/MECHANIC. Both provide services for a fee to members and non-members which means that RADI is now able to support some of their non-profit activities with funds generated through these GIEs.

5.0 DONOR INITIATIVES

5.1.1. All of the seven donors interviewed have programs focusing on support to NGOs or co-financing NGO activities. CIDA provides co-financing for projects implemented or supported by Canadian NGOs while NGOs from the EEC may receive co-financing from the EEC or from their own governments. The Dutch government will co-finance only one NGO per country. UNDP and ADF have programs focused on institutional support to NGOs. UNDP, IDRC and the Ford Foundation have programs focusing directly on VOs. UNDP, the Ford Foundation and IDRC work through International NGOs (eg. FACT, IRED) to implement their projects locally.

5.1.2. There are several donor initiatives which could provide useful learning to the proposed PVO/NGO Support project:

(1) The Ford Foundation funded a five-year programme for FONGS wherein training in project management and animation was provided. The project and the research was carried out by IRED.

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(2) The Ford Foundation and IDRC are funding a two-year pilot project which will begin later this year. This project will implement direct grants to VOs and will include a research component.

(3) The African Development Foundation (ADF) has a pilot project in which it provides direct funding to VOs which is being studied through a research project.

(4) UNDP is funding a number of initiatives which provide direct support to NGOs. These include a project being carried out by FACT which offers institutional strengthening to national consortium through technical assistance and through funding activities. They also fund grassroots projects through three different programmes; namely, Fonds d'Aide aux Initiatives de Base (FAIB), AFRICA 2000 and Partners in Development, which bring government agencies and NGOs together in the decision-making process.

(5) UNIFEM is presently undertaking an evaluation of the role of women as defined in the 1982 7th Action Plan for Senegal.

(6) UNICEF is funding the development of materials for literacy programs which are being used by NGOs such as CAD, FAPD, CED/Kaolack. These materials are presently available and could provide the basis for literacy programs. If such a choice were made it would be essential to build in a research component to study the impact of such standardized programs on the project.

5.1.3 USAID/Senegal has already implemented and managed a five-year pilot project providing credit and technical assistance in training and management. This project involved 9 national and international NGOs, 57 VOs including 7,167 members or approximately 22,000 persons. This support project to national NGOs was coordinated by a PVO (New TransCentury Foundation) while using local staff and local institutions. Aspects of the new PVO/NGO Support project will be similar to that of the CED/Kaolack project. The midterm evaluation which was carried out in 1987 and a final evaluation which is planned for later this year should provide valuable information for the start-up of the new project.

5.1.4 While there is consensus among donors of the necessity for collaboration no one suggested taking the lead. An annual meeting of donors for the purpose of presenting the PVO/NGO Support project and keep them updated could contribute to more collaboration and cooperation for NGO activities.

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6.0 FVO/NGO Profile

**Statistical Breakdown
Methods of Approach and Activities
National and International** NGOs**

	National	Foreign	International	
Project Implementation	50%	76%	87%	(71%)***
Emergency Aid	18	41	40	(33)
Food Aid	18	06	20	(15)
Funding	33	47	47	(42)
Logistical support	27	41	47	(38)
Equipment	30	35	47	(37)
Training	64	88	87	(80)
Technical Assistance	48	88	60	(65)
Information	36	35	20	(30)
Research	33	47	33	(37)
Services	45	12	27	(28)
Volunteers	39	18	13	(23)
ACTIVITIES:				
Agriculture*	70	94	80	(81)
Education	70	13	100	(61)
Women	67	53	67	(62)
Youth	64	53	67	(61)
Hydraulics	45	65	53	(54)
Animal Husbandry*	54	53	60	(56)
Health	36	65	60	(54)
Technology	27	53	33	(38)
Credit/Savings*	12	0	13	(08)
Marketing*	27	29	33	(30)
Cottage Industry*	30	29	27	(29)
Environment	48	76	60	(62)

* The assumption being made is that projects which involve these activities may include income-generation for the beneficiaries.

** International also includes Foreign. These terms reflect registration considerations in the country of origin of the NGO. Hence, Mission Baptiste SBC is a Foreign NGO while Institut International pour le Developpement des Peuples (INOPEP) is an International NGO.

*** This fourth column indicates the average for all categories

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6.1 FVO/NGO Profile

6.1.. A statistical analysis of the NGO community has been provided by the Sahel Information System (SIS). This Information network of NGOs and NGO activities covers four countries, including Senegal, Mali, Niger and Burkina Faso. In each country it is located within the national NGO umbrella organization which in Senegal is CONGAD. Created in 1986 this Network is presently being facilitated by the United Nations Sudano-Sahelian Office (UNSO) with financial support from USAID among others.

The following information is based upon current activities of the membership of CONGAD which represents 65 NGOs.

A request for the same information was made to the UNDP funded government data bank. The data requested is presently being collected and is expected to become available either on diskette or hard copy in the third quarter of 1990.

Analysis of Data

Origins: Of the 65 NGO members of CONGAD half are national (51%) and half foreign (49%). This latter category consists of two designations, International and Foreign, a differentiation which reflects registration considerations in the country of origin.* 20 organisations provide volunteers with a little more than half being provided by National organisations. 15% have church affiliation, half of which are American FVOs and a third of which are African.

Orientation:

66% are involved in project implementation, with half of the national NGOs and more than three quarters of the INGOs executing projects; of the 28% providing emergency aid almost half is coming from the international community and less than 20% nationally; while 17% are providing food aid it is almost evenly distributed across the NGO community.

Direct assistance provided, of which about half comes from INGOs and one-third from national NGOs, includes funding (38%), logistical support (35%) and equipment (35%).

Services:

Services provided include training (75%), which is provided by one-third more INGOs than national NGOs; Technical Assistance (58%), Information (34%), Research (35%), and Delivery of Service (31%).

*For the purposes of this report the term International NGO (INGO) is used to describe all non-Senegalese NGOs whether Foreign or International.

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Activities;

It is estimated that NGO activities are having an impact on approximately 3 million Senegalese. The activities of the vast majority of NGOs include agriculture and education (75%), women (62%), and youth (60%), water (52%), animal husbandry (54%), health (58%) and technology (34%). 31% are involved in cottage industries. Only (5%) are involved in credit and savings and 19% in marketing.

Staffing

The activities of the majority of NGOs are being carried out by organisations with a staff of less than five persons such as IWR (24%), organisations with staff of between 5-10 persons such as AFODEC constitute 15%, 11-15 persons (8%), while organisations having between 16-40 persons (5%) and in excess of forty staff members such as CARTAS (6%).

Budgets for 1988-89

The last year for which budget figures are available is 1988-89. These figures show NGOs annual income varies from CFA4,000,000 to CFA347,335,960 a difference of more than 85%. The smaller sum reflects an organization with a staff of four while the larger sum reflects an organization with a staff of 87. 90% or more national organisations are dependent on funding from outside the country.

NGOs with an annual budget of less than CFA10,000,000 (22%), CFA10,000,000 to CFA50,000,000 (17%), CFA50,000,000 to CFA100,000,000 (28%), CFA100,000,000 to CFA300,000,000 (28%) and in excess of CFA300,000,000 (6%).

History:

Based on information gathered from the Repertoire des Organisations Non Gouvernementales Agrées au Senegal (version Partielle et Provisoire) August 1988, 69% of all of the NGOs working in Senegal have been created or have arrived within the last 10 years (60% National NGOs, 69% American PVOs and 77% International NGOs). 40% of Senegalese NGOs, 31% of American PVOs and 23% of International NGOs have been here for more than 15 years. Nine NGOs (five Senegalese and four International) have more than 30 years of experience. Four American PVOs have more than 20 years of experience (CRS, CWS) in Senegal.

Conclusions

With more than three-quarters of NGOs offering training and about one half technical assistance it is essential that an in-depth analysis be made of these services in terms of types, quality, needs, etc. Also, a resource assessment is required to identify who is doing what, and what materials have been developed, by region and by language. Only about one-third are involved in Information or Research indicating a need for support of these activities. 40% of NGOs in Senegal have less than 10 staff and 39% function with less than CFA50,000,000. There is a need to strengthen these organizations and help them to diversify their sources of financing.

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Less than a third of NGO activities focus on income generation and marketing and less than 10% have a credit/savings component. Income generating activities and institutional support for these activities remains low on the list of services currently being offered and high on the list of expressed needs. These activities must be placed within the overall context of the NGO and its activities with the necessary training, technical assistance, etc. being identified as part of the process.

6.2 FVO/NGO National Structures

6.2.1. FVO/NGO Associations:

NGO Coordinating bodies and structures in Senegal are in place. The CONSEIL DES ORGANISATIONS NON-GOUVERNEMENTALES d'APPUI AU DEVELOPPEMENT (CONGAD) is the national coordinating organization for NGOs. Of the more than 137 NGOs registered with the Ministry of Social Development 65 are currently members of CONGAD with 12 more having requested membership. 11 American FVOs are members.

CONGAD's objectives include to: promote collaboration among development NGOs and coordinate their activities; provide information and documentation on development issues to NGOs and the public; provide a forum for exchange among development NGOs, public sector and international organisations; reinforce relations between the government of Senegal and NGOs; reinforce relationships which create partnerships (north/south or south/south); support administrative activities of NGOs.

CONGAD has an Information and Documentation Center which includes computerized data bases of NGOs and NGO activities (SIS), produces and disseminates a newsletter entitled CONGAD INFOS, a liaison letter entitled CONGAD LIANE and has a library.

Other activities include (1) chairing committees on various topics such as 'Support to Grassroots Organisations', 'Training and Research', 'Refugees' and 'Communication'; (2) participating on committees such as Fonds d'Appui aux initiatives de Base (FAIB) et le Reseau Afrique 2000.

Services offered to NGO members include access to telephones and photocopies, mail service, production of brochures, etc.

The national coordinating organization for Village Organisations (VOs) is the FEDERATION des ORGANISATIONS NON-GOUVERNEMENTALES du SENEGAL (FONGS). Current membership includes 17 departmental and regional unions with an estimated 175,000 members. Objectives of this MEMBER ORGANIZATION are to provide technical assistance and administrative support to peasants groups; provide training and information; assure cooperation between members engaged in development activities. FONGS is financed by la Fondation de France, Ford Foundation, African Development Foundation, Field Foundation and a Dutch NGO (ACSIR).

Village organisations are also organized (1) Regionally such as the FEDERATION des ASSOCIATIONS du FUTATA pour le DEVELOPPEMENT (FAFD) which comprises some 60 VOs in two departments (Podor, Matam), or 10% of the VOs in the region of Fouta. FAFD provides leadership training to village leaders and

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encourages collaboration between VO members. It has constructed and operates two literacy centers in the region. FAFD also provides funding for VO project activities. Funding for FAFD infrastructure and VO activities comes from one main source a private foundation in France. We toured the regional headquarters for the organization, a newly constructed office complex with meeting facilities, funded by this Foundation.

or by (2) Constituency such as women, with the FEDERATION des ASSOCIATIONS FEMININES du SENEGAL (FAFS) which brings together women associations across the country. These associations are motivated by the same ideal which is supporting the socio-professional emancipation and civic integration of women. This is carried out by supporting projects of women organisations and providing training.

or by (3) Interest such as L'Association des Jeunes Agriculteurs de la Casamance (AJAC). This Association was created in 1974 to provide support to farmers. In the region of Ziguinchor it brings together 120 groups which represent 7,764 members of whom 5,340 are women. This integrated approach includes such diverse activities as palm oil extraction, village and urban boutiques in which to market local produce, credit/savings, training in masonry, fruit and vegetable preserving, fence construction, etc. The support is varied and includes EEC, ELWITAS, African Development Foundation, Oxfam America, Bread for the World, ENDA/IM, AFUTEK and others.

FONGS, FAFD and FAFS are members of CONGAD; AJAC is a member of FONGS.

Since all levels of local and regional government are elected, including Committee Local de Developpement (CLD), Committee Departemental de Developpement (CDD) and Committee Regional de Developpement (CRD), working through local federations of village organisations lends itself well to a grassroots approach to development for the structures are in place and the process is democratic.

6.2.2 Professional and Technical PVOs/NGOs

In addition to these member organizations there are also NGOs which provide assistance to beneficiary group. Often these are the more professional and technical NGOs.

More established PVOs such as Catholic Relief Service (CRS) and Church World Service (CWS), have been working in Senegal for more than 20 years. In recent years both of these organisations have refocused their efforts from emergency relief to integrated development projects. This long term approach involves forming partnerships with local VOs and involving beneficiaries in identifying and planning projects. These projects touch all areas of the community and include providing water, health care, education, income generation, food production and marketing, training, technical assistance, access to credit, etc.

PVOs such as NCNW and OEF/I were formed more than 40 years ago but have established themselves in Senegal within the last 8-10 years. These PVOs focus on women and their concerns. Both provide institutional support, training, financial support and technical assistance to small project

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development. They also use an integrated development approach thus building a long-term base on which women may become more economically independent. This involves income generation, access to credit, training in accounting and literacy, financial support to established small businesses, training for trainers, etc. OEF/I has reduced its personnel by eight since changing its approach to working through local NGOs. This once operational PVO is now forming partnerships with national NGOs to reach grassroots organizations (VOs). With this change OEF/I has become a technical and training resource working with local groups, especially with local animators and leaders. By contrast AFRICARE, which began working in Senegal 15 years ago, continues to be operational. It funds 21 projects and has six field staff. AFRICARE receives 65% of its funding from USAID.

There is also a newer generation of African professional and technical NGOs which have been created in the last five to seven years. This includes organisations such as Réseau Africain Pour Le Développement Intègre (RADI) and Service International D'Appui à La Formation et Aux Technologies en Afrique de l'Ouest (AFOTEC). The objective of these NGOs is to work directly with grassroots organisations to develop their capacity for economic independence and interdependence. RADI provides activities such as training seminars, internships, meetings, and technical assistance from staff members whereby individuals and VOs may learn to improve their efficiency and income. Activities are related to income generation and may include water, agriculture, animal husbandry, marketing, etc. Another example of an NGO in this category is the Association des Bacheliers pour l'Emploi et le Développement (ABACED) a volunteer organization whose objective is to alleviate unemployment by involving educated young people in development projects. ABACED has received a sub-grant under the CED project.

RADI/COM and RADI/MECHANIC have been developed as income generating organizations which provide funds for the activities of RADI. NGOs are nonprofit by definition but Senegalese law allows for the creation of Groupement d'Interet Economique (GIEs) to generate income. Thus RADI/COM coordinates transport of produce of their NGO members to regional markets, charging CFA15 per kilo and RADI/MECHANIC provides maintenance for pumps and other systems of members and non-members for a small fee. This diversification is making RADI less dependent on funding from outside even though this NGO has been successful in attracting funding from diverse sources such as CIDA and USA for Africa. Another income generation program is being studied. With funding provided by CIDA for equipment, software, technical assistance and training, RADI has the capacity to provide computerized financial management and accounting services to NGOs and small businesses. This cost effective service, by avoiding the necessity of each NGO to create its own system, could provide much needed assistance to the NGO community and would be another source of income for RADI activities.

There is an increasing number of NGOs focusing primarily on training or technical assistance to other NGOs or VOs. AFOTEC was created to provide both of these elements to grassroots organizations; RADI includes both elements in their projects and have technical advisors as a part of their staff; in addition to these elements ENDA/IM is doing research and publishing relevant materials; OEF/I in changing focus to work primarily with national organizations has become a training and technical assistance NGO; USE places a high priority on both of these elements; CECI and AFVP provide expatriate professional volunteers to assist with technical expertise and training in

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villages; LVIA who has always provided training and technical assistance to assist with the autonomy of local groups is now seeking assistance to extricate its volunteer programme placing emphasis instead on the professionalization of their national staff.

While the capacity to deliver services varies these organisations have experience on which to build. They sometimes lack adequate financial resources for institutional overhead, personnel, transportation and organizational development and sometimes to carry out their programs effectively. Given their experience and relative strengths and weaknesses support for institutional strengthening should enable these NGOs to participate in and benefit from the PVO/NGO Support Project.

6.3 Characteristics of PVO/NGOs and VOs

These characteristics are to be found in all organisations. The following serves to highlight the discrepancy which exists between the various categories of NGOs in Senegal.

	<u>Village Organization</u>	<u>Mature PVO/NGO</u>
(1) leadership	elected, chosen, sometimes hired	hired, frequently expatriates, sometimes nationals
(2) base of support	within village village structure village group	Abroad, ideology, funders
(3) communication	local sometimes national rarely international local Govt.	National International Funders National Govt.
(4) institutional vision	common elements provides goals strategies	ideology with financial basis comes from outside
(5) management system	often very basic	more sophisticated
(6) financial support	short term often inadequate membership fees	usually medium-term, dependent on one source/donor government/church

Characteristics of local village organisations include (1) leaders who are chosen or elected by the community or selected by an NGO. Such leaders are often charismatic individuals who become the dynamic force leading the organization. Local organizations have their (2) base of support within the village, the village structure eg. a church or within a representative village group eg. women. Often these organisations have (3) communications networks with similar institutions within the region, the country, with appropriate government entities or international organisations. There is some common element among the members which provides an (4) institutional vision eg. a common need etc. which provides (5) goals, strategies and some form of (6) management system however basic on which to build. (7) Financial support,

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which is diversified in some cases, is not yet sufficient to assure long-term survival as these organisations are too dependent on one source.

Characteristics of more mature PVOs/NGOs include (1) leaders who are hired to do a job, usually well educated who receive a salary or persons who have created the organization because of a personal belief or commitment. (2) PVO/NGOs have their base of support outside of their project work. This may include a group of people who support an ideal or a belief on a larger scale. These organisations have as a starting point (3) national or international communications networks and must seek out local institutions. (4) While there is often a common element it is usually among those who provide the financial assistance to the organization, providing (5) goals and strategies which come from outside the project. (6) The management systems are usually more sophisticated and in some cases include computerization of budgeting, planning, etc. (7) Financial support frequently comes from one source, a church organization or Governmental agency, frequently comes from outside the country and uses the PVO/NGO as an intermediary between donor and beneficiary.

Characteristics of the majority of national NGOs which have been created during the last ten years (60%) most often include (1) leaders who have created the NGO to respond to a need in the community. (2) The base of support for the NGO is often a group of persons who need outside assistance and for whom resources are not readily available or accessible. (3) The communications networks for these NGOs tend to be diverse, with some having strong national and others strong international connections. The organizers of these NGOs often have established these links before creating their organization and sometimes create NGOs in response to such connections. The (4) institutional vision most often comes from a need within the community which is not being met by existing institutions thus establishing (5) goals and the strategies for achieving them dependent upon available resources. It is this very lack of resources which often determines that if a (6) management system exists it is most often very basic. (7) Financial support is a major problem for these NGOs, who often lack office space, telephones, etc. and function on the limited means of individuals who are successful in raising small amounts of project funds. Such funding is very short term and almost always inadequate.

The needs of these organisations thus necessitates an approach that can respond to such diversity while providing NGOs with the capacity to mature and become more independent.

6.4 PVO/NGO Objectives and Priorities

Autonomy and self-sufficiency are the expressed objectives of all NGOs and NGO associations. These priorities were confirmed during the 05 April Study Day.

By autonomy and self-sufficiency NGOs mean they wish to:

- (1) be more involved in decision-making at every level including Government, donor and beneficiary,
- (2) be better able to define their own needs,
- (3) be less dependent on single donors,
- (4) diversify sources of income,
- (5) generate revenue and
- (6) better manage their own affairs such as planning, financial management, etc.

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6.5 FVO/NGO Needs

FVO/NGOs have identified two areas which require support in order to achieve their stated objective of more independence; (1) institutional support in terms of training and technical assistance and (2) donor diversification.

This includes:

- a need for planning cycles of one year and medium term,
- a need for cost effectiveness
- a need for performance tracking

Some of what is needed is assistance to review and evaluate the existing system and to refine it, where necessary or possible, to enable it to function more efficiently and effectively. To encourage discussion among NGOs on development issues such as integrated development or the role of NGOs in sustainable development will assist with the development of a common concept and perhaps a common approach. Institutional strengthening includes the ability to evolve, grow and adapt to changing strategies.

This may be encouraged through a donor or FVO but needs to be facilitated by a national organization. As a first step an activity such as a seminar or Study Day needs to be undertaken. This will assist with strengthening clarification and roles such as coordination for CONGAD and facilitation for FONGS while fostering partnership among FVOs and NGOs.

It is necessary to examine and analyze in more depth needs for training, technical assistance and field level programs. This must be undertaken in conjunction with an institutional strengthening project such as FVO/NGO support so that it relates to the overall planning and organization development of the NGO.

At the same time there is a need to identify present learning and experience and existing resources and to disseminate this information among all participants. This inventory should include all relevant sectors and materials by region and language.

7.0 Institutional Development: The Concept

The goal of Institutional Development is to create independent organisations. The approach to institutional strengthening is dynamic and multifaceted. It is an open-ended process and not a blueprint. It is a long-term commitment which encourages the shaping of viable, autonomous local institutions through financial support, dialogue, experimentation and different programs and forms of interaction.

The process includes developing the evaluative framework, needs analysis, problem solving, decision making, leadership roles, documentation, monitoring, evaluation, group dynamics, etc. By beginning with the simple and moving to the more complex this process provides an important learning process. The process of institutional development could be more useful to NGOs than the finished framework.

Given their work with people NGOs are a natural milieu for human resource development but often lack the know-how for managing systems.

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Indigenous institutional development is an investment in human resource development. It includes initial training and follow up, upgrading of skills and systems, evaluative activities, economic and technical feasibility studies regarding capacity and new ventures. The more the organization matures and becomes autonomous the more essential the technical assistance.

Institutional development combines early emphasis on resource mobilization, technical assistance, moral support and financial support where necessary. It creates and sustains effective and cost efficient NGOs capable of sustainable service to their community.

The objective of technical assistance is to enhance the ability of an NGO to generate its own resources and manage its affairs in a more professional manner. Initially institutional development establishes a partnership between NGO, donor and NGO members.

NGOs need to assume more of a share of financial responsibility as soon as possible. Lean and inexpensive organisations which are more cost efficient provide a reasonable chance for this to happen. Local cost recovery and income-generation becomes a priority over writing better project proposals.

In this way NGOs change from being partners to being resources. By becoming sustainable institutions and expanding their network the local NGOs become resources to each other.

Process is difficult to create, support and sustain as NGOs are dedicated to diverse development efforts and service to their community whether that be other NGOs or villages. The time commitment required to move up the learning curve needs to be a priority and constantly reinforced, without losing sight of the NGO voluntary spirit and commitment to beneficiary groups.

7.1 How is this to be Achieved?

Institutional development is not an end in itself but a means to the goal of more effective and sustainable development. It is for this reason that it provides a basis on which to build the FVO/NGO Support Project. This approach allows for institutional strengthening while at the same time permitting NGOs to continue their service to poor communities.

7.2 Capacity Strengthening in the NGO Sector requires:

- (1) coordination of NGOs and NGO activities
- (2) dissemination and exchange of information
- (3) training and TA
- (4) development of fund raising capabilities
- (5) promotion of gender equality
- (6) leadership.

7.3 These needs should be addressed through support for (1) a series of workshops and (2) a training program. The workshops will provide NGOs with a forum in which to identify their goals and objectives and to establish work plans. Based upon this planning they will be able to identify real needs for institutional support and strengthening, training and technical assistance

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which will reflect goals and objectives. This planning will also provide the basis on which monitoring and evaluation will be carried out which will assure that goals and objectives are being met or what additional support is required to accomplish this. Funding will include costs for technical assistance for planning such workshops, expenses for NGO staff while in training and the development of relevant training materials. These workshops should be facilitated through NGO associations or technical assistance would be provided directly to the NGO through a local consultant.

The following is an example of how this might be implemented in the current planning of CONGAD under the present institutional support program being offered by PACT with UNDP financial support.

CONGAD is planning an annual 'Retreat' later this year, possibly in July. During this time its members will review and reflect upon future priorities and roles. Based upon this review CONGAD will consider possible roles in the FVO/NGO Support Project. As it is presently constituted and given its present resources CONGAD is not in a position to assume added responsibilities.

The UNDP/PACT Institutional Support project could provide planning assistance to CONGAD for such a seminar by providing an Organizational Development Consultant. This would enable CONGAD to maximize the potential of such a meeting, allow them to clarify their role for the midterm and decide on what role they could best play in the FVO/NGO Support project. Having done this, a needs assessment could be undertaken. Such cooperation on the part of UNDP/PACT is the kind of donor diversity and support which the FVO/NGO Support project is fostering.

7.4 Institutional Strengthening

How do Senegalese NGOs evolve within their own context of political, economic climate, technological changes and changing style of international support? NGOs are preoccupied with their own survival so technical assistance, training and fundraising become secondary.

What kinds of organisations and organizational structures are viable for Senegalese NGOs? Each organization will develop in its own way which cannot be specified in advance. Institutional development allows for the USAID FVO/NGO Support project to work together with local partners to define where national institutions should be moving.

NGO associations and their members need an Action Plan. By preparing this plan they establish yearly and midterm goals and a strategy by which this is to be achieved, monitored and evaluated and the necessary organizational development support required to strengthen their capacity to achieve these goals. This must be carried out with members and receive their approval to implement. This planning could also provide the basis for funding requests should additional funding be required.

7.4.1 ACTION PLAN Each NGO should prepare an action plan which would include the following details and which would provide them with a process with which to implement their plans.

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- (1) draw up an action plan to identify long range planning and process
- (2) do an organizational assessment
- (3) provide a focus for initial workshops on organizational direction and goals
- (4) draft plan for support from FVO/NGO Support Project
- (5) present plan to NGO membership for approval

7.4.2. EVALUATION AND ASSESSMENT

- (1) ensure responsible financial and program management
- (2) dissemination of results and conclusions

Action plans are tools which require assessment and evaluation to ensure maximum results, for they serve as indicators and are critical to creative problem-solving. They provide information for all participants to know how they are doing in terms of achieving their goals. In addition, once disseminated, this data becomes valuable as a learning tool for others in the NGO community.

8.0 INSTITUTIONAL SUPPORT

8.1. How do NGOs get strengthened?

To achieve the NGO objectives of autonomy and self-sufficiency three elements are required:

- (1) Institutional strengthening
- (2) Financial assistance
- (3) Technical Assistance

8.2. Umbrella Support Unit (USU)

Coordination by the USU working through local partners will provide both formal and on the job training assistance with project selection, monitoring, evaluation, grants and loans. The USU will complement these through a program which will strengthen organisations by working directly with the Board of Directors, the Executive Directors and program and administrative staff. This will include workshops, seminars, informal sessions, one-on-one consultations addressing issues such as administration, accounting, planning, evaluation, program concerns, fundraising, personnel, budgeting, cost effectiveness and specific technical subjects.

This requires a systematic program of support on the part of the USU. It involves dialogue, listening, trying new approaches, expanding on successes and dropping others.

The composition of the USU should include, as far as possible, national staff. In all cases job descriptions and roles must be clearly defined to facilitate the good functioning of the unit and the efficient management of the project. Thorough planning based on feasibility studies, good communications, monitoring and evaluation are all essential.

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The start up time for CED/Kaolak, CRS and IRED has been between one and two years. It should be planned that no less time will be required to set this project in motion. An NGO spokesperson observed "3 years for a project is insufficient because it takes at least 18 months to train the NGO animators, prepare the village participants to start the project. A minimum of 5 years is necessary to assure the participants autonomy."

As support to the project, in addition to the administrative unit and the training unit it is recommended that the following services be added either through the USU or through local resources such as NGOs or institutes:

(1) Monitoring/Evaluation/Research unit which will follow each project on a regular basis to provide a built in planning and problem solving tool to avoid or correct problems each step of the way;

(2) Technical Assistance unit which will review all project proposals for technical viability before approval and provide access to necessary TA after start-up allowing for creative problem solving;

(3) Information/Communication unit which will provide a communication network to participants by providing regular information on project activities and resources such as training and technical assistance programs.

8.3 Training and Technical Assistance

In the words of an NGO spokesperson "training is the key element in the success of VO activities, the improvement of the quality of life and the future autonomy of beneficiaries. "

8.4 Who gets Trained and How?

Training and technical assistance complement the institutional goals and objectives of the NGOs for they become a means to that end. Training and TA must be determined by the needs of an NGO based on their short and medium term objectives and may require a needs analysis or feasibility study. Some needs will be common to a number of organisations in which case training may be done by theme or region. Some needs will be specific to individual organisations and may be addressed through local consultants or through other NGOs who have developed a skill to the level where they can become a training resource.

Who has the skills coming into the job? In the projects visited we met personnel with PhDs from foreign universities, monitors with secondary education who receive ongoing training from the local NGO (eg. PIP, CDE), villagers selected for training in areas such as literacy, midwifery, pump maintenance and villagers who having successfully completed a literacy program received training to become trainers.

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There is evidence of training programs which included elements of project management (PADEC), credit management (CED), literacy (FAFD, USE), training of monitors (USE, AFRICARE) technical assistance such as construction of compost sites and mechanical maintenance (USE), group dynamics (ABACED), marketing, appropriate technology and financial management (RADI).

However, absent was much evidence of training in the areas of organizational development, project planning, project design, donor diversification, monitoring, evaluation or feasibility studies. These are all areas which require attention for the NGOs to develop a strong institutional foundation on which to carry out their programs.

Exchange visits should be considered as a valuable aspect of the training component. There is evidence of learning from such visits whether internationally, such as the USAID-funded Committee of Five visit to four African Countries or, an inter-village visit where participants saw temporary fencing which they were able to adapt to their local needs.

The training and technical assistance should utilize as much as possible existing national institutions and human resources possessing the necessary expertise and experience.

Animation is a critical element in project execution and must be encouraged by training of trainers. OXFAM believes that to have successful support for grassroots organisations one must have successful support program for animators. They strongly suggest that it is important not only to train but to provide regular programs in which animators may upgrade their skills. In the projects where there are local monitors living and working with the VOs, whether local secondary school graduates (USE) or university educated animators (Africare), problem solving and project activities are dynamic. In projects where there is training but no animation (FAFD), VOs appear to lack the necessary know-how to solve problems or take initiative on their own.

Other areas where there is an urgent need for more training includes income generation, marketing and purchasing. We saw a number of projects especially in areas involving women such as gardening, dyeing or embroidery which require more emphasis on commercialization to make these activities financially viable for women.

Legal assistance continues to be a high priority need for NGOs and VOs. USE, in conjunction with the the Ministry of Interior, is offering a training program entitled 'Assistance Juridique'. With Government having less resources, providing less support and demanding more popular participation in national development, it is especially important that beneficiaries be aware of their rights and responsibilities as citizens. This will enable them to manage their own affairs and assure fundamental autonomy in the long term.

An evaluation tool such as rapid rural appraisal (RRA) should be built into the project from the beginning, training provided and an evaluation study undertaken. RRA, an emerging new methodology, is a distinctive 'process of learning about rural conditions in an intensive, iterative and expeditious manner. Specifically designed to improve the quality and timeliness and to

reduce the cost of rural development research, RRA is beginning to challenge many conventional research methods in effectiveness. IDRC is presently providing funding to a local institution to have the Rapid Rural Appraisal Method manual translated into French and expects it to be available in the third quarter of 1990.

8.5 Communication/Information

Feedback is an essential part of the process of institutional development for it allows all partners involved to hear the consequences of the process and have input into the process of interpreting results.

A resource assessment is required of existing resources such as training institutes, consultants in training, organization development and technical assistance by region and by discipline; training materials and documents by language; newsletters; research projects, etc. This material should be identified, assessed, inventoried and documented and the information disseminated through the proposed Communication/Information Unit.

There is need for broader community awareness of development issues and NGO initiatives. There is also a need for more knowledge and understanding in the NGO sector of business practices, access to the media, etc. To address this issue an Ad Hoc Project Advisory Committee could be established which would include all areas of the community such as business, government, education, research institutions, media and others. This committee would meet on a regular basis, perhaps 2 or 3 times per year to review progress and to keep the community informed.

Communication among partners is central to the projects success. The strategy for this project involves the management of information systems. The only way to assure results is to involve NGOs and affiliates in the process. This necessitates identification of existing sources of information, regular dissemination of information and the creation of new sources where required.

USAID/Senegal has built a base of credibility and an expectation of collaboration between themselves and NGOs by:

- (1) supporting the observational tour of the five NGO Leaders,
- (2) consulting with NGOs and NGO associations on their needs; and
- (3) inviting NGOs to participate in a Study Day to discuss this project.

This good will must be maintained while expectations are kept modest.

8.6 Monitoring/Evaluation/Research

The intended impact of the PVO/NGO Support Project is to strengthen NGOs to achieve their ultimate goal to raise the socio-economic level of beneficiaries. It is foreseen that this goal will be measurable through increased income from activities, increased access to goods and markets, improved access to primary health care, literacy training and credit and savings. These items are all quantifiable. It is possible to determine whether or not target groups being reached, receiving credit, training, etc., repay loans, include gender participation, increase food production, improve health standards, etc.

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While it is currently believed by some development experts, donors and governments that long-term development can best be assured through beneficiary participation, with NGOs the vehicle for delivering the services, there is a lack of data on which activities provide the best approach.

Since this project will extend over eight years, longer than most current donor commitments, and as this project includes some of the current thinking in sustainable development such as the importance of including beneficiaries in needs analysis and decision making and strengthening institutional capacity of NGOs, USAID/Senegal is in a position to make a unique contribution to the field of sustainable development by including a research component. This data is essential to monitor the impact of long-term results for local and national development.

It has been recommended elsewhere in this paper that a support unit for Monitoring/Evaluation/Research be established. These services may be included within the project or affiliated through local institutions. Therefore, a research institute or an NGO specializing in research (ENDA/TM) could undertake such a study.

FONGS has a Committee de Recherche d'Action. Rather than only being the objects of research a survey of community groups who possess much valuable information would be of benefit to all and could be included as a part of the research study.

More than one-third of NGOs claim to include research in their work. For example, the Ford Foundation/IDRC/IREC small grants pilot project includes a research component. Identification of these various studies and dissemination of the results would benefit others involved in related studies or projects.

8.7 Special Considerations

In order for groups to function as partners they require record keeping and means of communication. There are no statistics available on the number of NGOs who are including literacy/numeracy programs in their work. There is evidence of its growing presence in many projects (CED, USE, OEFI, FAFD, Africare, etc). Of the 58 villages participating in the CED/Kaolack project, 40 received literacy training but it is estimated that only 30 - 35 remain functionally literate. It is important that the element of literacy be encouraged in all projects if the stated objective of independence and self-sufficiency is to be achieved.

Women need to be included as both beneficiaries and participants. 62% of NGOs claim to include women in their projects. The evidence is that they are not being included in the needs assessments nor in the planning phases.

Water needs to be stressed more and included as a consideration in all projects. 52% of NGOs claim to include water in their projects. The evidence is that access to potable water continues to be a major concern. We saw a project (PADEC) where a well had been dug without any technical analysis being undertaken prior to project approval. After the well had been sunk it was discovered that the water was not potable. The village repaid the loan which they had taken to sink this well.

This is a very fragile region environmentally. Technical assistance to carry out environmental impact studies and to look at questions related to environmental issues should be included in the preparation of all projects as a preventive measure whether or not the project focuses on environmental issues. Slightly more than a third of NGOs are involved in environmental projects.

Unforeseen events or circumstances need to be factored into the planning phase. We saw examples of a VO (CED) who needed fencing to prevent animals from eating garden produce. This had not been factored into the original project. During a study visit to a neighboring village they saw temporary fencing constructed with twigs which they implemented upon their return home. However, it is only temporary. They lack access to funds to construct sturdier and more permanent fencing.

Another example of a project hit with unforeseen circumstances is a poultry production and marketing project (ABACED) where chicken hatchlings had been wiped out by disease. A second hand freezer which had been purchased broke down. The VO abandoned this aspect of the project feeling overwhelmed by these technical problems.

Natural disasters or unforeseen problems cannot always be factored into project planning. A special fund might be established for such a purpose. Combined with necessary technical assistance and training projects beset by such difficulties might be salvaged rather than abandoned.

Flexibility is a key to the success of this project. As one NGO expressed it 'this should be a democracy not a bureaucracy'.

ANNEX F

SOCIAL SOUNDNESS ANALYSIS

ANNEX F

SOCIAL SOUNDNESS ANALYSIS

The Project will help local communities plan and carry out sustainable development activities. The need is apparent. Senegal is in the midst of a lengthy structural adjustment period trying to recover from a period of economic stagnation. It has had a negative average annual rate of per capita income growth during the past 20 years. Production of basic food crops has not kept pace with population growth. The formal industrial sector has actually lost jobs since independence, and the public sector, long dependent on donor support, is no longer able to serve as employer of last resort and provider of subsidized services.

Quality of life indicators are low. Life expectancy at birth is 48 years old; 20 percent of all children die before the age of five; 27 percent of people living in rural areas have access to safe drinking water, less than half of all Senegalese have access to sanitation. Adult literacy is estimated at 30 percent, and barely half of those eligible for primary schools are attending. Income levels are half those in the Cameroons or Ivory Coast.

At the same time, pressures are mounting. Population is growing at 2.7 percent per year; by the year 2025 at this rate, Senegal's population will triple to 18 million. An estimate 100,000 new job seekers enter the market each year. 100,000 more are leaving rural areas in search for employment in the cities. While some 60 percent of the population still works in agriculture, more than half the population lives in 10 percent of the country.

The government and donors have recognized the inability of public services to cope with the demands imposed by population growth and rural-urban migration. They are increasingly looking to private organizations to accept the burden for services that were once seen as the purview of the government.

Perhaps more importantly, local groups have begun to organize to respond to the void left by declining government services. The number of NGOs and farmers associations has grown markedly in the last few years, and the environment—political, social and economic—for private development organizations continues to be very favorable.

I. Beneficiaries

The principal project beneficiaries are rural and urban poor participating in local community groups to plan and carry out sustainable development projects. The project will support the efforts of NGOs and FVOs to strengthen the capacity of community organizations to design and develop activities that increase income, improve health, and marshal local resources more effectively. The project's ultimate success must be measured by the extent to which groups have been able to mobilize their members and resources to establish activities and programs that are self-sustaining. The members of these groups, the large, mainly rural, poor population, will benefit from improved services such as training, input supply, marketing, credit, health and literacy.

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The project will directly support local NGOs and NGO federations and their staff to increase their capacity to service their members, to assist community clients and to increase their sources of funding.

II. Sociocultural feasibility: The sociocultural feasibility of the project depends upon a number of assumptions:

- o Willingness of beneficiaries to participate in groups and to contribute to a common project; availability of labor.
- o Continued interest among Senegalese both in urban and in rural areas in sustainable development projects in health, income generation, agriculture, natural resource management.
- o Willingness and ability of village and community organizations to work in a collaborative relationship with NGOs and PVOs.
- o Agreement between the government, NGOs and PVOs on their respective roles.

A. Willingness of beneficiaries to participate in the process: (Much of the following is taken from work done by Chris Elias, rural sociologist.) The success of the project is dependent on the willingness and ability of the beneficiaries to participate in groups and on collaboration between these groups and the NGOs and PVOs interested in assisting them. Traditional village institutions and groups are common to nearly all ethnic groups in Senegal which provide for coordination of activities and joint participation in projects. Six major ethnic groups constitute 90 percent of the population: Wolof (34 percent), Serer (19 percent), Diola (14 percent), Toucouleur (9 percent), Peul (8 percent), and Manding (6 percent). While differences exist between ethnic groups, in villages collaboration between groups is common and intermarriage, migration, religion—85 percent of Senegalese are Muslim, seven percent Christian) have reduced cultural differences.

Although there are variations between villages, most include a village chief, council of elders, men's and women's and youth groups of age peers, agricultural work groups. There are certainly varying degrees of dynamism, cohesion and strength among village groups, and the respective roles of groups and institutions may differ between villages. In some villages, for example, the chief may be the driving force behind all activities, while in others, he is little more than a nominal figure head. In the latter case, another charismatic individual (religious leader, progressive farmer, village sage) may take the de facto leadership role.

Some villages are more fragmented than others. In more cohesive villages, the council of elders, with representatives from all quarters of the village, may indeed speak for the whole population. Often, however, extended family units, or wards, within villages act independently of each other and have separate groups of elders. These villages essentially have multiple leadership, although there is almost invariably one nominal village chief.

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The cohesion and role of the traditional age peer groups and agriculture work groups also vary between villages. Age groups, for example, may consist of members from all village quarters or alternatively, represent one single extended family ward. Their roles also differ. At one extreme, the male young adult group may be a loosely organized social club which sporadically convenes a wrestling match; or it can be a well-structured group with a large collective cash fund generated from regularly hiring out the group's labor.

Memberships of the diverse traditional village groups frequently overlap. For example, agricultural work groups are often subgroups of larger age peer groups or can be comprised of males or females from different age groups. Rarely are men and women members of the same group, but groups of different sexes work together on projects of mutual interest. Through collective activities, groups raise money for buying equipment or services, a mill for women, a rural maternity, a school or dispensary. Villagers have constructed wells; youth groups have organized tree nurseries; women's associations have paid for training of midwives.

Organizational structures linking two or more villages have traditionally been somewhat informal. In pre-colonial times, the village was an autonomous unit, being self-sufficient in land, labor, and food. Links with other villages were established on an as needed basis: to clear a road for example. In general, this underlying organizational system still holds. However, as villages are no longer self-sufficient in food, the traditional economy has become more market-oriented and intervillage links more essential and frequent.

Superimposed on this structure of traditional village groups is a plethora of more modern organizations. Some are formal institutions set up under the auspices of national government agencies while others have been organized by PVOs around particular development activities. The predominant of these structures are the rural communities, rural councils, centers for rural extension, women's groups organized by the former ministry of social development, producer groups organized by rural development agencies, and farmers associations, sometimes organized spontaneously, often in response to outside initiative by PVOs or NGOs.

In semi-urban and urban areas groups may be organized around a variety of factors—work, religious or ethnic affiliation, age groups, gender, or commercial interest. As migration has increased, NGOs have begun to look at collaboration with groups outside of urban areas and some have undertaken projects based on neighborhood, employee, language, and commercial interest association.

B. Availability of labor: The project presupposes that not only are villagers and potential beneficiaries in semi-urban and urban areas willing to participate in groups, but that they are available to do so. The exodus of able bodied adults from rural areas is well documented. The drought, declining agriculture production per capita, the lack of off-farm employment in rural areas, all have contributed to a rural-urban migration estimated as high as 100,000 per year.

Clearly, the availability of year-round labor in certain rural areas has declined. Many of the activities to be undertaken by groups under the project, however, target those least likely to leave—women and youth. Women's groups are active around vegetable growing and cereals processing projects. Some NGOs are working with women's groups to develop savings and credit programs. Often, the activities are counterseasonal, when labor is least utilized.

In semi-urban and urban areas the need for work far outpaces the supply of labor. Frequently workers support an estimated 15 dependents. In addition to those migrating from rural areas, an estimate 100,000 new workers enter the job market each year, most in urban or semi-urban areas. Population in urban areas is growing at 3.8 percent per year, compared with 2.1 percent in rural areas. The problem in urban areas is not labor but the lack of jobs.

The lack of jobs, whether in rural or urban areas, has encouraged some Senegalese to create NGOs largely to create employment and to solicit donor support to do so. The problem for donors is to recognize the intrinsic weakness of such NGOs and to avoid sponsoring activities which benefit primarily the administrators rather than the target population.

C. Collaboration between village organizations and associations and NGOs: Village groups and associations in semi-urban and urban areas have shown a willingness to participate in design and implementation of activities in collaboration with NGOs. Most NGOs have village groups as their target population. But there are major differences between NGOs established to service beneficiary populations, for example, to work with village organizations, and the village organizations or rural associations, established as membership organizations to serve their own members. As pointed out recently by the Canadian International Development Research Center (IRDC), there may be certain difficulties in insuring a collaborative relationship that fosters democratic participation rather than a client-patron relationship. IRDC traces the history of participatory development through local organizations in Senegal, pointing out its strengths but also the difficulties in nurturing it with outside support.

Rural associations have grown dramatically in recent years. There are now some 30 farmer associations with more than 1000 members. One association in the Casamance stopped accepting members in 1986 when it reached 60,000 members. A federation of associations, Federation des Organisations Non-gouvernementales du Senegal (FONGS), groups some 16 associations and estimates its membership at between 75,000 and 200,000. These associations, IRDC comments, are often under pressure from NGOs on whom they are dependent, to accept new ideas, projects or technologies, many of which may be untested. NGOs are under pressure, in turn, to demonstrate to their supporters that they are able to work directly with villagers through village organizations. They need village clientele. The mutual pressure may not always be salubrious. Often, in the pressure of trying to meet the demands of project development and implementation, principles of participation get overlooked. Centralized decisions are made and beneficiaries find themselves at the end of the project, not in the middle. The result, frequently, is that beneficiaries lose interest and the possibility of projects becoming self-sustaining or a spread effect occurring is greatly reduced.

To avoid this possibility, NGOs and particularly the lead FVO, must pay particular attention to collaborative design efforts, joint-evaluations, opportunities for beneficiary participation in research and analysis of options as project activities are designed and implemented. The lead FVO should devote some time, working with NGO consortia and associations, to develop processes of encouraging participation by beneficiaries in design, evaluation and decision making at the subproject level. Specific training, workshops, fora, can encourage this type of participation. Approval of individual subprojects should be contingent on efforts made and evidence demonstrated of collaboration between beneficiaries and village organizations and between village organizations and NGOs.

D. Agreement between the government, donors, NGOs and FVOs on their respective roles: We have already commented on the growing willingness of the government to accept, even encourage, an expanded role for NGOs and associations in development. At the same time, the government, at the central level, but also at the prefecture and subprefecture level, remains concerned about FVO activities. The recent shift in ministerial responsibility for NGOs from the old Ministry for Social Development to the Ministry of Interior may be evidence of this concern. During the first few years of the project, the NGO consortia and associations will need to work to clarify this relationship. The lead FVO will be in a position, under the project, to encourage discussion between NGOs and the government.

The lead FVO will also need to work with other donors to coordinate policies and avoid overlap. There is considerable interest among donors in assisting NGOs. There is also considerable concern within the NGO community and among knowledgeable observers that there may be too much money and too many ideas being pressed upon a fragile NGO infrastructure. Donor cognizance of the need to address the social impact of structural adjustment has pressed them to look for new methods of reaching beneficiaries. The government can't do it. They are inclined to hope for too much from NGOs. The lead FVO will be in a position to help moderate and coordinate potential donor demands on NGOs.

III. Participation in the project:

The FVO/NGO Support Project will operate on four distinct levels: it provides assistance through a lead FVO to associations of NGOs and FVOs; it assists FVOs and NGOs directly; the NGOs and FVOs work with village organizations; and the village organizations work with individual members. To be effective, the project will require collaboration and cooperation at each of these levels.

A. Village group beneficiary level: Certainly, there is no shortage of experience in working with village level organizations. Group participation in projects has been traditional; it has been strengthened by religious conviction, particularly among members of the Mouride brotherhood; and it has been encouraged by government efforts at "animation" and by NGO funding.

There is evidence of its success. In USAID's own experience, village organizations, aided by NGOs, have shown their ability to organize, agree on common goals, borrow capital, invest in and successfully undertake income generating activities, and pay back loans. Some 57 village organizations, representing more than 2000 villagers, have borrowed under the Community and Enterprise Project and nearly 70 percent have repaid loans.

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At the same time, there are certain constraints. As mentioned earlier, there are varying degrees of strength and effectiveness among groups. Some villages are more difficult to work with than others. For example, villages, which in the past have benefitted from "free" donor assistance are not interested in collaborating on projects contingent on active participation. In large or fragmented villages, reaching consensus on projects may be difficult. Villagers may become discouraged with new projects, expectations may be high, or technical problems—often a faulty pump—will prove to be a serious setback, sapping confidence and leading to disagreement among group members.

Commitment to self-sustaining activities: The growing commitment of village groups and associations in semi-urban and urban areas to self-sustaining activities is evident in the increased interest among groups and NGOs in forming GIEs. The recognition by the government of the need for a simple way of registering economic interest groups is being met by a simultaneous response from groups which understand the need to start commercial activities. In health and environmental areas, where the need is more social than commercial, the decline in government services has made it clear that individual initiative is required to ensure protection to the population. The willingness of beneficiaries to pay for health services, demonstrated under USAID's Rural Health Project, shows the potential for self-sustaining social services. The Reforestation Project is testing incentives to get groups to plant trees.

B. Village organization level collaboration with NGOs: Although village organization-NGO relations can be problematic as pointed out by IRC in its recent project presentation, they can also be fruitful. USAID's Community and Enterprise Project demonstrated both problems and successes. Eight NGOs worked directly with 57 village organizations; some were more successful than others. A key factor identified in a project evaluation was the extent to which the village organization members thought they had been responsible for design of their own project. In one case, where villagers saw the project as imposed by the NGO, there was no sense of ownership and loans went unrepaid. Village organizations are anxious to work with NGOs which provide a major source of funding and technical assistance. A number of the NGOs working under the Community and Enterprise Project have been approached by outside village organizations wanting to participate. The demand for NGO assistance currently is greater than NGO capacity to deliver.

C. NGO interest in the project: NGO interest in the project was clearly demonstrated at the recent all-day seminar to discuss the project and its design. Representatives from 110 NGOs attended the seminar and participated actively both in plenary and workshop sessions. Prior to the seminar, four representatives from the NGO community and a member from the GOS ministry responsible for NGO registration had visited three African countries to evaluate on-going USAID NGO projects and to aid the mission in its design. They met weekly with the mission after their return, reviewing the design and preparing for the seminar. The principal NGO consortia has agreed to hold a conference to discuss the final design of the project paper and provide comments to the mission, and, assuming agreement from its constituents, to serve on the project committee once the project is underway.

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D. Lead FVO interest: A number of US FVOs have already expressed interest in bidding on the project. While it is not possible to predict exactly the response to the request for applications, inquiries already received lead us to be optimistic about finding competent management for the project.

IV. Impact:

The project will help NGOs work more effectively with village organizations and association to develop self-sustaining activities. The aim is to develop local capacity. If it succeeds, the spread effect should be measurable in replicable activities. For example, we expect that one of the projects to be funded under the project will help develop the capacity of village groups, largely women, to mobilize savings and extend credit. The impact should be the establishment of permanent village groups capable of lending to their members as well as the strengthening of an organization capable of training other groups in credit union formation. A number of NGOs will be working with village groups on vegetable raising and livestock operations or on food processing. These activities will provide income to villagers which can be reinvested in other activities. While initially, many of these investments may be to meet daily needs or extraordinary social requirements—marriages, baptisms, funerals—some will be made in other income generating activities.

It is expected that successful tree plantings or self-financed health programs will encourage other village organizations to undertake similar activities and inspire other donors and NGOs to support them.

At the same time, strengthened NGOs should have an improved capacity for designing and carrying out projects with village organizations or associations in semi-urban and urban areas. Their increased efficiency should enable them to use their resources more judiciously, undertake more projects and work with more partners, increase their services and broaden their reach. It should also make them more attractive to donors.

Finally, stronger NGO consortia and associations should be better able to respond to needs of their members for training or technical assistance. They will be able to do a better job of coordinating NGO views and representing NGO opinions both to government and to foreign donors.

V. Women in Development

Women will play an active role in the project both in its implementation and as its beneficiaries. Women traditionally have been active in village groups. The national federation of groups for the promotion of women, for example, includes more than 300,000 members. The former Minister of Social Development has estimated that throughout the country there were more than 13,000 women's groups, engaged in a variety of activities ranging from horticulture to health. Donors, FVOs and NGOs have worked closely with these groups in the past. Nearly half of the beneficiaries in the Community and Enterprise Development project, for example, have been women and two of the eight FVOs/NGOs with which USAID is working target women's groups specifically.

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The new project will promote this focus on women and women's groups as beneficiaries of sub-project activities. It includes among its criteria the requirement that all sub-project proposals include a discussion of the role of women, women's involvement in management and implementation, and the sub-project's impact on women. If the activity does not specifically target women, the proposal should provide an analysis showing that women are neither excluded nor harmed by the sub-project activities.

The project will also provide support to women involved in NGO and FVO management. Women play key roles in NGO administration. Some NGOs and FVOs were established by women, are managed by women, to improve the lot of women. In others, women serve as executive directors or in important management positions. The project will aim at increasing the number of women playing professional roles in NGO and FVO management. The project will provide training opportunities and workshops. In planning and implementing its training programs and in its technical assistance for capacity building, the project will make a special effort to involve women. It will also encourage projects that not only assist women directly, but which encourage attitudinal changes that can result in greater participation by women throughout the society.

VI. Issues:

The major issues remaining to be worked out in implementation relate largely to the concerns already expressed about the absorptive capacity of NGOs, their ability to work with village organizations in a collaborative relationship, avoiding the possible conflicts inherent in patron-client relations, the respective roles of government and NGOs, and problems of donor coordination. Most can be addressed by the lead FVO through the technical assistance and training it provides to those participating in the project.

Early on, the lead FVO will need to take a deeper look at the capacity of NGOs and their technical requirements than was possible prior to preparing the project paper. In reviewing subproject proposals, it may have to spend time with NGOs helping develop strategy and a design approach that encourages the NGOs to think through the implications of their activities and provides data and a monitoring system that keeps them informed on project progress and impact. It will be the lead FVO's job to assure participation at the lowest level in the design of project activities and to make sure that collaboration between village organizations and NGOs or between US FVOs and local NGOs builds toward partnership.

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ANNEX G

PROJECT SELECTION CRITERIA AND SELECTION PROCEDURES

ANNEX G

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PRELIMINARY PROJECT SELECTION CRITERIA AND SELECTION PROCEDURES

A. INTRODUCTION

The development of sub-projects with interested NGOs and PVOs will be collaborative. Owing to differences in organizational capacity, some NGOs may be ready to submit acceptable proposals once they have been given project criteria and procedures and had discussions with the Umbrella Support Unit (USU) while others may need training and hands-on assistance for further institutional strengthening, in writing the proposal or implementing the activity. The objective of the proposal development process is not merely to fund activities but to plan interventions to ensure focus on appropriate beneficiaries, careful implementation plans by NGOs including procurement, accountability and monitoring; and USU satisfaction that the NGO or PVO can accept responsibility for both achieving objectives and reporting results.

This Annex G provides preliminary sub-project selection criteria and describes the review and approval process for sub-project proposals. These criteria and procedures will be finalized and approved by the NPC once the lead PVO or PVO consortia sets up the USU and develops relationships with the NGOs and PVOs, with appropriate government representatives and with USAID. The review and approval procedures will be refined periodically as required during project implementation.

B. SUB-PROJECT SELECTION CRITERIA

Sub-project selection criteria have been developed to ascertain both the institutional capabilities of the PVO or NGO submitting the proposal for funding as well as the relevance and impact of the project proposal itself. The criteria are therefore divided into project selection criteria and institutional selection criteria.

1. Project Selection Criteria

Sub-project proposals will be eligible for approval if they meet the following criteria:

- The proposed sub-project has a clearly stated goal and implementation plan that will improve living standards of targeted community groups, especially among the rural and urban poor.

- The proposed sub-project is within one or more of the priority sectors of agriculture, natural resource management, micro and small-scale enterprise development, primary health care, family health and non-formal education.

- The proposed activities are financially sustainable; ie sufficient revenue will be generated to cover recurrent costs—operations, maintenance, amortization—or holds the strong potential to do so within the life of the project.

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- The proposal demonstrates economic soundness, using as a basis for judgment the characteristics of economically and financially sound PVO/NGO projects listed on page 3 and showing a high rate of beneficiary contribution to the project.
- The proposal includes adequate technical analysis to assure technical feasibility and a plan for dealing with expected technical questions throughout the life of the sub-project.
- The proposal demonstrates that an adequate environmental review of the sub-project activities has been completed or assured.
- The proposal demonstrates social soundness (analysis of social context, participation of the beneficiaries in project design, relationship of participation to benefits, activity meets a priority need in the community and has an acceptable number of beneficiaries).
- The proposal includes a discussion of the role in women in sub-project activities and women's involvement in management as well as implementation. If the activity does not specifically target women as a group, the proposal presents an analysis showing that women are neither excluded nor harmed by the sub-project activities.
- The proposal presents clear and feasible plans for administering the sub-project and managing its finances.
- The proposal presents an acceptable plan to evaluate and monitor field activities.
- The proposal can be concluded in five years or less.

2. Institutional Selection Criteria

- PVO/NGO is recognized by the Government of Senegal.
- PVO/NGO has demonstrated capability to carry out development programs in Senegal, including technical, administrative and financial accounting capabilities to implement the proposed project.
- PVO/NGO has established strong linkages with beneficiary community groups.
- PVO/NGO will make an important contribution either in cash or in kind to the overall costs of the sub-project activities.
- PVO/NGO is committed to participative, community-level development, encouraging local initiatives, expanding local absorptive capacity for external assistance and increasing local leadership.

3. Economic Characteristics of FVO/NGO Projects with High Internal Rates of Return

— Costs

1. The project has low capital costs (relative to labor costs and to total project funding), minimizing the use of imported inputs, particularly of capital equipment.
2. The project has low labor costs, minimizing the use of expatriate personnel, and maximizing the use of volunteer labor.
3. The project utilizes simple technology appropriate to the skill levels of project participants.
4. The project has low operating and maintenance costs compared to expected benefits.
5. The project has a system to recover all or part of recurrent costs from participants, leading to careful use of project inputs.

— Benefits

6. The project participants are members of the poorest groups or communities in Senegal.
7. The project generates saleable outputs capable of recovering project costs.
8. The project responds to highly valued requirements which are widely recognized by the participants' community, and which may be identified by the willingness of participants to share in coverage of recurrent costs.

— Time Value of Money

9. The start-up period before project benefits begin to flow is short, two years at most, and usually much less.
10. Project participation and benefits grow as rapidly as possible.
11. The implementation plan is realistic and takes account of likely delays. Procurement of imported and other capital equipment, and hiring of expatriate and other high cost personnel are planned accordingly.
12. The project does not introduce completely new activities in cases where improvements to already existing activities would be sufficient.

— Other

13. Sustainability (related to costs and benefits above, but involving non-economic factors as well).
14. Replicability (an externality to subproject cost/benefit analysis).

AVAILABLE DOCUMENT

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D. PROPOSAL PREPARATION

The USU will develop and distribute a handout containing the guidelines and proposed proposal format as well as the selection criteria and selection procedures to all interested FVOs and NGOs in Senegal. This booklet will provide FVOs and NGOs with basic information they need to prepare the sub-project proposals for USU review. At the same time, the USU will conduct a series of workshops on sub-project proposal preparation, on the selection criteria and the guidelines for analyses to be included in the proposals.

The level of the required sub-project analyses and project description will depend upon the complexity and size of the sub-project. The USU will help guide individual FVOs and NGOs as they develop their project proposals where possible.

1. Sub-Project Proposal Outline

The following draft format is proposed for use by the USU in developing a standard format for sub-project proposals to be submitted for review and approval. This format will not necessarily be required for all sub-project proposals but widespread use of this format among NGOs should improve their proposals both for this project and for other donor financing. This format will be refined and revised as needed by the USU during project implementation based on experience.

SUB-PROJECT PROPOSAL OUTLINE

Project Title: _____ Life of Sub-Project: _____
(yrs)

FVO/NGO Name and Address: _____

FVO/NGO Director: Name _____
Title _____

Date of Submission to USU: _____

Organizations Cooperating in Sub-Project: _____

Total Project Cost: _____

Amount of Sub-Grant Requested: _____

A. Purpose

Summarize the purpose of the activity: state what will be created, accomplished or changed.

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B. Project Background

1. State why this activity is being undertaken. What problems does this activity address?
2. State what has been done already by your organization (or others) to address the problem(s) described.
3. Comment on your organization's ability to undertake this activity (briefly describe your organization's past experience in implementing this type of activity).
4. Describe complementary activities (if any) of the Government of Senegal (GOS) or other development organizations and explain how your project supplements these activities but does not duplicate them.
5. Explain the relationship of your proposed project to Senegal development objectives. Show that the project has the support of the local administrative authorities in the project area, including the Local Development Committee and the Departmental Development Committee.
6. Explain the process you used to design this project and the role of the beneficiary groups in the process.

C. Project Description

Provide a general description of the activities you intend to carry out and how these activities will be carried out. Describe the group(s) who will benefit as a result of this project, and describe how they will benefit, e.g. state what changes in income, employment, production, education or health status are expected at the end of the activity. Describe what will be achieved by the end of the project, and how these will be achieved.

Describe how beneficiaries will be involved in project implementation and in managing project activities. If part of the project activity is to assist the beneficiary group gain needed capabilities to manage the project activities, explain how this will be accomplished.

D. Project Analyses

1. Economic: Statement of the economic effects of the project (a) on its major intended beneficiaries, (b) on related groups, and (c) on the potential to reach beneficiaries at low per capita cost. Such effects could include such desirable purposes as increased income and employment; enhanced job opportunities through encouragement of labor intensive, low cost systems of production and services; improved literacy, and better forms of education and training to help people qualify for opportunities. Although a detailed benefit-cost analysis will not be expected for each sub-project, the USU will be comparing the benefits of the project with the cost of the proposed effort to determine cost effectiveness and economic viability. To the extent the PVO/NGO can supply information to assist this comparison, review of the proposal will be facilitated.

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For "directly productive" activities, the net return to the individual producers must be shown to be sufficiently attractive to undertake the intended activity (financial analysis of the activity).

Each proposal will be expected to include a calculation of cost per beneficiary as part of its economic analysis. Proposals with a high cost per beneficiary must have a strong justification in terms such as multiple benefits, spread effects to other beneficiaries or projects, or benefits accruing beyond the life of the sub-project. The USU will utilize the economic characteristics of PVO/NGO sub-projects with high internal rates of return in assessing the overall economic viability of sub-projects.

2. Technical: Describe the technology and/or methods and techniques to be used. Provide evidence that your organization has the capability to implement the technology and/or methods and techniques. Provide an assessment of whether beneficiary groups or organizations have the ability to use and maintain the technology and/or methods and techniques once the project is over. Provide special technical analyses as required, e.g. engineering studies if construction is proposed.

3. Socio-Cultural Feasibility:

Proposals should have the following features: (1) reflect insight and sensitivity to local conditions, (2) demonstrate that community members will be fully involved in all steps of the sub-project, (3) use technology that is appropriate, and (4) consider benefits and role of women in the sub-project activities.

a. Participation: Describe the intended participants of the project. Describe how the participants and your organization developed the project proposal. Describe the characteristics such as sex, location, age, employment, and income level. State the contributions anticipated from the participants and why you expect these to be forthcoming. If the intended participants are organized into a group, describe how it functions and past activities.

b. Beneficiaries: Give a beneficiary profile (if different from participants) and the approximate number of direct beneficiaries. Describe the benefits which are expected as a result of this project. Describe how you intend to document the actual participation, benefits and beneficiaries.

c. Socio-Cultural Context: Provide as much information as needed to explain the socio-cultural factors that will affect project activities and influence the degree of benefits that will accrue to the beneficiary groups.

4. Environmental Analysis: The proposal must describe the impact that project activities will have on the environment. The USU will provide details on what is required for such an analysis.

5. Administrative Feasibility: Include information on your management capabilities to demonstrate your ability to manage A.I.D. grant resources and carry out the proposed activities. If other entities will manage some or all project activities, include information on such organizations and their administrative and management capabilities.

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Describe the capabilities and experience of beneficiary groups to carry out the project implementation activities. If part of the project is to assist the group gain needed capability, the Project Description section should discuss how this will be accomplished.

For any project activities that result in something such as a road, water system, health clinic, income-generating activity or system of services that must be maintained by the beneficiary group, describe how you will ensure that the beneficiaries have the ability to maintain the activities or infrastructure once the sub-project is completed.

E. Project Implementation Plan

- Describe how the project will actually be carried out, who will do what.
- Describe how you plan to provide for technical assistance and training, i.e. use of volunteers, staff or consultants.
- Describe the type and amount of commodities needed and proposed procurement procedures.
- Provide a schedule of actions required, their timing and interrelationships, and who will be responsible for carrying them out.
- Describe how you will monitor and report on the above described activities.

F. Financial Plan

Prepare an analysis of the entire cost of the sub-project. This should include the cost of all activities, commodities, services etc. needed for successful completion of the project and who will finance these costs. All costs to be incurred from the date of signature of the sub-grant from the USU until the project is completed should be included no matter what source or type of contribution will cover them. Contributions from beneficiaries or other groups, whether in kind or in cash, should be expressed in local currency. For contributions made by organizations other than the sub-grantee and USU, provide suitable evidence to assure the contribution will be available in the amount listed and on time.

Budget presentation should be broken down by various line items as appropriate to the specific project. Projects will include most of the following line items:

- Personnel Costs
- Training Costs
- Commodity Costs
- Other Costs (office space, transportation, office supplies, equipment, evaluation costs, overhead)

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Proposed sub-grant expenditures should also be broken down by year, using year 1, 2, etc. to signify each full year of the sub-project.

G. Evaluation

An end of sub-project report is the responsibility of the sub-grantee. Each proposal submitted must include an evaluation plan. The plan will describe what you intend to evaluate and how you plan to go about carrying out this evaluation. What are the indicators that you will look at to see if your project purpose has been accomplished. The plan should also describe who you plan to use for the evaluation. Most projects that extend for more than one year should be evaluated at various stages during implementation. Include an evaluation schedule supporting the timing of the planned evaluations.

E. SUB-PROJECT REVIEW AND APPROVAL

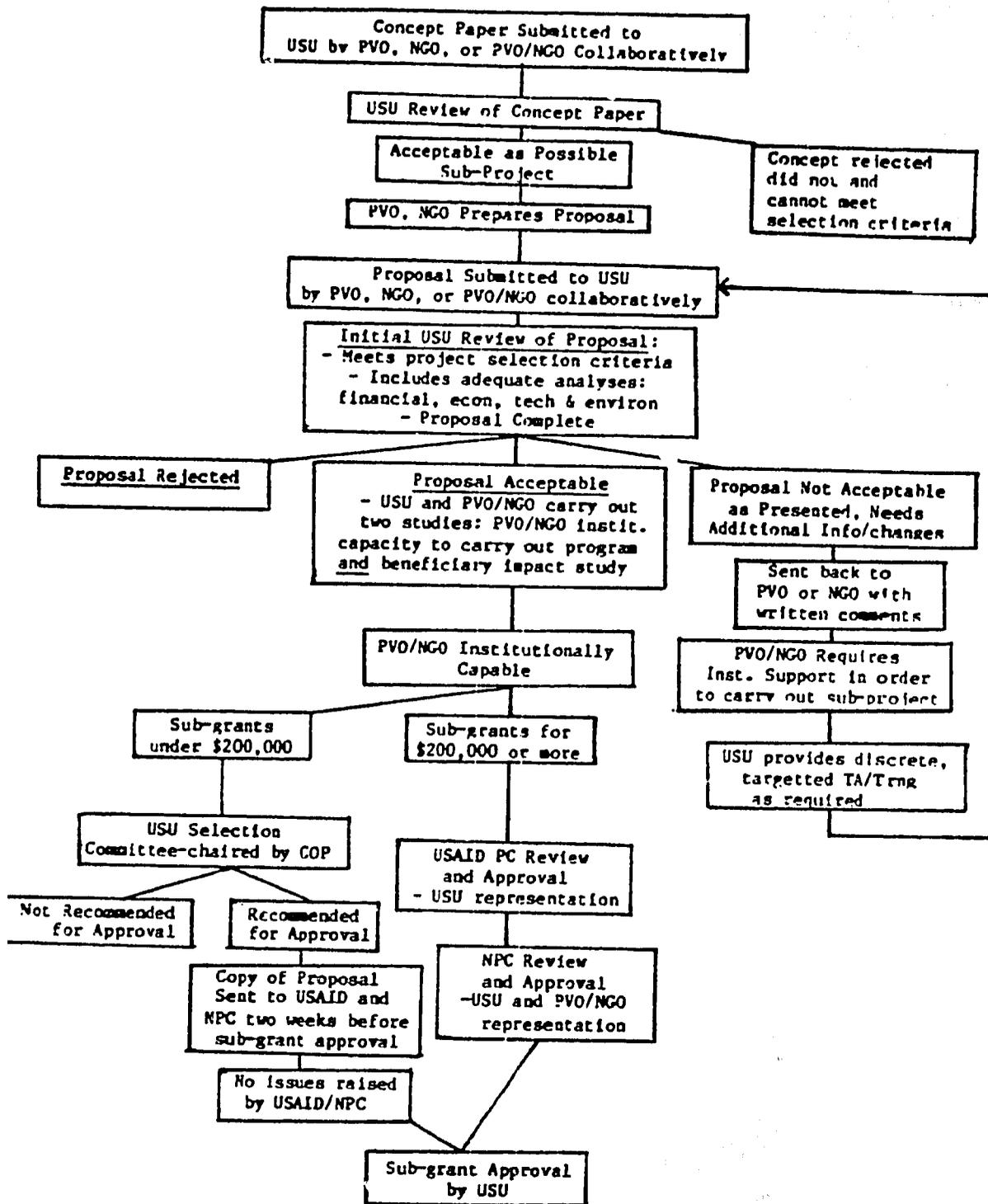
The USU will be responsible to review all FVO and NGO concept papers and proposals submitted for project funding. Figure G-1 provides a flowchart of the review and approval process for all sub-project proposals that are over \$50,000. All micro-grants, or those sub-grants that are from \$5,000 to \$50,000, will be reviewed and approved by the USU using a more streamlined process to be established once the USU has been set up and gains some grantsmanship experience.

As shown in Figure G-1, the USU will initially review all concept papers submitted by FVOs or NGOs to determine if they meet project selection criteria and if they appear to be "drable" sub-project activities. At this stage, the USU can either accept or reject the proposed sub-project as conceived in the concept paper. If the concept paper is acceptable, the FVOs/NGOs are requested to submit a more detailed proposal of the sub-project activities. It is expected that the USU will need to assist many FVOs and NGOs in developing their proposals. Upon submission, the USU then reviews all proposals to assure they meet project selection criteria, if they include adequate analyses and if they are complete. The USU can either reject the proposal, accept the proposal or request the NGO or FVO proposing the activity to amend or change the proposal as needed. Once the proposals are acceptable and meet the project selection criteria, the USU will carry out two studies: (1) an analysis of the institutional capacity of the FVO or NGO to carry out the proposed sub-project activities; and (2) jointly with the FVO/NGO, an analysis of beneficiary impact that will examine the participation of the beneficiaries in project design and will collect baseline data to be used for evaluating impact and results.

For those FVOs or NGOs that do not have required institutional capacity to carry out the sub-project, the USU will provide discrete and targetted institutional support assistance, both technical assistance and training to bring the FVO or NGO to a point where they could adequately manage, monitor, account for, and evaluate proposed sub-project activities.

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**PRELIMINARY SUB-PROJECT
REVIEW AND APPROVAL FLOWCHART**



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Once the USU is confident that the FVO or NGO has the necessary institutional capacity and meets the institutional selection criteria, that the beneficiaries totally support the project activities and participated in sub-project design, and that baseline information has been collected, sub-projects for under \$200,000 will be reviewed by a USU Selection Committee to be chaired by the Chief-of-Party (COP). If the USU Selection Committee recommends the approval of the proposal, the USU will send a copy of the proposal to USAID and the NPC members at least two weeks prior to sub-grant approval. If no issues are raised by USAID or the NPC members, the USU will then approve the sub-grant and sub-project implementation will begin.

For sub-projects that are over \$200,000, the USU will submit the proposals to USAID and the NPC for approval. The USAID Project Committee will review the proposals to assure technical feasibility, conformance to the selection criteria and A.I.D. regulations, and FVO/NGO institutional capacity to manage and account for the sub-project. Once the USAID project committee recommends approval, the NPC will review and approve the proposal. The NPC review will include representation from the FVO/NGO potential sub-grantee. Upon approval of the proposal from the NPC, the USU will be allowed to sign the sub-grant with the sub-grantee FVO or NGO.

F. THE SUB-GRANT IMPLEMENTING AGREEMENT

When a proposal has been approved either by the USU or by the NPC and USAID, the USU will sign a Sub-Grant Implementing Agreement with the sub-grantee FVO or NGO. The Sub-Grant Implementing Agreement format will be developed by the USU and will be approved by USAID, including the USAID Controller and Regional Legal Advisor. The Agreement will include three parts:

(1) The Sub-grant: Establishes the terms of the sub-grant, the level of funding, the level of involvement of the parties and identifies the authorized representatives of the sub-grantee.

(2) The Sub-project Description: This section is derived from the approved sub-project proposal, often through discussion among the parties. The sub-project description consists of a description of the goals, objectives, implementation activities, reporting requirements and budget. The budget will consist of a detailed financial plan by cost element that will be used for budgeting and tracking expenditures. It is particularly important that the FVO or NGO sub-grantee be satisfied with the description. The end result is the description of the tasks which the FVO or NGO will be expected to undertake. The sub-project description identifies the quantifiable outputs the FVO or NGO has set to measure success and the indicators by which progress will be evaluated.

(3) Sub-grant Standard Provisions: The sub-grant implementing agreement will include appropriate standard provisions to assure that the sub-grants meet all of the relevant U.S. government regulations concerning U.S. financing of grant activities; especially concerning implementation activities such as procurement, sub-contracting and transportation.

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ANNEX H

PROCUREMENT PLAN FOR COMMODITIES AND SERVICES

ANNEX H

PROCUREMENT PLAN FOR COMMODITIES AND SERVICES

A. Introduction

Procurement needs for the Senegal PVO/NGO Support project can be broken down into three areas: (1) procurement of services of a U.S. PVO or U.S. PVO consortia to set up and manage the Umbrella Support Unit (USU) and to implement project activities under a Cooperative Agreement, (2) procurement of initial vehicles and equipment for the USU by USAID, (3) procurement of additional equipment, supplies and commodities and additional vehicles after year four by the USU, and (4) procurement of equipment, commodities and supplies by PVOs and NGOs under their individual sub-grants. This annex will discuss each of these areas and will provide a procurement plan for all known project commodities, equipment and vehicles.

B. Procurement of Services

Upon signature of the Project Grant Agreement with the Government of Senegal (GOS) and completion of conditions precedent to initial disbursement, USAID will issue a PIO/T requesting the agreement officer in REDSO/WCA in Abidjan to issue the Request for Applications (RFA) to the community of A.I.D.-registered PVOs in the U.S. in accordance with Handbook 13 regulations. It is planned that a notice in the Commerce Business Daily announcing the availability of the RFA will be made even prior to the issuance of the PIO/T. Timing is of the essence in order to have a Cooperative Agreement signed and a team in country by January 1991.

A number of U.S. PVOs and PVO consortia have already shown interest in submitting applications to be the lead PVO in the project. Upon receipt of the applications, a review committee comprised of representatives from USAID, the GOS and the NGO community will review the applications using the evaluation factors from the RFA. The committee will provide a recommendation to the Agreement Officer for the lead PVO and the Agreement Officer will negotiate and sign a cooperative agreement with the chosen PVO.

Once the USU develops specific plans for required institutional support to PVOs and NGOs, the USU will sub-contract with local consultants for technical assistance and with local training institutions to carry out training programs.

C. Procurement of Commodities

While the lead PVO is being selected, USAID will directly procure necessary household furniture for the long-term expatriate technical advisors and office equipment and commodities for the USU from U.S. sources because of price considerations. In addition, USAID will procure three vehicles for the USU from Senegal sources. Procurement will begin upon signature of the Project Grant Agreement and meeting of the conditions precedent so that the equipment, commodities and vehicles are available for the lead PVO team when they arrive.

The lead PVO will have to procure all of its office supplies and some additional equipment as needed once they have established the USU. The USU will continue to procure office supplies throughout the life of the project. Also, the USU will procure three replacement vehicles in year five of the project for the USU.

The fourth area of foreseen procurement includes commodities and services to be procured by the PVOs and NGOs under their sub-grants. At this point, it is not possible to know what commodities and services they will require. The sub-project proposals will contain detailed procurement plans for the sub-project activities. The USU will assure that the PVOs and NGOs use accepted competitive procurement practices in accordance with A.I.D. rules and regulations for the approved procurement items funded through their sub-grants. Based on the experience under the Community and Enterprise Development project and other NGO projects, it is clear that most of the PVO/NGO commodity requirements can be furnished with off-shelf items currently available in Senegal. All items procured directly by USAID and directly by the lead PVO will be imported duty-free under the terms of the Project Grant Agreement with the GOS. All items procured by the PVOs or NGOs under their respective sub-grants will also be purchased duty-free because of the duty-free status of PVOs and NGOs in Senegal.

Figure H-1 provides a Procurement Plan for Commodities for the USU under the project. This table shows the items that will be procured by both USAID initially and then the lead PVO for USU requirements and the costs of the items.

D. Development Fund for Africa Procurement Implications

The PVO/NGO Support project is funded through the Development Fund for Africa (DFA), which provides a special waiver to the Foreign Assistance Act of 1961 pertaining to U.S. source and origin rules for goods and services procurement. Specifically, the authorized Geographic Code with respect to source, origin, and nationality for procurement under DFA is up to A.I.D. Geographic Code 935, defined as Special Free World, including the participating country. The purpose of the waiver is to ease existing procurement procedures, which were seen as impeding project implementation in Africa. Although Geographic Code 935 countries are authorized, the DFA-funded projects still must have a DFA procurement plan which shows an order of preference of U.S. source and origin and then Code 941 source/origin to the fullest extent possible. The special waiver also directs African field posts to formulate comprehensive procurement plans which assure U.S. purchases whenever practicable, consistent with program objectives.

The USU will be responsible for assuring that the sub-project proposals include source and origin information on all commodity procurement and that order of preference is documented in the USU review documents. Sub-grant purchases of commodities from Code 935 sources, such as vehicles from France or Japan because of availability of spare parts and service, do not require a separate A.I.D. waiver as long as the USU documents the rationale for the order of preference. All other procurement regulations shown in A.I.D. Handbooks 1B, 11, and 14 remain unchanged.

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ANNEX H

E. COMMODITY PROCUREMENT PLAN (ESTIMATED)

Table H-1

Commodity	Quantity Ordered	Unit Cost	Commodities Cost	Mark-up %	Inland Trans. Insur. -10%	Freight %	Contractual Charges %	Total Est. Costs	Responsible Agency	Procurement Source/ Origin	Method of Procurement	Schedule of Procurement Order Issued	Delivery Time	Arrival	Comsignee
1. Office Furniture															
Staff desks	8	1422	11,376	1133	1130	11,319	1586	13,074	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Secretary desks	2	1190	2,380	1115	1110	1171	157	1441	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Desk chairs	10	1100	11,000	1100	1100	1100	1150	11,740	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Conference chairs	10	143	1,430	110	110	143	160	1,703	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Conference table	1	1100	1,100	11	11	110	127	1,313	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Bookshelves	8	119	976	111	111	119	115	1,136	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Filing Cabinets	10	1183	11,830	113	113	1183	1674	13,104	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Storage shelves	10	1143	11,430	117	117	1143	1644	12,400	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
Computer tables	6	1187	7,126	110	116	1187	1113	11,313	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
2. Office Equipment															
Microcomputers	2	13,122	26,244	1130	1124	12,810	1137	110,043	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Laptops	2	11,300	22,600	1100	1100	11,150	11,150	112,100	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Printers	4	11,500	46,000	1100	1100	12,200	1100	110,140	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Power supply units	2	1130	2260	111	111	1130	1127	11,476	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Photocopier	1	1175	1175	115	115	1175	1131	11,573	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Electrical typewriter	1	1166	1166	111	111	1166	113	11,970	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
FAX machine	1	11,250	11,250	1130	1125	11,143	1100	13,633	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Telephone equipment		11,000	11,000	N/A	N/A	N/A	N/A	11,000	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
Slide projector	1	11,190	11,190	112	112	1119	1106	12,67	USU	113	USU Direct	Jan 91	1 month	Feb 91	USU
3. Office Supplies															
Stationery & Supplies		N/A	110,000	N/A	N/A	N/A	N/A	110,000	USU	Local	USU Direct	TOP			
Accessories, paper, inks for photocopier		N/A	112,600	N/A	N/A	N/A	N/A	112,600	USU	Local	USU Direct	TOP			
4. Vehicles															
- Initial Procurement															
4WD Vehicles	2	121,000	242,000	N/A	N/A	N/A	N/A	244,000	USAID	113	Direct USAID	Sept 90	3 months	Nov 90	USAID
sedans	1	113,000	113,000	N/A	N/A	N/A	N/A	115,000	USAID	113	Direct USAID	Sept 90	3 months	Nov 90	USAID
- Replacement Vehicles															
4WD Vehicles	2	121,000	242,000	N/A	N/A	N/A	N/A	244,000	USU	113	USU Direct	Jan 91	3 months	Mar 91	USU
sedans	1	113,000	113,000	N/A	N/A	N/A	N/A	115,000	USU	113	USU Direct	Jan 91	3 months	Mar 91	USU
5. Household Furniture															
Set for 2 LL IA	2	112,500	225,000	11,000	11,500	111,250	11,750	243,500	USAID	U.S.	Direct USAID	July 90	3 months	Dec 90	USAID
TOTAL		1183,941	1213,075	11,159	11,148	127,440	11,721	1259,367							
BY AGENCY:															
- USAID Initial Procurement:								1122,194							
- USU Procurement over TOP:								1137,171							

USAID will be initial consignee but will hand over title to equipment and vehicles to lead PVO once USU is established

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ANNEX I

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BIBLIOGRAPHY

ANNEX J

121 (D) NEGATIVE DETERMINATION

The Conference Report accompanying the FY 1990 Appropriations Act states, with respect to the DFA account, that the "Assistance should continue to be implemented in accordance with the statement of managers accompanying P.L. 100-202" (the Continuing Resolution for FY 1988).

Discussion: In Dakar 05388, dated May 14, 1990, (copy attached), the Mission Director in Senegal has certified that no Development Fund for Africa funds will be made directly available to the Government of Senegal for disbursement concerning the Senegal PVO/NGO Support project (685-0284).

Recommendation: I recommend that you approve a finding that a determination pursuant to FAA Section 121(d) is not required for the Senegal PVO/NGO Support project (685-0284).

Attachment: Dakar 05388

APPROVED: Langdon

DISAPPROVED: _____

DATE: May 31, 1990

Clearances:

APR/SWA, Nancy M. McKay (draft Date
GC/APR, Pauline Johnson [Signature] Date 25 May 90

[Signature]
Drafter: APR/SWA: Jack Royer: 05/18/90: vd: 2073U

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UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON DC 20523

May 18, 1990

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR AFRICA

FROM: AFR/SWA, Roger Simmons, Acting Director

SUBJECT: FAA Section 121(d) Determination for Senegal - PVO/NGO Support Project (685-0284)

Purpose: To make a finding that the Determination set out in Section 121(d) of the Foreign Assistance Act of 1961, as amended (the "FAA"), for Development Fund for Africa Funds is not required for the subject project. Funds for this project will be obligated thru an umbrella NGO support unit which will be set up and managed by a U.S. PVO or PVO consortium.

Background: Section 121(d) states:

Funds available to carry out this section (including foreign currencies acquired with funds appropriated to carry out this section) may not be made available to any foreign government for disbursement unless the Administrator of the Agency for International Development determines that the foreign government will maintain a system of accounts with respect to those funds which will provide adequate identification of and control over the receipt and expenditure of those funds.

The authority to make the required determinations was delegated to the Assistant Administrator, Bureau for Africa, in Delegation of Authority No. 500 dated January 6, 1982. The Deputy Assistant Administrators, Bureau for Africa, have the authority to make these determinations pursuant to alter ego authority delegated to them through Delegation of Authority No. 552 to the Senior Deputy Assistant Administrator on July 17, 1986, and Delegation of Authority No. 555 to the Deputy Assistant Administrator on September 22, 1987.

There is no longer a Sahel Development Program appropriation account, inasmuch as appropriations to carry out the provisions of FAA Sections 103 through 106, as to Sub-Sahara Africa, and Section 121 are now a part of the Sub-Saharan Africa, Development Assistance, appropriation. However, the Joint Explanatory Statement of the Committee of Conference for the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1988 (the Continuing Resolution for FY 1988), provides that it is the intent of the Conferees that provisions of law that make reference to FAA Section 121 (and to FAA Section 103 through 106) will apply to funds made available from the Development Fund for Africa appropriation.

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ACTION COPY



UNCLASSIFIED Department of State

INCOMING TELEGRAM

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IN DAAAF OF DATE: THE ACTING MISSION DIRECTOR HAS CERTIFIED QUOTE THAT NO DEVELOPMENT FUND FOR AFRICA FUNDS WILL BE MADE AVAILABLE TO OR MANAGED BY THE GOVERNMENT OF SENEGAL FOR DISBURSEMENT UNDER THE SENEGAL PVO/NGO SUPPORT PROJECT (685-0284). UNQUOTE A COPY OF THE CABLE IS ATTACHED

INFO 050-00 AF-00 0 04-00 10-00 3000-00 /003 V

RECOMMENDATION: I RECOMMEND THAT YOU APPROVE A FINDING THAT THE REQUIREMENT FOR A DETERMINATION SET OUT IN FAA SECTION 121 (D) DOES NOT APPLY TO THIS PROJECT

P 141633Z MAR 99 FM AMEMBASSY DAAAF TO SECSTATE WASHDC PRIORITY 0670

ATTACHMENT DAAAF

JMCLAS DAAAF 05388

APPROVED: DISAPPROVED: DATE:

AIDAC

FOR AFR/SA, J. ROYER

6. APPRECIATE ASSISTANCE. PLEASE ADVISE. BUSHNELL

E G 12358 N/A

SUBJECT: FAA SECTION 121 (D) CERTIFICATION FOR SENEGAL PVO/NGO SUPPORT PROJECT (685-0284)

1. THIS CABLE CONSTITUTES THE MISSION DIRECTOR'S FAA SECTION 121 (D) CERTIFICATION FOR THE SENEGAL PVO/NGO SUPPORT PROJECT AND PROVIDES SUGGESTED TEXT OF ACTION MEMORANDUM FOR DEPUTY ASSISTANT ADMINISTRATOR FOR AFRICA FOR FINDING. PLEASE INITIATE DAAAF APPROVAL SOONEST.

2. QUOTE GARY L. NELSON, ACTING DIRECTOR, USAID/SENEGAL, CERTIFY THAT NO DEVELOPMENT FUND FOR AFRICA FUNDS WILL BE MADE AVAILABLE TO OR MANAGED BY THE GOVERNMENT OF SENEGAL FOR DISBURSEMENT UNDER THE SENEGAL PVO/NGO SUPPORT PROJECT (685-0284). UNQUOTE

3. DRAFT TEXT OF ACTION MEMORANDUM

ACTION MEMORANDUM FOR THE DEPUTY ASSISTANT ADMINISTRATOR FOR AFRICA

FROM: AFR/SA, DIRECTOR

SUBJECT: FAA SECTION 121 (D) DETERMINATION FOR SENEGAL: SENEGAL PVO/NGO SUPPORT (685-0284)

PURPOSE: TO MAKE A FINDING THAT THE DETERMINATION SET OUT IN SECTION 121 (D) OF THE FOREIGN ASSISTANCE ACT OF 1961, AS AMENDED (THE "FAA"), FOR DEVELOPMENT FUND FOR AFRICA FUNDS IS NOT REQUIRED FOR THE SENEGAL PVO/NGO SUPPORT PROJECT, NUMBER 685-0284.

BACKGROUND: SECTION 121 (D) STATES: FUNDS AVAILABLE TO CARRY OUT THIS SECTION (INCLUDING FOREIGN CURRENCIES) ACQUIRED WITH FUNDS APPROPRIATED TO CARRY OUT THIS SECTION MAY NOT BE MADE AVAILABLE TO ANY FOREIGN GOVERNMENT FOR DISBURSEMENT UNLESS THE ADMINISTRATOR OF THE AGENCY FOR INTERNATIONAL DEVELOPMENT DETERMINES THAT THE FOREIGN GOVERNMENT WILL MAINTAIN A SYSTEM OF ACCOUNTS WITH RESPECT TO THOSE FUNDS WHICH WILL PROVIDE ADEQUATE IDENTIFICATION OF AND CONTROL OVER THE RECEIPT AND EXPENDITURE OF THOSE FUNDS.

DISCUSSION: THERE IS NO LONGER A SAMEL DEVELOPMENT PROGRAM APPROPRIATION ACCOUNT. HOWEVER, THE JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE PROVIDES THAT IT IS THE INTENT OF THE CONFERENCE THAT PROVISIONS OF LAW THAT MAKE REFERENCE TO FAA SECTION 121 (AND TO FAA SECTIONS 183 THROUGH 186) WILL APPLY TO FUNDS MADE AVAILABLE FROM THE DEVELOPMENT FUND FOR AFRICA APPROPRIATION.

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ACTION: AID INFO: AMB ECM RIG ECON

VZCZCIX0798
RR RUTIK
CE RUPHC #6146 182013A
ZNR UUUUU ZEN
R 010100Z JUN 92
FM SECSTATE WASHDC
TO AMEMBASSY LARA 3456
BT
UNCLAS STATE 176146

LOC: 243
21 JUN 92
CN: 28382
CHRG: AID
DIST: AID

AITAC

E.O. 12796: N/A
SUBJECT: PAA SECTION 121(I) DETERMINATION FOR SENEGAL -
PVO/NGO SUPPORT PROJECT (685-2284)

1. AEF/SMA PLEASED TO REPORT THAT SUBJECT DETERMINATION
WAS SIGNED BY PAA/AFR, DENARD L. SAIBERS, MAY 31, 1992.
COPY OF SIGNED DOCUMENT POUCHED TO MISSION MAY 31.

2. CV FOR PVO/NGO SUPPORT PROJECT (685-3284) IN
CLEARANCE PROCESS. MISSION WILL BE ADVISED OF DATE WHEN
SENT TO BILL. BAKER

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ANNEX K

INITIAL ENVIRONMENTAL EXAMINATION

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Senegal PVO/NGO Support PID - 685-0284ATTACHMENT B, Page 2 of 4INITIAL ENVIRONMENTAL EXAMINATION3. Project Description

The Senegal PVO/NGO Support project (685-0284) is a six-year, \$15 million umbrella-type project designed to improve the standard of living for poor Senegalese. The project purpose is to enable local NGOs, NGO associations and community groups to plan, design and carry out sustainable development activities. Project emphasis will be on self-sustaining local-level activities initiated by the beneficiaries themselves in USAID priority areas.

The project will have two interrelated components: (1) institutional development of local NGOs and NGO associations, and (2) sub-grants to U.S. PVOs, local NGOs or U.S. PVOs and local NGOs working collaboratively for discrete community-based sustainable activities.

The project will be implemented through an umbrella NGO support unit (USU) structure and will use one lead U.S. PVO or U.S. PVO consortia possibly in collaboration with a local subcontractor to be responsible for all project activities. The project's structure places a single financing and management instrument over a number of discrete activities which share common objectives. The USU will be responsible for performing the range of technical and management tasks the local NGO institutional development and the sub-grants are likely to require.

The USU will manage a sub-grant mechanism to provide funds to U.S. PVOs and local NGOs for community-based, small scale development activities. It is envisioned that the sub-grants would range in size from \$100,000 to \$1,000,000. The USU will receive, screen and review proposals, assist NGOs and U.S. PVOs to improve proposals if necessary, and present the proposals to USAID and the COS for approval. In addition, mini sub-grants to local NGOs and U.S. PVOs of between \$10,000 to \$40,000 will be approved for small, targeted, high potential community activities.

A wide range of activities will be eligible for funding under the sub-grants, including technical assistance, training for both PVO/NGO staff and the beneficiaries, overhead for local NGOs and U.S. PVOs, field operational support, equipment and commodities, and vehicles.

For environmental review purposes, the project can be broken down into two discrete components. The first component consists of overall project management; development of sub-grant proposals with U.S. PVOs and NGOs; technical assistance and training for institutional development and strengthening of local NGOs and NGO associations; liaison with the COS, other donors and U.S. PVOs and NGOs; awarding, monitoring and evaluating sub-grants; regular reporting on financing and implementation status; undertaking in-country training and carrying out similar activities. The second component consists of actual sub-grant activities. The sub-grant component will support

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Senegal PVO/BGO Support PIO - 685-0284 ATTACHMENT B. Page 1 of 4

INITIAL ENVIRONMENTAL EXAMINATION OR CATEGORICAL EXCLUSION

Project Country: Senegal
Project Title: Senegal PVO/BGO Support
Project Number: 685-0284
A.I.D. Funding: FYs 1990-94; \$15,000,000
IEE Prepared By: William Hamink, Project Development Officer,
 USAID/Senegal

Environmental Action Recommended:

- Positive Determination
- Negative Determination
- Categorical Exclusion
- Deferral

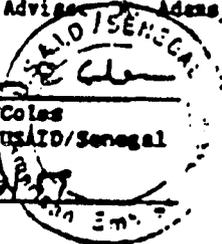
Summary of Findings:

The management, training, institutional strengthening, and project development activities component of this project are eligible and recommended for categorical exclusion pursuant to the provisions of 22 CFR 216.2(c)(1)(i). The sub-grant activities component of the project and the activities which will take place under that component are eligible and recommended for deferral pursuant to the provisions of 22 CFR 216.3(a)(7), since they are and will remain "undefined at the time of authorization." In association with this recommendation, all of the provisions of 22 CFR 216.3(a)(7) have been set as described in Section III of this IEE. The project or other agreement obligating funds for these sub-grant activities will contain an appropriate condition precedent to disbursement or covenant stating that funds will not be obligated under the sub-grants until such time as environmental review of the sub-grant activities is completed or assured, and that the provisions of these environmental reviews will be adhered to during sub-grant implementation.

Concurrence: Regional Legal Advisor, Adans (Draft) Date 12/12/89

Approved: Julius E. Coles
 Julius E. Coles
 Director, USAID/Senegal

Date: 12/20/89



Approved: [Signature]

Disapproved: _____

John J. Gaudet
Bureau Environmental Officer

Date: 2/14/90

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Senegal PVO/NGO Support PTD - 685-0284 ATTACHMENT B, Page 1 of 4

INITIAL ENVIRONMENTAL EXAMINATION OR CATEGORICAL EXCLUSION

Project Country: Senegal
Project Title: Senegal PVO/NGO Support
Project Number: 685-0284
A.T.D. Funding: FYs 1990-94; \$15,000,000
IEE Prepared By: William Hamink, Project Development Officer,
 USAID/Senegal

Environmental Action Recommended:

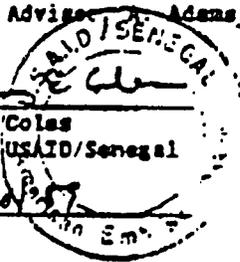
- Positive Determination
- Negative Determination
- Categorical Exclusion
- Deferral

Summary of Findings:

The management, training, institutional strengthening, and project development activities component of this project are eligible and recommended for categorical exclusion pursuant to the provisions of 22 CFR 216.2(c)(1)(i). The sub-grant activities component of the project and the activities which will take place under that component are eligible and recommended for deferral pursuant to the provisions of 22 CFR 216.3(s)(7), since they are and will remain "undefined at the time of authorization." In association with this recommendation, all of the provisions of 22 CFR 216.3(a)(7) have been met as described in Section III of this IEE. The project or other agreement obligating funds for these sub-grant activities will contain an appropriate condition precedent to disbursement or covenant stating that funds will not be obligated under the sub-grants until such time as environmental review of the sub-grant activities is completed or assured, and that the provisions of these environmental reviews will be adhered to during sub-grant implementation.

Concurrence: Regional Legal Advisor Adams (Draft) Date 12/12/89

Approved: Julius E. Coles
 Julius E. Coles
 Director, USAID/Senegal
 Date: 12/20/89



Approved: John J. Gaudet
 Disapproved: _____

John J. Gaudet
 Bureau Environmental Officer
 Date: 2/14/90

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Senegal PVO/NGO Support PID - 685-0284ATTACHMENT B, Page 2 of 4INITIAL ENVIRONMENTAL EXAMINATIONI. Project Description

The Senegal PVO/NGO Support project (685-0284) is a six-year, \$15 million umbrella-type project designed to improve the standard of living for poor Senegalese. The project purpose is to enable local NGOs, NGO associations and community groups to plan, design and carry out sustainable development activities. Project emphasis will be on self-sustaining local-level activities initiated by the beneficiaries themselves in USAID priority areas.

The project will have two interrelated components: (1) institutional development of local NGOs and NGO associations, and (2) sub-grants to U.S. PVOs, local NGOs or U.S. PVOs and local NGOs working collaboratively for discrete community-based sustainable activities.

The project will be implemented through an umbrella NGO support unit (USU) structure and will use one lead U.S. PVO or U.S. PVO consortia possibly in collaboration with a local subcontractor to be responsible for all project activities. The project's structure places a single financing and management instrument over a number of discrete activities which share common objectives. The USU will be responsible for performing the range of technical and management tasks the local NGO institutional development and the sub-grants are likely to require.

The USU will manage a sub-grant mechanism to provide funds to U.S. PVOs and local NGOs for community-based, small scale development activities. It is envisioned that the sub-grants would range in size from \$100,000 to \$1,000,000. The USU will receive, screen and review proposals, assist NGOs and U.S. PVOs to improve proposals if necessary, and present the proposals to USAID and the GOS for approval. In addition, mini sub-grants to local NGOs and U.S. PVOs of between \$10,000 to \$40,000 will be approved for small, targeted, high potential community activities.

A wide range of activities will be eligible for funding under the sub-grants, including technical assistance, training for both PVO/NGO staff and the beneficiaries, overhead for local NGOs and U.S. PVOs, field operational support, equipment and commodities, and vehicles.

For environmental review purposes, the project can be broken down into two discrete components. The first component consists of overall project management; development of sub-grant proposals with U.S. PVOs and NGOs; technical assistance and training for institutional development and strengthening of local NGOs and NGO associations; liaison with the GOS, other donors and U.S. PVOs and NGOs; awarding, monitoring, and evaluating sub-grants; regular reporting on financing and implementation status; undertaking in-country training and carrying out similar activities. The second component consists of actual sub-grant activities. The sub-grant component will support

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Senegal PVO/NGO Support PID - 685-0284

ATTACHMENT B. Page 3 of 4

community-based, small-scale, sustainable development activities that are responsive to the beneficiaries' needs. The sub-grants will be awarded to U.S. PVOs and NGOs to provide direct assistance to community groups. It is envisioned that minimal construction will take place under the project. It is estimated that approximately 18 sub-grants will be awarded for about \$7.8 million. Also, \$250,000 will be used for mini sub-grants of between \$10,000 to \$40,000 over the life of project.

II. Issues and Impacts

There are no outstanding issues associated with the management, training, institutional strengthening and project development activities component of the project. This component will have no effect on the natural or physical environment and is therefore eligible for categorical exclusion pursuant to 22 CFR 216.2(c)(1)(i). The sub-grant activities component of the project will for the most part involve small-scale activities of limited scope and nature which are not expected to result in significant, if any, adverse environmental impact. The natural resource management sub-grant activities will in fact have positive environmental impact. However, because these sub-grant activities are and will remain "undefined at the time of authorization" per 22 CFR 216.3(s)(7)(i), this project component and the sub-activities which will occur under it are eligible for deferral in accordance with the provisions of 22 CFR 216.3(s)(7)(iii) and (iv).

III. Recommended Environmental Action

The management, training, institutional strengthening, and project development activities component of this project is eligible and recommended for categorical exclusion pursuant to the provisions of 22 CFR 216.2(c)(1)(i).

The sub-grant activities component of the project and the activities which will take place under that component are eligible and recommended for deferral pursuant to the provisions of 22 CFR 216.3(s)(7). Pursuant to the provisions of that section:

1. The deferred components include all currently unidentified agricultural, family health, natural resource management, small enterprise promotion, and related activities to be individually funded under the umbrella project;
2. They are eligible and recommended for deferral because they are and will remain "undefined at the time of authorization;"
3. Environmental review for these sub-grant activities will be completed "in no event later than when the activities are identified and planned;"
4. An irreversible commitment of funds will be avoided until environmental review is complete by obligating funds incrementally as the individual activities are identified and by including a covenant or condition precedent to disbursement of funds for such activities until environmental review has been completed;

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Senegal PYO/BOO Support PID - 685-0284 ATTACHMENT B, Page 4 of 4

- 5. The AID office with authority for project implementation is identified as the USAID/Senegal Project Development Office; and
- 6. The project or other agreements obligating funds for these activities will contain an appropriate condition precedent or covenant stating (a) that funds will not be obligated under the sub-grants until such time as environmental review of the sub-grant activities is completed or assured and (b) that the provisions of that environmental review are adhered to during sub-grant implementation.

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ANNEX L

UMBRELLA SUPPORT UNIT STRUCTURE AND SCOPES OF WORK

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ANNEX L

UMBRELLA SUPPORT UNIT STRUCTURE AND SCOPES OF WORK

I. INTRODUCTION

The Umbrella Support Unit (USU) is intended to improve the efficiency and effectiveness of USAID/Senegal's involvement with PVOs and NGOs in Senegal. It will act as an intermediary organization, managed by a lead U.S. PVO, to provide institutional and sub-grant support to PVOs and NGOs in Senegal. The USU has been so named because, although it will be responsible for managing and implementing all project activities, its main role will be to support, in a collaborative and participative manner, the PVO/NGO community in Senegal. This structure was selected to permit streamlined approval and financing of activities; to bring consistent management attention and support to a diverse set of activities; to deal with common NGO problems; to enable a consistent and collaborative approach toward local NGO institutional development; to link operationally, in one structure, efforts to enhance NGO capacities and practical application of NGO resources through sub-project activities; and to minimize the management burden on the USAID Mission in Senegal.

II. MAJOR TASKS AND RESPONSIBILITIES OF THE USU

The USU will be organized and managed by a U.S. PVO or consortia of U.S. PVOs selected through open competition and awarded a Cooperative Agreement to perform, inter alia, the following broad range of tasks:

- A. Assume responsibility for setting up, maintaining, managing and eventually closing down all project operations, including staffing, housing and office support.
- B. Select and train adequate staff to manage and implement the project within an effective structure.
- C. Screen and review all requests for sub-project funding under this project; promptly notify proposing PVOs or NGOs of their prospects for financing; assist PVOs and NGOs as necessary in the presentation and analyses of the proposals for funding; ensure that potential sub-grantees have adequate accounting and financial management capabilities; provide specific targeted training to alleviate PVO/NGO institutional shortfalls; obtain USAID and National Project Committee (NPC) approval of sub-project proposals over \$200,000; execute sub-grant agreements; finance the activities through the sub-grants; and monitor and evaluate PVO/NGO activities.
- D. Provide technical assistance and training to PVOs, NGOs, NGOs federations and associations based on needs assessments to be carried out by the USU in order to significantly improve the institutional capacity of the local NGOs and develop a corps of NGO professionals in Senegal. Sub-contract with Senegalese training institutions and consultants for the required services.

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E. Develop annual workplans with clear objectives and benchmarks which will be used to measure results and effectiveness.

F. Provide technical assistance and other assistance to the sub-grantees as necessary to ensure that activities are successfully implemented and will be sustainable after the life-of-project (LOP).

G. Encourage and undertake coordination, communication and information activities among U.S. PVOs, NGOs, NGO associations, the GOS, USAID and other donors.

H. Organize an NGO Consultative Committee to assist USU staff in planning and programming institutional development and training activities.

I. Submit timely progress and financial reports to USAID and the NPC on the umbrella activities and the sub-grants.

III. USU STRUCTURE AND STAFF

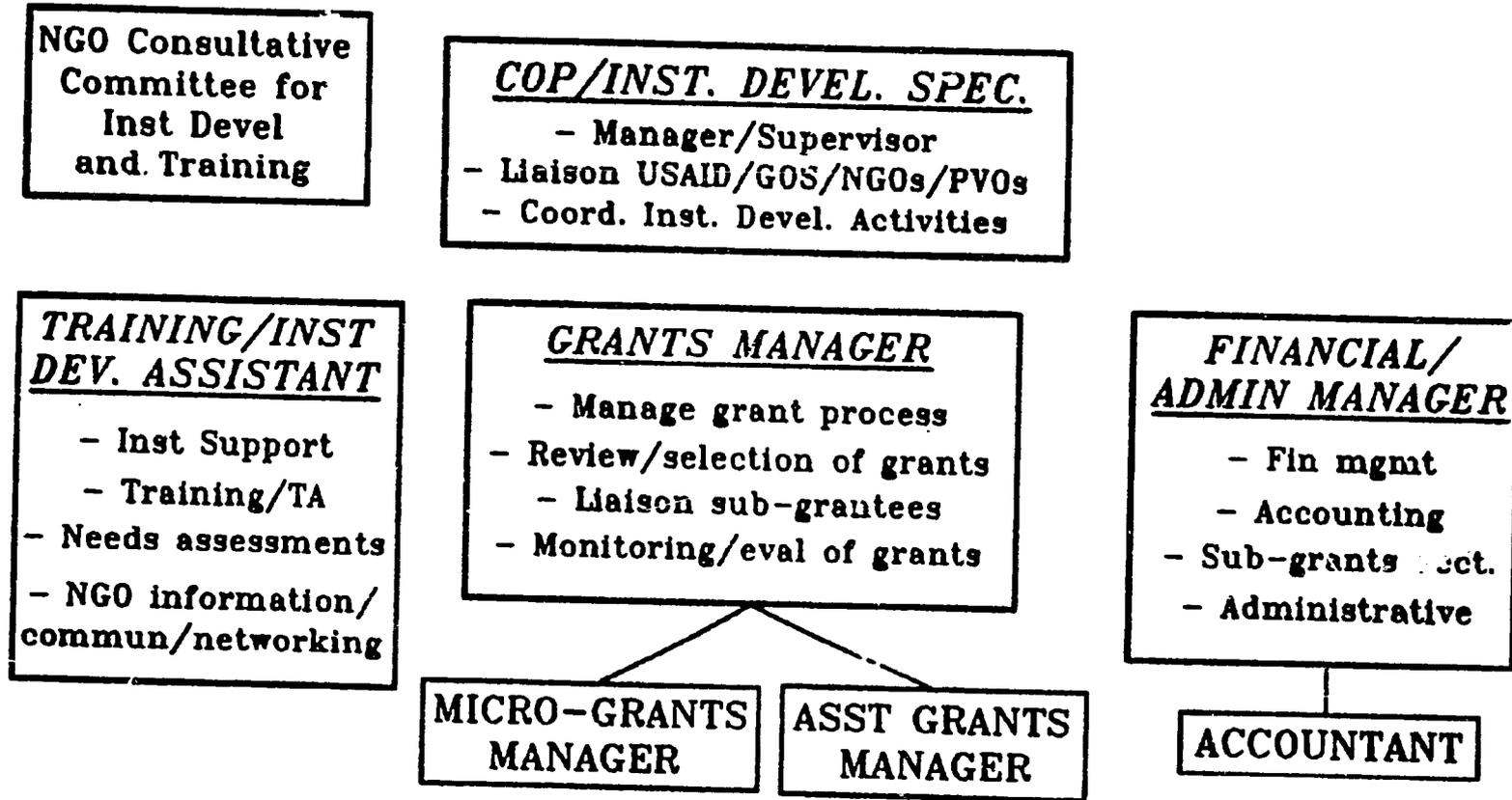
The USU will include seven professional staff, only two of which will be expatriate. The USU will be organized as shown in Figure M-1. The Chief-of-Party (COP)/Institutional Development Specialist will be an expatriate with considerable PVO/NGO experience and will remain for the entire seven-year life of the Cooperative Agreement (CA). The other expatriate, the Financial/Administrative Manager, will stay for three years during which time appropriate systems will be set up and a Senegalese financial manager trained to take over as USU Financial/Administrative Manager for the final four years of the CA. Five additional professional staff will be locally recruited and hired by the lead PVO. They include: Training/Institutional Development Assistant, Grants Manager, Assistant Grants Manager for larger sub-grants, Micro-Grants Manager, and Accountant. The USU will also include adequate support staff; funds for two drivers, two secretaries and one guard have been budgeted.

As shown in Figure L-1, the USU will include three sections responsible for: (1) training and institutional development, (2) sub-grants management and monitoring, and (3) USU financial and administrative management. The USU COP will have overall management responsibility for all USU activities. S/he will supervise all USU staff; coordinate the training and institutional development activities; provide liaison between USAID, the GOS, NGOs and other donors; stimulate and organize NGO/PVO coordination and partnerships; provide ideas, policy formulation and conception of project activities; be responsible for assuring that all reporting requirements are met; and provide USU involvement in project evaluations. The Financial/Administrative Manager will establish and control all financial reporting systems to track USU and all sub-project expenditures. S/he will evaluate the financial capability of each PVO or NGO that has submitted a proposal and certify that the PVO or NGO has adequate financial systems in place to account for and control sub-grant funds. S/he will also be responsible for all USU administrative matters, including procurement, personnel and rental of facilities. An Accountant will work under the Financial/Administrative Manager to keep all project and sub-project accounts and review sub-grant quarterly financial statements.

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FIGURE L-1 USU ORGANIZATIONAL STRUCTURE



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The COP will also have primary responsibility for coordinating and initiating all institutional development and training activities. The Training/Institutional Development Assistant will assist the COP carry out and organize institutional development activities, including training needs assessments, individual NGO institutional capacity assessments, sub-contracting for training and technical assistance, coordinating with the NGO/PVO community, setting up and coordinating the NGO Consultative Committee for training and institutional development, organizing seminars and training sessions directly, and encouraging partnerships and sharing of information among the NGO and PVO community.

The Grants Manager will be responsible for organizing and managing the entire sub-grant review, approval, monitoring, and evaluation process. S/he will have two assistants to carry out all of the grants management activities. The grants manager will coordinate closely with the Financial/Administrative Manager for the sub-grant financial accounting and control and with the COP for the institutional support for those PVOs and NGOs who are potential sub-grantees but need additional institutional strengthening.

The lead U.S. PVO or PVO consortia may set up the USU structure different from what is shown in Figure M-1 to allow flexibility for the lead PVO to organize the structure based on their own experiences, but the basic functions and responsibilities will not change. Scopes of work for the three lead positions in the USU, the COP/Institutional Development Specialist, the Financial/Administrative Manager and the Grants Manager, are included in pages 5 to 7 of this Annex.

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POSITION: Chief of Party/Institutional Development Specialist

REPORTS TO: USAID/Senegal through Project Officer

FUNCTIONS:

- Overall responsibility and supervision for USU project activities.
- Overall supervision of USU staff.
- Reporting to USAID on project progress.
- Coordination and management of project's institutional support and training activities for the PVO/NGO community in Senegal.
- Approves all sub-grants once the proposals have been reviewed and approved either by the USU or USAID and the NPC, depending on their size.
- Responsibility for all accountability requirements in sub-projects.
- Maintains USU liaison with USAID, NGOs, PVOs, the GOS and other donors.
- Provides leadership to project, provides policy coordination, ideas and conception of implementation activities.

QUALIFICATIONS: At least five years of senior project management experience, including work on PVO/NGO/community groups' institutional development and strengthening activities, experience in participative development and experience in the African PVO/NGO setting. Fluent in French.

RESPONSIBLE FOR STAFF MEMBERS: All USU Employees

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POSITION: FINANCIAL/ADMINISTRATIVE MANAGER

REPORTS TO: USU Chief of Party

FUNCTIONS:

- Establishes and maintains financial control and reporting systems for the USU and for all sub-grants managed by the USU.

- Prepares financial reports to the lead PVO's head office and to USAID as required.

- Reviews the financial plan of each sub-grant proposal and makes recommendations to the Grants Manager for improvement. With the grants manager, reviews the financial management capability and systems of each potential sub-grantee and certifies that the sub-grantee PVO or NGO has adequate control and management systems prior to sub-grant approval.

- Assists in training sessions for PVOs and NGOs who require training to establish and maintain adequate financial management systems.

- Responsible for all USU administrative matters, including personnel, commodity procurement, rental of facilities, etc.

- Responsible for disbursement of sub-grants and accounting for these disbursements.

QUALIFICATIONS: At least five years experience as Financial Manager in development projects or financial institutions, experience with administrative activities, knowledge of PVO/NGO activities. Fluent in French.

RESPONSIBLE FOR STAFF MEMBERS: Accountant

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POSITION: Grants Manager, Local Hire Senegalese Expert

REPORTS TO: USU Chief of Party

FUNCTIONS:

- Manages and coordinates the entire sub-grants process under the project.
- Coordinates the review and approval of all sub-project proposals.
- Assures appropriate monitoring, follow-up, technical assistance and evaluation of all sub-grant activities.
- Maintains close liaison with all sub-grantees.
- Reviews sub-grantee implementation reports and incorporates these in USU sub-grant implementation reports.
- Assures that PVOs/NGOs are complying to all applicable A.I.D. rules and regulations and serve as buffer between PVOs/NGOs and USAID.
- Assure correct and smooth sub-grant disbursement and accounting mechanisms, working closely with financial manager.

QUALIFICATIONS: At least three years experience in managing and organizing a grants program, experience and knowledge of A.I.D. sub-grant rules and regulations, progressive supervisory experience, knowledge of the PVO/NGO community in Senegal. Fluent in English and French.

RESPONSIBLE FOR STAFF MEMBERS: Micro-grants Manager, Assistant Grants Manager

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