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Design of Credit and Technology Transfer Systems
For Exporting Women's Specialty Crops

INSTITUTIONAL ANALYSIS: THE GAMBIA and LIBERIA

DRAFT

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Executive Summary

LIBERIA

Liberia: Identify and analyze development policies that do or could impinge on the production and export of horticultural crops.

Liberia is characterized by hastily determined, poorly implemented and arbitrary economic policies. Rent seeking activities thrive in complicated regulatory environment. Judicial system corrupt and favors debtors over creditors.

Foreign exchange and price controls: overvalued exchange rate (150%) and extensive price controls (relaxed, in practice). Prices for cocoa and coffee unchanged over past five years. Black market for foreign exchange is "grey". Foreign Exchange Surrender Act has not eased foreign exchange crisis.

Export and import duties: Duties are fairly negotiable and depend on arrangements made by importer/exporter. Agricultural inputs duty free.

Ten percent surcharge on imports plus custom's user's fee of 5%.

Privatization: Little occurring. Economy was more privatized than most to begin with, but major parastatal LPMS still monopoly buyer of cocoa and coffee.

Interest rates and inflation: Inflation of 20-30 percent. Govt. has printed some \$160 million Liberian dollars. Ceiling on interest rates of 25%. Savings interest rate recently lowered from 8 to 6%.

Investment incentives: Ministry of Finance offers benefits, but exemptions can be revoked without warning.

Liberia: Identify existing programs and/or institutions involved in providing credit to women farmers and entrepreneurs. Be sure to differentiate between credit programs for farm as compared to nonfarm use. Evaluate, to the extent possible, the viability of the identified institutions/programs and their capacity for disbursing credit to women horticulturalists and entrepreneurs.

Commercial Banks: Citibank, International Trust Company, Eurobank, Bank of Credit and Commerce International, Meridien Bank.

Only 13% to agriculture. Most to trade activities and to GOL and public corporations.

Agricultural and Cooperative Development Bank: Gives little credit currently. High savings rates in rural branches but siphoned off to cities for working capital, marketing and commercial loans. No gender disaggregated data. Interest rate is 14.5% but various fees raise this considerably. Seven branch offices.

Liberian Bank for Development and Investment: Primarily short-term working capital loans; mostly trade.

National Housing and Savings Bank: Hasn't loaned to housing sector since 1979. Liquidity problems. Mostly commercial loans (80%), some other real estate.

Small Enterprises Financing Organization (SEFO): Limited to Monrovia. Plagued by default problems, high costs, low loan volume, weak appraisal capacity. Turnaround in 1985 and now 80% repayment rate (loans since 1985). VITA assistance. Needs computerized accounting. Not agricultural, but has some poultry loans (22%).

LCADP and BCADP: Credit was offered through these two ADPs funded by the World Bank and USAID. Repayment sank as low as 27%. Both projects currently moribund. Lessons: don't tie credit to particular input package; need better credit monitoring; don't send money through a number of hands.

Liberia: Identify existing programs and/or institutions providing extension services to women farmers. Describe the approach of the different programs/institutions to providing extension services and, to the extent possible, evaluate the success of the different programs in the particular country setting.

Liberia's national extension system lacks vehicles, trained staff, appropriate policy, administrative support, and worthwhile technical packages to extend. It is poorly coordinated, fragmented, and ineffectively linked with research. The UNDP is considering funding an extension assistance project. Currently there is little donor activity in the Ministry outside of the EEC funded Southeastern Development Project and the German funded Nimba Country Rural Development Project.

NCRDP. Objective is to support main food crops (swamp rice, cassava) and income generation through main cash crops (coffee,

cocoa). Low input approach but considering chemicals. No vegetable program. Program incorporates feedback from target groups. Quarterly training for field staff according to seasonal needs. Staff work in teams (self-help officer and agricultural extension officer); each team has 3-5 agricultural working groups (average 26 farmers in AWG). Provide advice and improved planting materials.

Liberia: Describe the role of NGOs and/or cooperatives in existing credit/extension programs.

Partnership for Productivity/Liberia: Very successful credit NGO in Nimba County. Complements NCRDP extension activities. Priority to value added endeavors. Lend to small business owners, farmer development associations, clan marketing associations, market women's associations and individuals. Loan sizes vary from L\$50 to L\$50,000. Credit is linked to savings in Saveway program. Savings serve as collateral for small borrowers. Continued improvement in costs, expansion of groups. Farmers complain about slow disbursement, delay in loans, and high interest rates (rates vary from 5-10% for quick, one month loans) to 13% for 8 month seasonal loans, and 15% for 12 months.) Repayment rates up to 93% (vary by groups). Each agent has loan portfolio of 25-34 clients. Only two agents are women. PFP planning to expand to Lofa and Bong counties.

Others: Cooperatives, Credit Unions, Susus and Money Clubs; Market Women Associations. Plan International. Experiment in International Living.

Liberia: Describe existing infrastructure and services that might be important to horticultural export activities, e.g. transportation, business advisory, market and other relevant information services.

Infrastructure: Paved roads are very limited. Few rural feeder roads. Main road to Ganta is paved and in good condition. Transport is very expensive; NCRDP identified farmers number one vegetable problem as transport. The many security checkpoints provide opportunity for bribery as women will pay to avoid having to unload and unpack their baskets of produce.

National Investment Commission: Intended to provide technical information on job training, help appraise projects, promote small

enterprises. Currently slow operations due to budget constraints.

Market Information through Liberia Rural Community Radio; also some agricultural technical information.

Input Delivery: gasoline shortages; poor network for distribution of chemicals, fertilizers.

THE GAMBIA

The Gambia: Identify and analyze development policies that do or could impinge on the production and export of horticultural crops.

The Gambia's policy environment is generally conducive toward exports.

Foreign exchange and price controls: the dalasi has been floated since 1986, and there are no significant price controls other than public utilities.

Export and import duties being revised. Fuel duty very high (400%)

Privatization well under way but confused (fertilizer)

Interest rates and inflation: Inflation is project to be 8%; nominal interest rates are 23.5 to 26.5%.

Investment incentives: still somewhat arbitrary. airport freight bottleneck.

The Gambia: Identify existing programs and/or institutions involved in providing credit to women farmers and entrepreneurs. Be sure to differentiate between credit programs for farm as compared to nonfarm use. Evaluate, to the extent possible, the viability of the identified institutions/programs and their capacity for disbursing credit to women horticulturalists and entrepreneurs.

Access to formal credit is limited; less than 10 percent reaches women. Many externally funded credit programs exist, often in isolation, and with questionable viability.

Banks: Standard Chartered Bank, International Bank of Commerce and Industry, Gambia Commerce and Development Bank. Commercial banks gave 15% of portfolio to agriculture. World Bank project (appraised) will channel credit to SEDs.

Citroproducts: Parastatal. Offers credit in kind (seed, fertilizer, fuel) at "zero interest" to contract growers.

Repayment rate reported 98%. Works with 9 village grower groups. Said to be disorganized.

Indigenous Business Advisory Service: IBAS mission to assist rural small entrepreneurs. Loan program suspended in 1982 due to poor repayment rate; reinstated in 1985 (now 70 percent repayment). Women owed 39% of unpaid debt. Cover agricultural processing and marketing but not production.

Others: Peace Corps. Women's Bureau. FAO Fertilizer Project.

The Gambia: Identify existing programs and/or institutions providing extension services to women farmers. Describe the approach of the different programs/institutions to providing extension services and, to the extent possible, evaluate the success of the different programs in the particular country setting.

Ministry of Agriculture, Department of Agricultural Services:

The Ministry of Agriculture's extension service is currently being restructured and shifted to a Training and Visit system with polyvalent agents located in extension circles of some 2500-3000 families. Only 10% of extension agent's time spent with women farmers. Horticulture is said to be "weak link". Few viable extension recommendations; private growers employ their own supervisors and do their own trials. Agricultural Communication Unit runs radio program in local languages focused on horticulture.

Problems: few female agents; low mobility; infrequent training; no horticultural manual; lack of extension aids; absence of affordable crop husbandry packages for women's crops; low salaries.

Successes: some well trained agents; dedicated senior staff; Horticulture Unit still has own staff--8 of them are posted to gardens in Western Division as technicians on location.

The Gambia: Describe the role of NGOs and/or cooperatives in existing credit/extension programs.

Gambia Women's Finance Company: Mission to link women borrowers with mainstream financial institutions under loan guarantee scheme to secure loans. Plan to have revolving credit scheme as well. Not yet in operation. Will work with individuals and groups, and offer training and management assistance. Not a focus on agriculture.

Action Aid: Primarily located in eastern Gambia (170 villages). Vegetable gardening, land development and reclamation, tree planting; etc. Has own revolving fund (zero interest) and issues inputs on credit. Repayment recently 80%. Currently pushing savings. Loans on group basis for productive or marketing purpose; can use 10% for emergency loans. 80% of members women but women only receive 65% of loans. Groups divided by gender. Has 64 extension agents who are multipurpose (many with agricultural training).

Catholic Relief Service: Small vegetable and fruit tree project; larger sesame project. Emphasis on self-funding from savings. Technical advice and assistance from well-trained resident staff.

Save the Children Fund: \$40,000 revolving fund for seasonal (seed) and capital loans. Interest rate of 8%. High impact area of 10 villages on North Bank. Repayment rate close to 95% (on time, 80%). SCF tight control. No credit for fertilizer. No extension agents (multi purpose amateurs). Bypass local VEW and get assistance from MOA directly.

Other NGOs: WISDOM, Freedom From Hunger Campaign, CARITAS, Methodist Mission, CIDR.

GCU: Apex organization for CTCS (credit and thrift cooperative societies), and CPMS (cooperative produce marketing societies) and HCS (horticulture cooperative societies). Newly restructured. Village branch lending pilot program with strict repayment. Assistance from Norway in 2 garden coops.

The Gambia: Describe existing infrastructure and services that might be important to horticultural export activities, e.g. transportation, business advisory, market and other relevant information services.

There are no established marketing services, information services, or transport services for horticulture trade. Business advisory services exist, but are not used by growers.

infrastructure: poor roads, truck fleet in disrepair, much transport by head loading, high losses. need for cold storage (although the government is negotiating with the Islamic Development Bank to finance a cold storage facility at the airport). exporters cannot rely on local transport; must pack and pick up at farm.

business advisory services: IBAS (four field offices). understaffed and unable to monitor loans. Some management training available at MDI, Gambia Technical Training Institute, National Vocational Training Center.

INSTITUTIONAL ANALYSIS: LIBERIA

Conclusions and Recommendations

Liberia has a long history of exporting agricultural products, in particular, the traditional cash crops of coffee, cocoa and rubber. Although there are no exporters of horticultural products at present, several large-scale vegetable growers near Monrovia have supplied fresh vegetables to the capital for more than twenty years. Efforts to support horticultural producers in Liberia have been few and sporadic. A limited amount of research at the Central Agricultural Research Institute has focused on vegetables; Bong Mines has also experimented on year round vegetable production. In addition:

1. The policy environment in Liberia creates significant challenges to business development, in particular, to export, although it is possible to work within the system.

2. Nimba County offers favorable climatic conditions for the cultivation of some types of cooler weather specialty vegetables, although to date there has been little or no experimentation or varietal testing.

3. Farmer's experience in horticultural production is extremely limited, with the exception of women's traditional gardens and several large commercial growers.

4. Women's Marketing Associations are well organized and dynamic, and provide one means for organizing wholesale collection of fruits and vegetables.

5. The government's agricultural policies are unclear and it offers only minimal support to its agricultural programs.

6. The November 21, 1989 announced Economic Recovery Program has yet to be fully implemented. Among other changes, it promises to:

review interest rates on savings and time deposits. Currently inflation between 20 and 30% makes the 25% "cap" inadequate for recovery.

require exporters to deposit 100% of foreign earnings in the National Bank of Liberia.

commit the National Bank of Liberia to "refrain from issuing new currency to finance any deficits." At present, some \$120 million Liberian dollars circulate, with an additional \$40 million in reserve.

apply a foreign exchange transfer tax to "boost" the

official rate of L\$ 1.00 to US\$ 1.00, by charging one Liberian dollar as a tax for each US dollar sold or transferred from government foreign exchange resources, thus making the implicit rate L\$2.00 to US\$1.00.

The following report is organized to answer the key questions set out in the scope of work.

I. Identify existing programs and/or institutions involved in providing credit to women farmers and entrepreneurs. Be sure to differentiate between credit programs for farm as compared to nonfarm use. Evaluate, to the extent possible, the viability of the identified institutions/programs and their capacity for disbursing credit to women horticulturalists and entrepreneurs.

Few programs exist to provide credit in Liberia, and the government's control of interest rates--caps for both savings (6%) and loan (25%) rates--create disincentives to lenders and to savers. Although two development banks exist, they have emphasized commercial over developmental lending and recent evaluations have concurred with the option of entrepreneurs that "credit is virtually unobtainable from commercial banks" [Labat-Anderson, 1989]. Low donor activity means that few alternative mechanisms exist to leverage credit for women farmers and entrepreneurs.

A. Agricultural and Cooperative Development Bank: The ACDB was established in November 1976 to promote rural development through the provision of agricultural credit and technical assistance to individual farmers and registered cooperatives. Headquartered in Monrovia, it has branch offices in Gbanga, Bong County; Voinjama, Lofa County; Greenville, Sinoe County; Ganta, Nimba County; Harper, Maryland County; Zwedru, Grand Gedeh County. The bank does not have extension agents. It does take savings but not in small amounts. Rural savings are generally channelled back to the urban areas for short term commercial lending. The branch in Voinjama, Lofa County, for example, had the highest savings rate among ACDB branches in 1988, but in the past three years has not given out one loan. The Ganta branch, however, had 45 loan projects as of September 1989 (see table below).

Table 1: Loans from ACDB, Ganta Branch

	number	percent
marketing:	1	5.4
ag. equip:	3	8.9
tree crops:	27	29
food crops:	4	8.8
housing:	2	2.6
commercial:	7	43.7
personal:	1	1.6

Source: Ganta Branch, ACDB, November, 1989

Although ACDB quotes its interest rate at 14.5 percent for agricultural projects, various mandatory fees raise this considerably. Loans from ACDB always require collateral: real estate, tribal land certificates, or cash collateral. Most of ACDB clients are men, although this is impressionistic, since the bank does not collect gender disaggregated data.

In Monrovia, 70% of the bank's loans are for working capital, mainly to state enterprises; 20% are produce marketing and commercial loans. The ACDB offers some potential for women horticulturalists and entrepreneurs if they can meet the stringent requirements. Although ACDB is said to be more lenient than commercial banks, borrowers must still fulfil the following criteria [Labat-Anderson, 1989]:

- a "bankable" business proposition
- a solid business track record
- an account (checking or savings) at the bank for at least three months with 10-20% of the loan amount requested in the account
- equity of 40% of the amount needed to start/expand the operation
- collateral equal to 150-200% of the loan in fixed, saleable assets and/or liquid assets.

Few women horticulturalists or entrepreneurs can meet these conditions.

B. National Housing and Savings Bank: Also founded in 1976, the NHSB has not loaned to the housing sector since 1979. The bank gives out mostly commercial loans (80%); 15% for real-estate.

Gender disaggregated data is not available. Currently it is experiencing liquidity problems, and does not seem a candidate for lending to women horticulturalists.

C. Commercial Banks: None of the commercial banks in Monrovia (Citibank, International Trust Company, Eurobank, Bank of Credit and Commerce International and Meridien Bank) have branches upcountry. The commercial banks account for 80% of customers deposits. In 1988, commercial banks' credit was allocated 50% to trade; 29% to GOL and public corporations; 13% to agriculture, 6% to construction and 2% to manufacturing. Gender disaggregated data is not available, however, these banks have little or no interest in developmental lending, and would not consider loans to women horticulturalists and entrepreneurs who did not meet criteria even more stringent than that of ACDB, without a loan guarantee or other donor-backed program.

II. Identify existing programs and/or institutions providing extension services to women farmers. Describe the approach of the different programs/institutions to providing extension services and, to the extent possible, evaluate the success of the different programs in the particular country setting.

Liberia's national extension system lacks appropriate policy, trained staff and adequate administrative and logistic support. Moreover, it lacks appropriate technology packages to extend. . .extension will have little value until there is something worthwhile to extend.

USAID, 1988

The Ministry of Agriculture operates a national extension service composed of some 800 employees at various levels who face constraints of inadequate mobility, poor training, and a paucity of profitable innovations to extend to farmers. With the demise of the enclave World Bank and USAID funded Agricultural Development Projects in Lofa and Bong counties, the Ministry has received little donor assistance and consequently is severely limited in its ability to offer assistance to farmers. Two important exceptions to this are the German-funded Nimba County Rural Development Project, which works with the Ministry of Agriculture to support farmers in the northern Nimba County, and the EEC financed Southeastern Development Project (Grand Gedeh, Maryland, Sinow and Grand Kru Counties). The FAO is currently considering a project to improve the extension service.

1. Ministry of Agriculture. The Ministry of Agriculture is

divided into three departments: Department of Planning, Department of Research and Extension, and Department of Technical Services. The Department of Research and Extension is in charge of trials and demonstrations, and supervises the Central Agricultural Research Institute (CARI). The situation at the Ministry has been described as "chaotic", the result in part of duplication and overlap of duties among the Ministry of Agriculture, Ministry of Rural Development, and Ministry of the Interior.

Although the Ministry lacks organizational facilities for the supply of needed inputs such as improved seeds, etc. the private sector has been little inclined to fill in the gap. Post-secondary institutions exist in Liberia but those attended by prospective MOA employees lack adequate basic courses in social sciences and extension education. Because the ministry has few if any technology packages targeted at women's crops (primarily horticulture), they tend to work primarily with men.

2. Nimba County Rural Development Project. NCRDP was established ten years ago to support the production of food crops (swamp rice, cassava) and income generation through the main cash crops (coffee and cocoa). NCRDP personnel are organized into nine teams; extension is under the Agronomy, Extension and Trials team. The project is integrated into the government institutions established in Nimba County. Extension agents are employed by the MOA, for example, although they receive logistical support, training and inputs from the project. Their salaries come from the government, a constraint that causes drops in morale. For example, agents only received their January through April salaries in June this year.

The purpose of the AET teams is to provide a "continuous flow of technical recommendations, agricultural inputs and services." Their specific objectives include:

training: quarterly training for field staff in extension messages and methods according to seasonal needs; farmers' training for field managers on a clan level;

organization of groups: including motivating women to participate fully in agricultural working groups;

input supply: on-the-spot seed exchange program, including distribution of planting material to groups;

land development: survey and layout of swamps; train swamp AWGs in cultivation of swamp margins and secondary cropping; assist in site selection for tree crops, particularly cocoa, and maintenance of tree crop farms.

The project provides improved planting materials (seed multiplication scheme for rice, cassava safe stock; rapid multiplication plots for sweet potatoes; mung beans, tree crop

seedlings) but does not include any other vegetables. Nor does the project do research, although they discuss their needs with CARI.

NCRDP works with farmer "agricultural working groups" (AWGs) in order to extend its message more efficiently. NCRDP boasts a favorable agent-farmer group ratio. Extension and planning teams (EPT) operate in each of Nimba's six districts, for a total of 18 teams. Each EPT is multidisciplinary, composed of a minimum of one Self Help Officer and one Agricultural Extension Officer. Each AEO works with about 4-5 AWGs, and each AWG has an average of 26 farmer members. Four of 41 AEOs currently are women.

In addition to extension activities, NCRDP EPTs are trying to establish decentralized multiplication centers for oil palm hybrids, kola, coffee, seed rice. NCRDP is consciously using a low input approach which they believe to be more sustainable, although they appear to be considering the promotion of chemical fertilizers. Project results appear somewhat limited but solid: In ten years since 1979, 690 ha coffee planted (improved); 123 ha coffee rehab. 866 ha cocoa improved seedlings; 382 ha oil palm hybrids; 576 ha swamps constructed; 70 ha of kola. With the low input approach, the techniques offered by the project appear to be fairly sustainable. Some subsidies continue: Hybrid oil palm seedlings, for example, are being sold for less than \$.50 compared with a cost of \$1.50.

Although the project is not currently working with vegetable growers, and indeed, reaches far more men than women, its scope of work and objectives do include horticulture, and it would not be very difficult to emphasize services for women growers. Perhaps a more significant obstacle is the planned phase down in preparation for the 1996 project termination. The German support will be gradually reduced over the next five years, leaving the government and local farmers with the bulk of the responsibility for funding project activities. If the fate of Bong and Lofa counties are any indication, project activities will likely grind to a halt when German funding ends.

III. Describe the role of NGOs and/or cooperatives in existing credit/extension programs.

Although Liberia boasts an extensive network of cooperatives, few are well functioning (the farmers groups supported by PfP and NCRDP are not registered cooperatives). One of the legacies of the LCADP and BCADP is a number of cooperatives with large debt burdens; some continue however to provide important marketing services to their members, even though credit for marketing through ACDB is quite limited. The NGO sector is extremely small, and limited to a handful of international agencies and local religious groups.

A. Partnership for Productivity/Liberia:

1. History and Objectives: PFP is perhaps the most important NGO operating in the credit/extension field in Liberia. Begun as an affiliate of PFP International in the early 1970s, PFP has been independent since 1985. Although originally an agency with a broad mission to promote agricultural development in upper Nimba County, PFP and NCRDP have developed a well-working partnership whereby NCRDP provides agricultural support and PFP promotes savings and credit among rural and urban Nimba County residents. The agency is about to expand its operations to Bong and Lofa Counties in 1990 and 1991, and will move its headquarters from Yekepa to Ganta, Nimba County with branch offices in Gbanga, Voinjama, and three locations in Nimba. Although the organization plans to form linkages with existing organizations in these counties, the absence of many viable organizations poses some problems. This is particularly true of the extension service of the Ministry of Agriculture.

2. PFP Extension Agents: All have high school diploma and two have associate degrees. Prospective agents undergo a 6-8 week training course and are tested at the end. If they pass, they receive a 3 month on-the-job training period. Feedback and supervision is provided through weekly meetings with supervisors and supervisors have monthly meetings with general manager and deputy manager. Each agent handles 4-5 Saveway clubs and has a loan client portfolio from 25-34. Only two out of the 26 agents are women. Although UNDP approved a grant which would fund an additional five female agents, the money has not yet arrived.

3. Credit and Savings Program: PFP started its credit program in 1977 with a \$100,000 loan from the Liberian-American mining company, LAMCO. In this first venture, few of the loans given out were recovered. PFP currently supplies savings and credit services to more than 12,000 entrepreneurs and farmers in Nimba County. The agency gives priority to credit for "value-added or productive endeavors, followed by service, and then retail businesses." Eligible borrowers include SBOs: small business owners, FDA farming development associations, CMA clan marketing associations; MWA market women's associations and all their individual members. The range of loan sizes:

SBO - \$50 - \$10,000
FDA/CMA (group loans, includes partnerships and corporations)
\$10,000 - \$50,000)
FDA (individual loans) \$50-\$10,000
MWA (groups of 10) \$5000
MWA (individual loans) - \$50 - \$500

interest rates:

FDA - 13% based on an 8-month production cycle.
SFD - 15% based on a 12 month production cycle.
MWA - 15% based on a 12-month period.

PfP will also give one-month loans at 5% per month for \$10,000 and up, and 10% below 10,000. These involve rapid approval and rapid turnover; borrowers must apply direct to the head office.

Repayments rates are calculated based on total collection expected versus actual collections made. On time repayment currently averages 82%. After three years of non-payment agents can request a write-off. In 1989, \$48,295 of bad loans made from 1976-1980 were written off.

Loan applications follow a set process, as described in a recent evaluation. The field agent and the borrower first draw up a proforma statement listing the cost of the project. They then prepare a package that includes the statement, and collateral documents (property title, chattel mortgages, limited power of attorney over salaries, bondsmen's guarantees, cash collateral through the Saveway), the loan agreement, and a repayment schedule. For small amounts (below \$999), approval can be done locally. Larger amounts must be sent to headquarters for committee review. If the loan is approved, a loan investigation fee or service fee equal to four percent of the loan is charged.

FDAs: Groups that have a great deal of cohesion and adequate experience are identified by NCRDP and referred to PfP for credit services (NCRDP does not give credit). Loans to town and clan FDAs are guaranteed by the properties of chairman and business managers of each FDA. FDAs use these loans to purchase coffee and cocoa from non-FDA members.

The Saveway program serves as a means to mobilize local resources, and can provide collateral for otherwise asset-less borrowers. For example, PfP's scheme with the Nimba County Market Women Association uses both Saveways and revolving credit to meet working capital needs of market women. In lieu of "bankable collateral" each market woman was able to borrow up to three times the amount she had deposited in her Saveway account. Loans averaged about \$400 per woman, with a four month repayment period, and were given on the basis of groups of five. Additional security resulted from the requirement that loans be approved by the market site supervisor, the Market Women Association Superintendent, the PfP/L agent and the Regional Supervisor in each region. As a group, the Market Womens' Association has saved on a regular basis with PfP and will use their savings as collateral to take out a loan to repair the Nimba market.

Most (85%) Saveway members are illiterate. Although the program is somewhat decentralized, ultimate control rests on a

triangular base: the safes have three locks, one is kept by the group chairman, one by the treasurer and third by the PFP extension agent. The program is presently averaging L\$67,500 in savings mobilized per month. There are currently 96 Saveway groups, with 9421 members.

Farmers appreciate the more rapid payment for their produce that PFP marketing loans make possible. They complain about the short time period for repayment of some loans, the fact that loan receipts are often delayed, and they felt that the interest rate was still too high. Traditional money clubs, susus, and lenders, however, are said to charge even more: up to 50% per month. One of the key elements in PFP's success has been the requirement that organizations and individuals must maintain a 100% repayment rate for any additional credit to be given to the village or group.

Part of PFP's funding comes from the GOL through PL480 sales. As of 1988, the agency expanded its loan operations through a USAID grant of \$1.2 million, and USAID is considering supplying an additional \$2.4 million to PFP. The organization would be an excellent supplier of credit to women horticulturalists and entrepreneurs. At present, some 26% of borrowers are women. Only two drawbacks exist: PFP is limited geographically to Nimba, Lofa and Bong counties, and at present, its costs are higher than its income from interest and fees. It costs PFP \$0.24 for every dollar loaned and \$0.67 for every dollar saved. These costs have dropped considerably year by year, however, and there is every indication that expansion of loan and savings volume will cut overhead costs even further.

B. SEFO: Small Enterprise Finance Organization: Funded by USAID, SEFO was established to assist small enterprises to find the funding they were reportedly denied in the banking sector. At present, SEFO does not offer services outside of the Monrovia area. SEFO has been plagued by default problems, high costs, low loan volume, and weak appraisal capacity. In 1985, the organization adjusted some of its policies and practices and has had an 80% repayment rate on loans issued since then. Technical assistance from VITA played a part in this turn around. SEFO does not generally lend for agricultural purposes, although poultry loans do make up 22% of the existing, limited portfolio. The sustainability of SEFO continues to be an issue, with its continued high costs and capitalization problems. It is not a likely organization to lend to women horticulturalists and entrepreneurs.

C. Plan International: This international NGO is primarily community development-oriented, but has an agricultural component, aiming to assist farmers in Grand Cape Mount and Bomi Counties by giving them free seed rice purchased by the project from the Ministry's Smallholder Rice Seed Multiplication Project.

D. Cooperatives: A number of cooperatives exist in Liberia. The

cooperative system has had limited success to date, although some have remained surprisingly healthy and productive, for example: Intofawor Farmers Cooperative Society, Gbandi Farmers Cooperative Society, Voinjama Farmers Cooperative and Zorzor Farmers Cooperative. The cooperatives' key role is as licensed buying agents for LPMC. According to one source (Goeriche, 1987) Liberian cooperative law is outdated and does not assist agricultural groups to ensure legal recognition and organizational stability. The LNFCs (Liberia National Federation of Cooperative Societies) serves as the apex organization for cooperative societies. Cooperatives themselves do not issue credit, nor are they formally involved with extension except insofar as their members receive advice from the MOA.

IV. Describe existing infrastructure and services that might be important to horticultural export activities, e.g. transportation, business advisory, market and other relevant information services.

Liberia has an underdeveloped rural road network; producers have limited access to information on prices and market trends; the cost of transportation is high, the government-run marketing institutions are expensive and inefficient...

USAID, 1988

A. Infrastructure

1. Water, electricity, telephone. Water supply appears to be adequate in the Monrovia area, although water pressure is quite variable. Electricity fluctuates seasonally. In the rainy season, hydropower sources provide a more steady supply; in the dry season, LEC switches to fuel-generated power, with frequent outages and great variations in voltage. It is necessary for businesses to have back-up power supplies. Telephone and other communication facilities are adequate for international service from Monrovia, but are frequently down from upcountry locations such as Yekepa. Internal communications are limited and break down frequently. Many businesses and organizations rely on radio.

2. Airport facilities. Liberia has fairly frequent air service direct to European capitals and to New York (Zambia Air). The airport at Robertsfield is poorly maintained and needs to be upgraded.

3. Roads and Transportation: NCRDP identified Nimba County farmers' primary vegetable problem as transport. Nimba County has

a network of rural roads constructed by logging companies, but they are often impassable in the wet season. Yekepa, PFP's current headquarters, is located about 257 miles from Monrovia, on a dirt road, but when relocated to Ganta, they will be on a paved road, currently in very good condition.

Although most of the major roads linking the country's upcountry towns are unpaved, recently the government announced that the road from Ganta to Harper would be paved, as well as the road from Gbanga to the Sierra Leone border. As in many West African coastal countries, road construction expenses are increased by the necessity of building bridges over the many watercourses. While the paved infrastructure should be improving soon, the unpaved feeder roads are generally in very poor condition, and deteriorate more each rainy season.

Trucking is limited to one to eight ton trucks, and privately run vans and taxis. Foreign exchange shortages lead to problems with spare part availability. The price of gasoline is subsidized by the overvalued exchange rate, but shortages occur and availability in general is limited. Organizations like PFP must provide fuel for their rural-based agents.

Two private carriers (Air Weasua and Liberia Air Transport) provide domestic air service. A rail line links Yekepa to the port in Buchanan. The port facilities in Monrovia have recently been upgraded and vessel service is reportedly fairly rapid, although port administration and clearances are slow.

Pfp providing some financing for marketing associations to lease/buy trucks. Transport is expensive. Women frequently headload their produce to the nearest market where market women from the larger markets often buy their produce in bulk and bring it out by truck. Women in the villages don't seem to take their goods to the larger towns very often by themselves, saying that it is too expensive--even in groups. They complain that the taxi drivers raise the prices when they have perishables for the market. Ganta market women can charter a truck and come out to get a large load at one time.

The many checkpoints on the roads provide opportunities for bribes. Women transporting fragile perishables know that continued unloading and unpacking damages their goods, and so they pay in order not to have to unload and have their goods checked.

B. Business Advisory Services

1. Partnership for Productivity: Pfp loan recipients are obligated to receive business management assistance, since Pfp wants to reduce risk and maximize returns. Management assistance is given on site: working capital control and management, cash control, inventory control and credit management, business planning

and organization, costing, and pricing, profitability, credit education, loan management, business promotion and fixed asset management. Aside from working capital credit, PfP assists with business planning and financial controls for long-term economic development. This has the potential of becoming a fee generating enterprise, but is unlikely to cover their total costs.

2. National Investment Commission. Created in 1979 to review all investment agreements, NIC guides and monitors proposals. The main office is in Monrovia with branches in Gbarnga, and Zwedru. NIC has a SME department: mostly woodworking, carpentry, blacksmithing, animal husbandry and restaurants. It assists clients get loans, through preparation of feasibility studies and help with loan applications. Current budget and foreign exchange constraints have limited NICs involvement in investment promotion.

C. Marketing Services:

1. Market Women Associations: The Market Women Associations are a formidable force, with eleven major markets located in Lofa and thirteen major markets in Bong. Each market has an approximate registered membership of 350 members, making a total number of market women for both Bong and Lofa of some 10,150. As described above, these associations have been working closely with PfP to expand their capacity to collect produce in the villages.

2. Market Information: Two stations (Liberia Rural Community Radio, and ELRG Radio Station Gbanga) broadcast programs in English, Dan, and Mano. NCRDP offers a radio programs on pre-nursery management of oil palm and recruitment; role of students on school farms, manual road maintenance; seed management; coffee rehabilitation. Prices for the major commodities (rice, coffee, cocoa) are set by the government and have been stable (with the exception of rice, which recently rose) for almost five years. They do appear to be announced over the radio.

D. Other Services

1. Management Training: NCRDP offers training on bookkeeping for FDA business managers. The Institute of Public Administration and SEFO offer management training, primarily for urban-based businesses. Experiment in International Living has a contract with AID to run workshops and assist local and international NGOs with management and training.

2. Research: Historically, Liberia has lacked an effective and efficient agricultural research system. This is particularly true of horticultural research. Bong Mines Agricultural Project during the late 1970s and early 1980s experimented with a variety of year round vegetables: string beans, okra, white cabbage, eggplant, cucumber, and sweet peppers. Cuttington University in Suakoko is beginning a low resource agriculture project which will focus on

upland crops.

The Central Agricultural Research Institute, CARI, has continued work on five vegetable crops since the early 1980s: okra, hot pepper, sweet pepper, bitterball and eggplant, although there seems to be little if any linkage between their research and Liberian farmers. Although a 1983 report indicated that CARI had released these five vegetable varieties in 1982, but was not set up to produce seed for general use, and neither was anyone else. A 1984 FAO/UNDP project supported applied research on vegetables and pulse crops at CARI. CARI also works on citrus.

3. Legal services: The judicial system in Liberia is said to favor debtors over creditors. Banks and other lending agencies are frequently unable to collect their money or collateral in cases of default. In the rare cases when the courts have decided in favor of the lender, the court sometimes pockets the fine. Excessive delays, corruption, and perceived bias have led to banks losing confidence in the judicial system.

V. Identify and analyze development policies that do or could impinge on the production and export of horticultural crops.

Although described as a laissez faire economy, Liberia is far from free and open. As a recent report remarked,

Government's policies and rent seeking activities increase the costs of doing business and create additional risk and uncertainty for new investment. They define a complicated set of rules by which business is conducted in Liberia. [Ernst and Young, 1989,28]

The same report goes on to deplore the ad hoc nature of policy making in Liberia, with policies "determined hastily, not well implemented and often abrogated with the help of government officials. . .Running a business according to the maze of official regulations is extremely difficult and costly." As an example of this, on November 21, 1989 the President of Liberia announced that under a new economic recovery program,

A. Foreign exchange and price controls: Foreign exchange has been in short supply ever since the government effectively went off the US dollar through the minting of millions of dollars worth of Liberian five dollar coins (recently, bills). At present, the parallel rate for the Liberian dollar is L\$2.5 to US\$1.0. The practice of obtaining dollars on the parallel market is leading to problems of higher expenditures than budgeted especially re fuel, oil, gasoline, spare parts and repair costs. The parallel market in Liberia is a grey one: at present, dealers are only accused of "economic sabotage" if they are trading above L\$ 2.15 to US\$1.00.

Although in theory the Ministry of Commerce controls wholesale and retail prices of all commodities, in practice, controls are relaxed and only some essential commodities are monitored. The government sets fixed profit margins for some of these essential products, which has led to a situation where importers are allowed a profit markup of 100% (in recognition of the true cost of foreign exchange) while manufacturers are only allowed 30%.

B. Trade policies: Under the November 21, 1989 Economic Recovery Program, "all goods imported into Liberia are hereby declared dutiable at the rate of twenty percent ad valorem on the CIF value." Basic food, medical and agricultural imports are exempted. Formerly, tariffs varied, and import taxes included tariff plus 10% of cif value surcharge and custom's user's fee of 5%. Duty free privileges in the past were arranged by investors, and seemed almost by whim. The ERP announced that "all duty-free privileges and tax exemptions, except to bonafide and accredited diplomats, and contracts involving major road construction projects, are hereby suspended."

To combat capital flight which was exacerbated by the drying up of US dollars in the economy as a response to the flood of Liberian dollars minted by the government, in March 1986, GOL implemented the Foreign Exchange Surrender Act which required all exporters to deposit 25% of their foreign exchange earnings in Liberian banks, although there were many exemptions and overall, lax enforcement. The imposition of the current 100% deposit is still too new to evaluate. All exporters require lengthy export earnings declaration forms. Exporting is subject to a very complex bureaucracy with signatures and inspections required at many levels, creating a host of "rent seeking activities".

C. Privatization: Pesticides and fertilizer are privatized, and were said to be available in upcountry towns with private merchants.

D. Incentives and regulations: Liberia has four major categories of taxes and regulations: 1) regulations on registering a business; 2) taxes and occupational licenses; 3) rules on the ownership of land; 4) rules on the use of labor. Under the ERP (November 21, 1989), the Investment Incentive Code was suspended along with the tariff schedule. The new tax structure consists of an excise tax (5% of sales price); an income tax (graduated from 11% to 65%); corporate tax, from 20% to 50%; and a business trade levy: .05% to 2% of gross revenues. Land ownership is restricted to those of African descent. As the ERP announcement shows, exemptions from Liberian regulations can be revoked at any time, in an ad hoc manner.

INSTITUTIONAL ANALYSIS: THE GAMBIA

Conclusions and Recommendations

Horticulture exports are not a new phenomenon in The Gambia. In some cases, exports have been taking place for 13 years, and some exporters have built up a sophisticated system for production and marketing. The following institutional analysis should be approached with these key points in mind.

1. Local market gluts continue to be a major problem for growers who consistently identify their major problem as obtaining a market for their produce. Exports will have a mixed effect. To the extent that they substitute for local production, they could reduce the glut problem. But to the extent that they are additional to local production, their seconds and discards can exacerbate local gluts. This appears to be the case in The Gambia where local growers complain that discards from Radville farms flood the local market. There is some disagreement as to whether the hotel markets are full; the answer to this may depend on the season, and on current political relations with Senegal, a key supply source for many hotels. The potential for import substitution depends on producing during the off season. Both the hotels and the Gambian market still import sizeable amounts of vegetables for local consumption.

2. World Bank-funded Women in Development Project touches women horticulturalists in a number of ways and any incoming project should work closely with it, since it will emphasize commercial horticulture in the Western Division. The project is scheduled to reach full implementation in 1991.

3. Supporting institutions exist but need to be strengthened. Horticulturalists need funding for vegetable collection, better packing materials, and possibly training in marketing, particularly market research. The necessary agricultural expertise seems to exist in some abundance. It could be useful to fund regular trips for Gambian entrepreneurs and women growers to check the European markets, meet the buyers.

4. Infrastructure is still a problem, in particular, good roads and storage facilities for vegetables. Regular public transport does not exist or is not reliable from most of the gardens. The interval between production and market is still not well addressed, although the FAO/UNDP marketing and post harvest project has been mandated to improve this. Although currently the lack of cold storage is a problem, negotiations with the Islamic Development Bank are expected to result in funding for a cold storage facility at the airport. The FAO/UNDP project will fund two simple technology cold storage areas for intermediate storage of women's crops in the Western Division, and the World Bank WID project may

include storage as well.

5. Product quality is still a problem. Exporters would have to start with the production level to get varieties, good produce, good handling at harvest, crop protection, etc. Production needs to be linked to research and variety testing, as tastes change and producers must be able to shift to take advantage of shifts in export markets.

7. Medium to long term credit is still a considerable constraint for entrepreneurs of any size, in particular to women. However, a number of projects involving credit for women are either in the pipeline or just commencing, and it will quite likely be possible to make use of existing credit systems, depending on the ultimate design of the project.

8. Vegetable Exports Already exist: One example to investigate further would be Faraba Farms, where the Commonwealth Fund for Technical Cooperation (Industrial Development Unit) is funding development and a feasibility study with the intent of making Faraba Farm a model for outside joint venture partners for the commonwealth countries. One untapped possibility is exports into neighboring countries such as Mauritania and Mali.

The following section addresses the questions found in each section of the Scope of Work.

I. Identify existing programs and/or institutions involved in providing credit to women farmers and entrepreneurs. Be sure to differentiate between credit programs for farm as compared to nonfarm use. Evaluate, to the extent possible, the viability of the identified institutions/programs and their capacity for disbursing credit to women horticulturalists and entrepreneurs.

At the aggregate level, The Gambia's financial system is in disarray due to the lack of a single, viable agricultural financial institution and the existence of many externally funded target-group specific programs which function in relative isolation from one another." [World Bank WID project paper, draft, 1989].

Credit is offered by many organizations in The Gambia, although women's access to formal institutions is limited; a recent World Bank report found that less than 10% of bank and other formal sector credit went to women. The formal sector does not generally give credit except for working capital, and that only when well-secured. Most local business people depend on friends and relatives and their own savings, for investment funds. Credit is costly in real terms: the inflation rate for 1989 is projected to

be 8%, giving a real interest rate of 15.5 to 18.5% out of the nominal rate of 23.5 to 28.5%. This section describes formal and government sources of credit, and attempts to evaluate their viability and potential for administering credit to women horticulturalists and entrepreneurs.

A. Formal Banks: The Central Bank of The Gambia regulates three commercial banks, one is government owned. Standard Chartered Bank of The Gambia, has been in The Gambia since 1906. Fewer than 5% of its loans are for agriculture; women make up 1% of its total portfolio. The other private bank is the International Bank of Commerce and Industry (BICI), a French bank which makes short term trade loans and offers mortgages for homes and buildings. GCDB, The Gambia Commerce and Development Bank, is government owned and currently being restructured. GCDB stopped making loans three years ago after experiencing a large number of defaults, and had been run at a loss since 1982. The World Bank has appraised a Small and Medium Enterprise Development Project that would channel an \$8.32 million line of credit through the Central Bank of the Gambia and participating commercial banks including GCDB. As of September 1989, these three banks had given fifteen percent of their portfolio to agricultural loans, D 32 million out of a total of D 214 million. Women's difficulties in securing collateral for loans constrain them from using the formal sector. Under the GWFC loan guarantee program (discussed below, NGO section), women's access to the banks will improve.

B. Citroproducts: Founded in 1982, Citroproducts is a parastatal organization established as a subsidiary of Gambia Produce Marketing Board to take over the GPMB's citrus estate and lime processing factory. It is the primary supplier of vegetable seeds in The Gambia, and began to export vegetables in 1984, although on a very small scale until 1986. Although not formally a credit institution, CP gives seeds, fertilizers, diesel fuel and other inputs in kind, deducting the cost from the final price. Although CP charges no interest, this is likely accounted for in the margin between the price the women receive for their produce and the f.o.b. price of the vegetables. Citroproducts insists that the repayment rate for their inkind credit is 98%.

CP is currently working with nine vegetable grower groups (Bakau, Sukuta, Lamin I, Lamin II, Pirang, Sanjang, Gunjur, Yundum, Mandingary (all primarily women's societies) and with two large commercial growers, Farato and Faraba. Although many of the women's groups working with CP seem pleased with this arrangement, at least one NGO active in supporting women's grower groups characterized Citroproducts as "disorganized" and stated that it was better to have a contract with the established commercial exporters than with Citroproducts since commercial exporters have better, more assured markets.

Although making efforts to enhance its financial viability, CP operates in the red. However, it could efficiently deliver

credit "in kind" to women growers (particularly, if charging a market interest rate), although at present it would not be able to offer credit to women entrepreneurs.

C. WISDOM and Women's Bureau: The Women's Bureau, an executive office under the President's office, supports a number of women's programs, from seminars on traditional practices affecting the health of women and children to coos mills and groundnut decorticators. The Bureau also supports five village vegetable gardens, assisted by funds from the U.S. Embassy which paid for watering cans and fencing. Seeds are provided by the Bureau on credit basis, with repayments to become the basis of a revolving fund. The Bureau has only just begun these gardens, and last season, all five of the wells dried up..

The Women's Bureau also offered low interest government loans to women entrepreneurs in the informal sector. By 1988, it had paid out a total of D 60,000 to 120 women's groups under a revolving loan fund scheme. Large investments were offered on a five year repayment basis; working capital for fertilizer on a six month basis. Interest on seasonal loans was slightly subsidized at 20%, and the fund has a repayment rate of 100%. WISDOM, affiliated with the Women's Bureau, has organized 215 women's groups into savings societies along the lines of traditional savings and credit clubs (osusu).

The present revolving credit scheme is becoming decapitalized. Under their participation in the Women in Development project funded by the World Bank, the Bureau does not expect to continue with income generation projects, and is not a likely candidate for the provision of credit to women horticulturalists.

D. IBAS. A unit of the Ministry of Planning and Industrial Development (MEPID), IBAS was established in 1976 to assist rural based small entrepreneurs. Their assistance includes feasibility studies for new or expanding businesses, technology assessments, marketing and management training (courses are primarily in local languages). IBAS also administered loans under a UNCDF-funded credit scheme. IBAS assistance does not extend to agricultural production, but does include processing and marketing enterprises. Loans have been both for short and long term, and IBAS has credit lines for start up enterprises. Interest was heavily subsidized, and after accumulated losses, IBAS suspended lending and is currently being restructured to support more of a private sector orientation and greater financial autonomy. The loan recovery rate had improved in recent years; for 87 to 89 it was around 70 percent (Women owed 39% of outstanding loans; men 61%). Some 42% of pending loan proposals are from women. IBAS is headquartered in Banjul, with branch offices in Basse, Farafenni, Bansung and Barra. If the current restructuring is successful, it could be a viable vehicle for loans to women. It has a record of reaching women entrepreneurs, but little experience with women producers.

E. FAO Fertilizer Project: Offers credit for fertilizer and farm inputs under a revolving fund credit scheme. At present, the project also fills the role of wholesaler, as there is no private agriculture inputs wholesaler in The Gambia, due presumably to fluctuating government policy on subsidy levels. The project offers subsidized credit (1% per month on outstanding balance), and retailers may offer credit to customers at their own risk. In 1988, retailers had an overall 96% repayment rate; women retailers had repaid 100% of credit. The World Bank WID project is expected to fund an expansion and strengthening of the private sector initiative, recruiting ten additional women dealers. The project would not be an appropriate vehicle for offering credit to entrepreneurs, but women growers could be onlent their productive inputs through private dealers extending FAO credit to the farmer level. Highly subsidized as it is, the project would need to raise interest rates to be sustainable.

The FAO Fertilizer Project used to be in charge of fertilizer distribution, through the cooperative groundnut seccos. At present, under the privatization policy, the FAO is experimenting with a number of possible distribution systems: Through the Department of Agricultural Services and the extension agents; through GCU to retail outlets; through maize growers associations and their appointed agents, and through private dealers associations to private dealers. Each is provided inputs on credit. FAO reports the best data from the private dealers, who are selected based on location, facilities, prior record and experience. Dealers pay into a revolving fund which is managed by Standard Chartered Bank. FAO supplies seeds, fertilizers, pesticides and implements. Payment has been close to 100% from dealers. Nine of the 37 private dealers are women, and under the World Bank WID project, this will rise to 18. Private dealers sell on cash or credit (FAO is currently conducting a survey to determine which is majority method). Although critics thought that the FAO credit line would not reach the farmers, the preliminary results show that 50% of the inputs are given to farmers on credit, and 50% are purchased. FAO's terms to the dealers are subsidized, at 1% per month, compounded to 13% annually.

The WID project will finance the female retailers, although the FAO and MOF and MOA are discussing the terms. The government seems willing to give a special rate to agricultural credit, but it can't be below the highest deposit rate which is 13%. If the revolving funds are deposited in the bank at zero interest, these could be used as a guarantee for the loans, which could then be at ten percent. Although then the guarantee would quickly become decapitalized.

Maize association only offers fertilizers. Repayment currently about 85%. GCU has not yet given a report on the status of their retail outlets. They also operate a revolving fund. Total credit offered this season (in kind) is D 2.3 million.

Planned Projects:

F. Peace Corps. Peace Corps has just begun a garden project which eventually will have two sites: Bakendik on the North Bank and Somita, in Lower River Division. The projects will be built around a demonstration garden, with a well and fencing provided by Peace Corps (local labor contribution). Eventually, volunteers will be placed in satellite villages around the garden centers. Peace Corps will provide a grant to start a revolving fund for inputs. Loans will be controlled at the village level, and villages will set the interest rates and repayment procedures. Volunteers will train villagers in record keeping and accounting, but villagers will control the funds. Both projects are located near FAO supported agricultural input centers which give fertilizer and seeds on credit, with low interest. The projects themselves will not offer inputs.

G. World Bank Women in Development Project. Scheduled for implementation in 1991, the WB WID project will provide \$14,218,495 over five years to "increase the capacity of women to improve their standard of living and to contribute to the economic growth of The Gambia." Components of the project include agriculture, safe motherhood, skills development, IEC and community mobilization, and institutional development. The project preparation began in 1987; it was pre-appraised in April 1989, and was scheduled for appraisal in October 1989. It will be implemented in 200 villages. The agriculture component will involve:

(1) consolidation/improvement of existing credit schemes (through training NGO credit staff; MDI to conduct training);

(2) expansion of credit supply, including a self-help (TESITO) fund

(3) savings mobilization campaign (to encourage women and women's groups to save money to gain access to commercial bank loans; will be implemented through GWFC and Post Office Banks. The UNDP is presently providing assistance to upgrade and restructure the POBs.)

(4) private sector input distribution (provision of credit and technical assistance to private female agricultural input retailers; an expansion of the FAO project)

(5) improved crop production (through training and sensitization campaign for extension staff, development of crop extension manuals, promotion of coordination between government and private sector extension services through annual workshop)

(6) improved horticultural production (training VEWs in horticulture, develop horticulture manual, demonstration trials and market information system)

(7) improved livestock production

(8) village institutional strengthening (training managers and mechanics)

(9) post-harvest improvement (testing of small scale processing equipment; revitalization of national task force on post harvest processing technology)

Although later drafts omit these components, at one point, the project proposed to establish 8 vegetable growing schemes of 5 hectares, 100 women each; three of these would be located in the Western Division. It also proposed for the Western Division "capitalizing two private vegetable dealers with a cold van each and start up working capital." Another 8 small scale vegetable/fruit dealers would be financed in the other four divisions. At present, vegetable dealers (women and men) tend to operate using the public transport system, incurring substantial losses. The project may evolve further before full implementation.

II. Identify existing programs and/or institutions providing extension services to women farmers in the three countries. Describe the approach of the different programs/institutions to providing extension services and, to the extent possible, evaluate the success of the different programs in the particular country setting.

Most of the extension services in the country are operated by the Ministry of Agriculture, Department of Agriculture Services, although some of the NGOs have their own extension agents and companies like Citroproducts and Radville Farms employ private technicians. Some of the private farms employ Senegalese who are well trained and work for low wages as production managers and supervisors.

The formal extension system in The Gambia is organized under a Training and Visit system and is estimated to direct less than 10% of efforts toward women farmers, although the Ministry has pledged to increase this to 50% over the next five years. There are only eight women agents in the entire extension service; five of these are in the horticulture intensive Western Division. Few of the contact farmers used under the T & V system are women, and the Department of Agricultural Services has not yet been able to effectively address the attitudinal and logistical barriers to reaching women farmers.

Both a current UNDP/FAO Horticulture Improvement Project and a complementary EEC project are supporting the horticulture extension program, through training, technical assistance, provision of vegetable storage facilities and collection centers

for 13 gardens.

A. Ministry of Agriculture, Department of Agricultural Services

1. Extension services: Although the World Bank first proposed the reorganization and decentralization of the MANR in 1980, the actual decision to reorganize was not made until 1985, and implementation is still underway. The effort to decentralize extension on the Training and Visit System has been supported primarily by FAO and the World Bank, with assistance from the EEC and UNDP.

The Ministry intends to develop its capacity to serve two broad groups of vegetable growers: commercial growers and village gardeners. Under the reorganization, the Ministry established a Department of Research and Department of Agricultural Services, although as one officer put it "the documentation is clear, but implementation is confused." The Department of Agricultural Services is organized on a divisional level, with divisional level training officer, and subject matter specialists (production and crop protection). Each district within the division has a district extension supervisor (DES) and each DES supervises four to six village extension workers, one VEW per circle. Each circle encompasses some 2500 to 3000 farm families.

While the polyvalent agents under the T & V system will be expected to serve village gardeners, the Ministry's Horticultural Extension Program continues to provide a specialized extension service to the commercialized growers, primarily women's groups, in the Western Division. By 1990, the Western Division is expected to have a single extension program again, as all VEWs will have received specialized training." A move back to the concept of a polyvalent agent has benefits for women, as extension workers can treat the system as a whole, working together with the women to recommend short duration rice, staggered planting, etc. to ease labor bottlenecks for horticulture in the rainy season.

In the Western Division, where horticulture is most important for income generation, the ministry currently has 8 VEWs (positions for 2 are unfilled), located at Sukuta, Kafuta, Bakau, Mandinaring, Gunjur, Sanyang, Pirang and Lamin. "At the moment, they are full time on these projects," which implies that other gardeners receive little if any advice from the DAS. The DAS also has three supervisors in the Western Division.

The ministry's extension agents are still involved in supplying seed and fertilizer to women's groups. At Sukuta, for example, proceeds from communal sales are deposited in a joint account, and withdrawn to pay for fuel for the pump, seeds and fertilizer. The EEC and UNDP/FAO have funded several specialists to serve the Horticultural Unit, as well as vehicles and materials. Many of the NGOs active in The Gambia have recruited their technical staff from the Ministry of Agriculture. The Department of Agricultural Services does appear to work closely with the NGOs and other private growers when it can. NGO extension agents are

invited to MOA seminars.

How successful is the ministry's extension program? NGOs generally appreciate the support of extension agents, although some commented that the training and level of knowledge varies considerably from agent to agent. The larger private growers are more disparaging. One commented, "they keep away and I'm grateful to them for that." Private growers often do their own market research, import their own seeds and fertilizers (particularly so that they can insure timely delivery), do their own variety trials, and generally operate outside the Ministry.

In addition, the Training and Visit system is "rigidly time-bound," each VEW is responsible for a multitude of tasks in a limited period of time, returning for training and feedback sessions every 12 days. Given the variable nature of rainfall, and the difficulty of keeping to a tight training schedule, as well as the highly mixed nature of Gambian farming systems, the T & V system faces special constraints. At present, performance is constrained by acute lack of transport, low salaries, no direct secretarial support, virtually no office equipment, no horticultural manual to refer to, and a lack of specialized horticulture training.

2. Agricultural Communication Unit: The ACU of the DAS coordinates media supports and are responsible for the T & V inservice training, which is primarily horticulture in the dry season. Media supports involve videos shown to women out of mobile video vans with battery operated VCRs. The ACU commented that most of the horticulture technologies being used in the horticulture unit are "guidelines" and not officially tested and proven in The Gambia as recommendations, although tests are currently being undertaken. There is much potential for extension by radio. For example, women at the Sukuta garden had heard about benne (sesame) from the radio, but did not know how to obtain seeds, although they were very interested.

The ACU runs a radio program at 6:30 pm on Mondays (in Mandinka) and 6:30 p.m. Thursdays (Wolof). The program is generally focused on horticulture, and includes programs recorded in villages, question and answer sessions, dramas, discussion of problems and how to get help. The unit is also promoting vegetable consumption with posters, and is putting together a collection of technical bulletins on crops for dissemination to interested (and presumably literate) farmers. In an effort to encourage vegetable consumption, they have broadcast cooking demonstrations over the radio.

3. Citroproducts: CP, a parastatal, has three field assistants and a marketing manager to complement extension services offered by the MOA. While they supply seeds and offer technical advice to gardeners, their other services are limited. For example, they rely on the MOA to diagnose disease and the groups themselves to do the spraying.

4. FAO Fertilizer Project: FAO identified horticulture as the DAS's "weak link", a weakness demonstrated when the project turned its fertilizer and vegetable demonstration task over to the MOA's Agricultural Development Project II, but the project could only conduct a fraction of the normal load of 250 demonstrations countrywide. FAO now uses its own team to assist the VEWs to do vegetable demonstrations.

In addition, private dealers under the FAO project are employing TSAs, technical sales advisors. The project pays for this service for the first two years, but the purpose of the TSAs is to promote the use of inputs sold by the private dealers; they are trained agriculturalists who are paid to give good advice and get results for farmers so that farmers will continue to use the inputs they offer. The project hopes that dealers will recognize the utility of these sales people and keep them on as salaried or commissioned workers when the project stops paying them.

Currently, in the Western Division, five dealers sell under the FAO project: Faraba Banta (female); Lamin (female) Sukuta (female) Brikama-Radville (male) Brufut (male); one more is planned for Sanyang. Female dealers are encouraged since they are thought to be able to reach women farmers better.

Planned Projects

1. World Bank Women in Development Project. Extension activities under the WID project will be twofold. The project will support the FAO-established private dealer network, and the demonstrations offered under its auspices. Under the DAS, the project will also continue the wet season program, expanding the current program of demonstrations/trials of early and staggered planting, varieties with different maturity periods, and post harvest preservation techniques. The WID project will support dry season planting activities and will fund horticultural training workshops, a sensitization-to-women's needs campaign for extension workers, and horticulture extension manuals.

As a preliminary activity, the World Bank is funding a pilot project in the Western Division to investigate ways of reaching women farmers more effectively. This pilot project involves training workshops for 345 women leaders from 140 villages in the Western Division, surveys and discussions with village women and NGOs, and monitoring and evaluation of experimental extension activities in the pilot area.

Clearly, the WID project offers the potential of considerably expanding support for extension and through this, for women growers. Against this must be set the constraints of the T & V system, and the fact that VEWs will be responsible for all crops, not just horticulture.

III. Describe the role of NGOs and/or cooperatives in existing credit/extension programs.

A. NGOs

NGOs in The Gambia provide important services in the rural areas, yet their input is touched by some important problems. First is the inability to retain qualified staff; second is a lack of coordination among NGOs who sometimes end up competing for villagers with different assistance packages in the same village. TANGO, the Association of NGOs, was founded to address these problems, but still seems to be experiencing teething troubles.

Many NGOs have extension agents at the same technical level as the DAS--many were recruited directly from the Ministry. Action Aid, Methodist Mission, CARITAS, FFHC, and CRS all have former DAS staff. Only SCF relies on DAS still for their technical advice. Almost all of the major NGOs have credit programs that reach women farmers.

1. Action Aid: Under its Food Production Support Program, Action Aid has supplied credit in kind and technical advice since 1980, primarily in 324 villages in eastern Gambia: LRD, MID and URD. The FPSP promotes vegetable gardening and marketing, seed multiplication, beekeeping, nurseries and tree planting, rainfed crop production and animal traction support; land development and reclamation, and extension and training. At end of 1988, AA had reached over 14,000 Gambian farmers through Women Farmers' Groups and Youth Farmers' Clubs.

Before 1982, AA issued all inputs free; from 1982-1985, they followed a policy of half grant, half credit (four year repayment). After 1985, all inputs were issued on credit, but interest free. AA works exclusively with village groups, which have an average membership of 68, divided into cells (kabib or kunda) of some ten members. Individuals can obtain loans from the group revolving fund (GRF). GRF funds come from group's previous credit repayments, returned by AA, and from a compulsory minimum initial contribution of D 10/member. If the group is a new one with no original repayments, AA will match the group's contribution. Each GRF is deposited in a bank account; the Treasurer keeps petty cash on hand. Members make monthly contributions of D1-5 into the revolving fund, and are expected to rely on the fund (not AA) for most of their credit needs. Payment is generally over 1 to 4 years. Past repayment rates were an average 50-60% but recently have risen to 75-80%. AA's current policy is to incorporate a savings component in the credit program. Currently, AA provides barbed wire (3 year loan) and seed (short term loan). AA also provides very short term marketing credit to groups for group marketing. Farmers must invest a labor commitment and provide fencing before AA will provide barbed wire, or help in digging a well.

The GRF is used almost solely for economic activities, but groups can use a maximum of 10% of the current amount as a loan-based Emergency Relief and Welfare Fund, for natural disasters such as fires, serious illness, deaths. Women benefit

disproportionately from AA credit: 80 percent of beneficiaries are women, but women still receive only 65% of loans. The GRFs do not operate in all villages served by AA, but only in areas where a minimum of other options make village-based credit a priority.

AA has 64 "extension agents" who visit each village group at least once a month. As of June 1989, loans outstanding amounted to about D 2.6 million dalasis. At zero interest, the cost of administering the program is borne solely by Action Aid. In the 1989-90 season, AA plans to disburse some D 3.6 million for agricultural inputs, and will be coordinating with the GCU to support a proposed IFAD-financed Small-scale Water Control Programme. AA will offer training in group formation for a revolving fund which will be channeled through the GCU. The target group will be women rice farmers, fish processors, traders, millers, and soap makers.

The AA model is moving toward village-based control and sustainability, making an effort to mobilize local savings. Encouraging groups to charge market rates of interest would assist this effort and avoid decapitalization. As for horticulture exports, AA itself is an unlikely partner. Currently located away from the Western Division, AA is also quite busy coordinating with IFAD and GCU in expansions of their programs.

2. Freedom from Hunger Campaign: FFHC works almost exclusively with paddy growers (primarily women) in MID and URD. They recently dispursed a D 150,000 credit to women rice producers in Mansakonko. Their experience with women horticulturalists and entrepreneurs is very limited, and like AA, they are not currently working in the Western Division, and have tended to focus on assistance to female rice producers in meeting family food needs.

3. Methodist Mission: This mission, based in Brikama, has a limited credit scheme and offers limited technical advice for its community garden project (vegetables and fruit trees.) The Mission has a mixed program on the village level. The program includes wells, fruit trees, fruit nurseries and village gardens. Although surpluses from the village gardens reach local markets, few, if any, seem to be contracting for export. The possibility of working with the Mission on horticulture exports exists.

4. Catholic Relief Services: CRS has a small vegetable and fruit tree project, and a much more extensive sesame project. Headquartered in Banjul, CRS has no formal upcountry offices but does have "centers" (16 for sesame; 90 for food and nutrition). The sesame growers associations are not given credit but are expected to be self-funded and self-sustaining. Some 40,000 members belong to these sesame associations. Each chapter has its own bank account, but individuals do not, which results in some problems and delays in paying individuals for their sesame.

The single garden scheme funded by CRS is located adjacent to their Nema Kunda nursery, in the Western Division. The project is in its second year and benefits from the technical advice and

assistance of CRS's well-trained resident nursery manager. CRS provided seeds and fertilizer in the first year as a grant, but is now encouraging the formation of a group savings scheme in order to finance the purchase of inputs. The group has identified a member to liaise with the Ministry of Agriculture extension service to help the group obtain inputs. Pesticides will be purchased by members, although CRS will assist by diagnosing diseases. A major problem at this scheme is the technical design of the well and water supply system. Production was limited in the first year from lack of water.

CRS has the technical staff to support an expansion of vegetable growing, and has effectively organized sesame producers, both with technical advice and, it seems, assistance with sustainable financial management.

5. CARITAS: Caritas began its garden input distribution program in 1977, and shifted emphasis in 1985 toward consolidating existing gardens and focusing on marketing problems. At present, Caritas has 13 or 14 village gardens and 22 school gardens; most are located in the Western Division. This number is expected to grow by 4 new villages a year. Seeds, fertilizer and agricultural tools are given free in the first year; in the second year, Caritas offers technical advice and supervision. Seeds can be obtained on loan in the second and third year (zero interest), but by the fourth year gardening groups are expected to be completely self-supporting. Repayment is on an ad hoc basis, generally at the end of the vegetable season. Caritas makes a point of choosing the neediest villages for support. Villagers must contribute labor and fencing posts, sand and gravel for the wells. Caritas provides barbed wire and cement, and supervises well construction. Eighty percent of the garden members are women; each group averages 200 members, and each garden averages 2 hectares. Produce is intended primarily for local consumption, although surpluses are marketed.

Extension advice (including pest control services) are offered primarily from the Department of Agricultural Services, MOA. CARITAS' "animateurs" are multi-purpose agents who assist villages with gardens, schools, wells, fish ponds, oxen, coos mills, etc. Production for export would have to be well-coordinated with Ministry assistance, and at present, the DAS is understaffed in the Western Division.

6. Save the Children Fund: SCF was established originally as a means to direct donor resources to individual children, but has evolved into an agency that assists villages to better meet their own needs. SCF's gardening project is limited to the North Bank Division where its high impact area of 10 villages is located. Their credit program began in 1986. SCF provided grant money for a revolving loan fund (through a grant from USAID) for its village groups of some 800-1000 members. As of June 1989, D50,813 was outstanding. Credit is subsidized, with an interest rate of 8%.

The repayment period is generally one season for seed loans. For other loans, a 3 month grace period is followed by a 12-24

month repayment period; interest accrues during the entire period. The repayment rate varies between 80-95%, with on time collection about 80%. SCF groups are focused on women. Loans can go to entrepreneurs or farmers, but they are generally for non-farm, commercial activities, with the exception of loans for seed. SCF does not give credit for fertilizers since until recently fertilizers were distributed on credit through the cooperatives.

Like the other NGOs, SCF has begun to question the free provision of inputs, and is focusing on incentives to save. Women will be required in future to supply some of the cost of replacing garden fences and other expenses formerly met by SCF. A recent evaluation credited the loan program's high repayment rates to its small target area and labor intensive group development, careful feasibility analyses, and the commitment of SCF's local credit officer. Although hoping to decentralize in the future, SCF currently keeps fairly tight control of the program; serving as the co-signer for accounts. Loan payments and savings are made into village accounts, which are kept at Gambia Commercial and Development Bank. This year, SCF will expand its credit program by 53% under a USAID grant.

SCF's program is coordinated by community development agents who are generalists, employees of the Government's Community Development Department. Although they have had some exposure to agriculture and some training, they are not qualified as agricultural extension agents, and the program relies on the Department of Agricultural Services. Although a VEW is posted in the area, the project generally requests support directly from Yundum or from the upcountry headquarters at Sapu. When they need advice or encounter a problem, they send a car to Yundum or Sapu and pick up an agent directly; agents provided spraying services without charge. Because of the demise of the Crop Protection Service, SCF is uncertain how they will handle crop protection services after this year.

Horticulture exports are possible from the North Bank villages served by SCF. Credit and extension advice are present; the major constraint would be reliable transport to bring vegetables in from remote villages on very rough roads.

7. Centre International de Developpement et de Recherche. CIDR is operating a pilot project for village banks in Jahally Pacharr rice scheme. The intention, on an experimental basis, is to collect local savings and redistribute them as credit without any injection of external funds. The project has established six pilot banks between Feb. 1988 and Jan. 1990. Villagers physically build their banks and spend the first few months collecting savings; when they have reach a predetermined amount, they begin to give out loans. Villagers determine interest rates, which range from 40-60% for loans and 20-40% for savings deposits. Membership is 56% women (village bank's management committees must be at least 50% women) but so far individual women's deposits are only 7.3% of the total. Through kafos both men and women deposit another 79%. Thirty percent of loan recipients have been women. The first

credits were 65% for trade; others went to gardening and handicraft production. Although not operating in the Western Division, the CIDR village banks could serve as a model for a self-funded credit operation for women horticulturalists. Several of the larger women's gardens in the Western Division have shifted out of credit to systems where women's savings provide the funds for the next season's supplies.

8. Gambia Women's Finance Company: The GWFC was inaugurated in January 1988. GWFC's mission is to link women borrowers with mainstream financial institutions, to provide smaller amounts of credit through a revolving loan fund, to train women in business management, and to give technical and consultancy services to women to prepare projects and conduct feasibility studies. The organization has not yet opened its doors for financial services. GWFC spent its first two years recruiting members and raising the necessary funds to deposit before becoming an affiliate of Women's World Banking (NYC). Technical assistance has been funded by the World Bank, who provided the services of a consultant from WWB. The Director has nearly completed negotiations with Standard Chartered Bank for a loan guarantee program that will enable women to obtain unsecured loans, without collateral, at the lowest commercial interest rate (currently 23.5%). The fund is expected to commence with D 200,000. Loans will be limited to D 50,000 for groups and D 20,000 for individuals, with a minimum level of D 5000 for groups and D 2000 for individuals. GWFC would provide 25% of the guarantee, 50% would be guaranteed by the Women's World Banking global capital fund, and Standard Charter's exposure would then be limited to 25% of the face value of the loan. GWFC's primary needs are not for training, but for funds to cover their overhead and staff expenses, to contribute to their revolving loan fund, and to purchase computers and an upcountry 4-wheel drive vehicle.

In addition to credit, GWFC will offer assistance with training and management for women's businesses, and will continue an advisory service to review women's business proposals. The organization has also been tapped to coordinate a country-wide savings mobilization campaign under the World Bank Women in Development Project, and they plan to open a branch office in Upper River Division (Basse) with assistance from the EEC.

GWFC's institutional base offers an excellent opportunity to fund women traders, and women's horticultural groups as they start out. Established groups probably will not need formal sector credit, if they can save out of current earnings for future expenses.

B. Cooperatives:

Cooperatives in The Gambia were begun under the British in 1955 and until recently were government controlled. The Gambia Cooperative Union, GCU, serves as an apex organization for Credit and Thrift

Cooperative Societies and Crop Production and Marketing Societies. From its inception, the Gambia Cooperative Union offered subsistence credit, and later began to offer loans for inputs and capital investments. In the early years, repayment averaged 97%; even after several years of severe drought, repayment was up to 90%. When loans were introduced for seednuts, fertilizer and farm machinery, recovery rates fell, dropping as low as 15%. After years of inconsistent policies and problems with political interference and some corruption, the movement is being restructured and privatized. When last in operation, the cooperatives charged 13% interest on seasonal credit, with a 5% penalty for arrears. Capital loans had repayment of 30 percent, while seasonal loans had 85%. Women made up 12% of loan recipients in 1987/88, which was the same percentage as their membership.

The GCU is now considered an NGO, while the government's Cooperative Department continues to provide training for cooperative records, accounting, and training of the cooperative secretary. The Cooperative Department does not give out loans but they will help the cooperatives to get loans from the formal banking system, primarily through assisting applicants with application procedures.

1. Credit and Thrift Cooperative Societies (CTCS): Although previously quite extensive, after the recent restructuring, the number of CTCSs fell from 92 to 9. Eighty three societies were dropped as too small and unviable, expensive for the government to service. This change shifted the proportion of female members from 88% to 30% (see following table). The remaining women members are primarily involved in a mix of village activities, including gardening, coos mills, and marketing. Two groups are located in the greater Banjul area: Sotokoi Mandina in Brikama (69 women), and Kuntaya in Barra (43 women). Formerly, the CTCS gave subsidized loans (12-15% interest) and took in deposits (8% interest). Loans could not exceed twice the value of members' savings deposits. Before the reorganization, only about 20 percent of members were actually engaged in full time farming.

2. Village Branch Lending Program: In the 1989 wet season, under a pilot restructured lending program, GCU lent out D 18,341 to five women's groups, 335 women. The program was oriented toward women paddy growers. GCU expects this system to serve as the model for all future agricultural lending. In an expansion of this program under IFAD funding, Action Aid will organize women's groups and provide training and follow-up for credit channeled through the GCU. Peer pressure is expected to result in high repayment rates. Villages repaying less than 95% will lose the opportunity to get loans in the next season.

Table 2: CTCS RESTRUCTURING

October 1988

June 1989

Membership, CTCS

men	353	12%	men	328	70%
women	2514	88%	women	140	30%

Total Loans Outstanding

D 601,489.96	D 247,867.89
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Total Overdue Loans

D 326,048.76	D 144,298.79
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Source: Cooperative Department, November 20, 1989.

3. Horticulture Cooperative Societies: Norwegian technical assistance is supporting the development of horticulture cooperative societies in the Western Division. Only two groups are currently legally registered as horticulture production cooperatives: Bakau and Lamin I. Both cooperatives receive inputs in kind through GCU, but after experimenting with an inkind credit system ("we encountered problems; recovering it is a major problem"), GCU has moved to encourage savings so that women pay a seasonal fee which covers the cost of seeds and fertilizer.

Each society has an entrance fee and a requirement that members purchase a certain number of shares. In addition, each member pays a levy per bed, per season, which is intended to cover seeds, fertilizer, and fuel and pump maintenance (for Lamin I). Last year, the levy in fact only covered 68 % of recorded direct costs, and other costs such as technical and marketing assistance were not recorded.

Elected secretaries assists in collecting levies, and weighing produce. The two gardens cooperate with the Ministry of Agriculture in supplying areas for demonstration and research. Women are paid in kind or in cash for their labor on these beds, although reports indicate that labor contributions may be less enthusiastic. One bed, for example, is located far from the nearest well and women are not enthusiastic about dragging buckets of water all the way from the well to the research and demonstration plots.

The GCU also provides marketing services for their growers, approaching hotels and exporters to try and arrange informal contracts. A project vehicle assists women to transport produce when possible. Norway funded the construction of a greenhouse at Bakau. The project plans to supply a year's worth of agrochemicals, and is trying to train women in pest control and to encourage crop rotations to break pest cycles. Their key difficulty is in identifying the pests attacking their vegetables; once the pest is identified, the project has charts that describe

recommended treatments for a number of possible pests. GCU lamented the lack of training in horticulture of one of the extension officers attached to the project garden (both of whom are men).

3. Cooperative Produce Marketing Societies: CPMSs were formerly primarily engaged in marketing of crops (principally groundnuts) to the Gambia Produce Marketing Board (GPMB), obtaining income generated from allowances on these crops and from sales of fertilizer and other inputs to farmers. Formerly the sole authorized distributors of fertilizers through the groundnut seccos, or groundnut buying stations and storage depots, the CPMSs now share this responsibility with the private sector. Under privatization, it is not clear what role CPMSs will have in crop marketing.

IV. Describe existing infrastructure and services that might be important to horticultural export activities, e.g. transportation, business advisory, market and other relevant information services.

Infrastructure and services important to horticultural export activities remain undeveloped in several respects. Marketing is dominated by small-scale growers marketing small amounts of produce individually. Horticulturalists have no established transportation, market promotion, or market intelligence services. Business advisory services do exist, are are currently being strengthened.

A. Infrastructure

1. Water, electricity, telephone: Banjul experiences frequent interruptions in electrical service and water supply. Back-up services are required. A new telephone system gives good service.

2. Airport Facilities: The airport lacks cold storage facilities, a considerable problem when flights are delayed and fresh vegetables must wait in the heat. The government is trying to enlist IDB financing for a multipurpose cold storage facility at the airport, and the FAO is committed to financing modified cold storage facilities for women marketers in the Western Division, probably involving water drip cooling systems (burlap bags and some kind of ventilation). Formerly, a cold store did exist at Horticultural Division headquarters at Yundum, but it has been in disrepair for some years.

3. Transportation: Many roads are unpaved and filled with potholes. Due to the installation of a new sewage system in the capital, even the streets there are unpaved and pitted with ridges and holes. The roads in the Western Division around Yundum Airport are in reasonable condition, but feeder roads deteriorate badly after each rainy season. The road along the south bank is poor

until Souma, and then good from Souma to Basse. The north bank has no paved roads other than the road from Barra to Dakar, via Kaolack.

Horticulturalists are primarily dependent on private trucking and bus services to transport their produce to markets. Many must borrow money to pay for transport; these loans are almost always repaid the same day or soon after. Women generally transport their produce the first stage of its journey from the farm by head, ox or donkey cart. From the home to the market women take taxis or minibuses or public transport--if available from the village. Frequently, even in the Western Division, women must still headload their vegetables to the nearest major road and wait for transport there. They carry their produce in buckets and headpans, woven baskets, bags and nets. These cannot be stacked, and suffer considerable product losses when piled onto the tops of trucks and minibuses.

The condition of the truck fleet is poor: "advanced state of disrepair" according to one observer. Lack of foreign exchange has caused problems with spare parts and maintenance. The UNDP/FAO project plans to purchase at least one 5 ton truck to assist in hauling inputs and seeds at cost for women's groups; however, this will be only a dent in the demand. Gambia National Transport Company (the national bus company) helps growers transport their produce, but poor loading and packing result in great damage when packed indiscriminately with other freight items. Lack of ventilation and heat contribute to loss of quality. Losses, the cost of transporting the vegetables and the cost of the producer's transport often cut deeply into the day's profits, leaving producers with little to show for their time and work.

For exports, however, the critical transport problem is not internal but external. Private growers currently exporting fruits and vegetables from The Gambia complain that air freight is a real bottleneck. Chartering planes exclusively for the vegetables seems "too expensive", while scheduled flights are too few at present to take all the produce. According to these growers, British Airways/Air Gambia have effectively limited landing rights to other airlines, making a stop in Banjul less attractive. At present, airlines flying into Dakar are facing the same problem, under competition from Air Afrique. This may provide a possible opening to lure these airlines to Banjul.

The government could also support horticulture exports in several ways: they could require all charter flights to carry freight on departure from Banjul (currently some charters will carry freight but private growers complain that it is very time consuming to arrange). The government could also make landing in Banjul more attractive to international airlines, primarily through better service at Yundum and lower landing fees. At present, there are no direct flights from Banjul to the United States, and few to any European capital, which effectively limits transport of highly perishable products. Transshipping through Dakar would be fairly risky, especially given the current political situation there and the animosity between Banjul and Dakar.

B. Business advisory services

1. National Investment Board: Being promoted as a 'one-stop' investment service for new projects, NIB at the moment, cannot carry out its responsibilities because of a manpower shortage, the lack of cooperation of other government institutions, and a lack of financial resources. Its Investment Promotion Section is currently being assisted by ITC; the section has taken an active interest in horticulture exports.

2. Indigenous Business Advisory Service: IBAS was established with EEC/UNCDF funding in 1976 to assist and train Gambian entrepreneurs to start small businesses. They have four field offices: Barra, Farafenni, Bansang and Basse. In addition to its credit program, IBAS also offers advice on business problems and checks record keeping adequacy of small businesses. Their one week training courses offer training in accounting, marketing, sales promotion and measuring profitability (for established entrepreneurs). Under a proposed World Bank Enterprise Development Project, IBAS will be "restructured and strengthened, delinked from civil service, allowing it to attract and keep competent staff by offering competitive salaries...It should concentrate on pre-and post-finance technical assistance/extension services to small-scale enterprises, including preparation of loan applications for financing by the banks, and divest itself of any direct financing activity."

C. marketing services

1. marketing assistance. Although a formal marketing service does not exist, several groups are assisting women growers to market their crops. The cooperative officer at Bakau and Lamin assists the women to weigh their produce and record its weight. Other women's groups, for example the "Borehole Group" at Sukuta often give their produce to middlewomen to sell for them. Both Bakau and Sukuta also produce under informal contract for Citroproducts, who assists the women to grade and pack the produce.

The FAO/UNDP Horticulture Project has provided a marketing consultant for gardening groups; however, the consultant found that production support was so limited that there was little to market. Consequently, her efforts have gone into improving wells, helping secure fencing and seeds, and tractor services for stumping and levelling the tracts of land originally developed by UNDP funding and administered by the top offices of the MOA.

At present, marketing is done by middlemen and middlewomen; Those growers who live near markets (many of the Western Division growers) often take their own produce to market. Since they are irregular, they don't have their own stalls and must sit by the side of the road, moving whenever taxis and trucks want to park.

The FAO/UNDP project plans to support the construction of market stalls for the women in the 13 schemes they are working with, probably at Fajara, and potentially at Serrakunda.

2. Market Information: Under the Gambia Mixed Farming Project, the Ministry of Agriculture's PPMU used to collect vegetable prices in seven markets, twice a week, and then report them on radio during ACU programs. Although currently there is no market information system, the FAO/UNDP horticulture project includes a Market Information System component which has not yet been implemented, and the World Bank WID project also contains a market information component.

D. Other Services

1. Management Training: The Management Development Institute MDI founded in 1984 offers one to two week courses in middle and senior management, and full year courses in accounting, with eleven full time staff/professors. MDI is focused primarily on public sector management needs, but also offers project appraisal for small enterprise development, and has developed courses for NGOs. MDI is scheduled under the World Bank WID project to offer training seminars in agricultural credit and skill building for credit extension agents.

2. Research: Research activities at the Ministry of Agriculture are coordinated by the Gambia Agricultural Research and Development (GARD) project, funded by USAID. Although the project appears to be doing relevant research for horticulturalists, their results do not appear to be well disseminated as of yet. Their work on staggered planting would stretch the vegetable season out and reduce the glut problem. The Department carried out a survey of fruit growers in 1988 and are running variety trials to address problems and needs identified in the survey. Although GARD's original mandate involved collaboration with NGOs on horticultural promotion, it is not clear that much of this has occurred.

3. Legal services: Formal written contracts have not apparently been used for horticulture outgrowers in The Gambia. The Norwegian-aided horticulture section of the GCU developed a model written contract that holds promise for protecting outgrowers, in its provision for a guarantee by the buyer that he/she will cover outgrowers' production expenses (including labor) no matter what the market conditions for their produce.

V. Identify and analyze development policies in the three countries that do or could impinge on the production and export of horticultural crops.

A. Foreign exchange and price controls: The dalasi has been floated as of January 20, 1986; on the same date, the Price Control Administration was abolished, ending all official price determination except for public utilities. Likewise, interest rates are set by the market, although the Treasury Bill discount rate influences other rates. Public confidence in the system is high.

B. Trade policies: Import tariffs are to be reduced to a general flat 10% "within a few years". The Gambia currently retains a ten percent levy on the value of freight exports. Last July the Ministry of Finance apparently waived duties on all imports of packing materials and cartons. However, an exceptionally high fuel duty (400%) creates a heavy burden for transporters and growers dependent on irrigation pumps and mechanized sprinkler systems. Although growers have petitioned the Ministry for duty exemption for fuel used to produce exports, the Ministry feels that this privilege could be easily abused.

C. Privatization. Some confusion still exists as the Ministry shifts over to private distribution of fertilizer and agrochemicals. In past years, the Crop Protection Service sprayed free of charge. At present this is supposed to be privatized, but the private sector has not yet effectively filled the gap, perhaps because the cost of chemicals is high and consequently demand may be low.

D. Incentives and Regulations. In 1988 the government revised the 1973 Development Act to encourage investment "by granting eligible new business a period of exemption from corporate income tax and import duties for plant construction and equipment, raw materials, and operating supplies." The time period for exemptions varies, and both the amount of exemption and the time period are subject to discretion of MEPID. The process can be quite lengthy and time consuming, although this may ease with the establishment of the NIB as as a "one-stop" assistance center for potential investors, domestic and foreign.

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