



«Dynamise les entreprises sénégalaises»



Banana Plantation Using Drip Irrigation – Gouloumbou, Tambacounda Region

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DYNAENTREPRISES PROJECT



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ACRONYMS

ACEP	<i>Alliance de Crédit et d'Épargne pour la Production</i>
ACRA	<i>Association de Coopératives rurales en Afrique et en Amérique Latine</i>
APIMEC	<i>Association Professionnelle des Institutions Mutualistes ou Coopérative d'Épargne et de Crédit au Sénégal</i>
ARAN	<i>Associations rurales des Agriculteurs de Notto</i>
ARLS	<i>Associations Rurales de Lutte contre le Sida</i>
ASESCAW	<i>Association Socio-Educative et Culturelle des Agriculteurs du Walo</i>
AT/CPEC	<i>Assistance Technique aux Caisses Populaires et d'Épargne et du Crédit</i>
BNSTP	<i>Bourse Nationale de Sous-Traitance et de Partenariat du Sénégal</i>
BOA	Basic Ordering Agreement
CAMPC	<i>Centre Africain de Management et Perfectionnement des Cadres</i>
CAPAF	<i>Programme de Renforcement des Capacités des IMF en Afrique Francophone</i>
CCBM/EBI	<i>Comptoir Commerciale Bara Mboup - Espace Bureautique Informatique</i>
CESAG	<i>Centre d'Études Supérieures en Gestion</i>
CETF	<i>Centre d'Enseignement Technique Féminine</i>
CGAP	<i>Groupe Consultatif d'Assistance aux Plus Pauvres</i>
CIPE	Center for International Private Enterprise
CLIN	Contract Line Item
CMS	<i>Crédit Mutuelle du Sénégal</i>
COCOGEs	<i>Collectif des Femmes Commerçantes du Groupement Economique Sénégalais</i>
COFDEC	<i>Collectif des Femmes pour le Développement de l'Épargne et du Crédit</i>
CONACAP	<i>Conseil National pour la Promotion et le Développement des Caisses Populaires</i>
CREC	<i>Caisses Rurales d'Épargne et de Crédit</i>
CSE	<i>Centre de Suivi Ecologique</i>
CTC	Community Training Centers – Peace Corps

DID	<i>Développement International Desjardins</i>
ECI	Edelman Communications International
ENDA	<i>Environnement Développement en Afrique</i>
FDEA	<i>Femme Développement Entreprise en Afrique</i>
FEMUNI	<i>Association des Femmes de la Cité des Nations Unies</i>
FIARA	<i>Foire Internationale de l'Agriculture et des Ressources Animales</i>
FNGPF	<i>Fédération Nationale des Groupements de Promotion Féminine</i>
FNPJ	<i>Fonds National de Promotion de la Jeunesse</i>
GERME	<i>Gérer Mieux Votre Entreprise</i>
GIE	<i>Groupement d'Intérêt Economique</i>
GOS	Government of Senegal
GRAMC	<i>Groupe de Recherches et d'Actions avec les Minorités Culturelles</i>
GTN	Global Technology Network
IBI	International Business Initiatives
ILO	International Labor Organization
INTER-CREC	<i>Entre les Caisses Rurales d'Epargne et de Crédit</i>
IPD-AOS	<i>Institut Pour le Développement / Afrique de l'Ouest Sahel</i>
ISPEC	<i>Institut Supérieur Panafricain d'Economie Coopérative</i>
IT	Information Technology
ITA	<i>Institut de Technologie Alimentaire</i>
KIR	Key Intermediate Result
LOP	Life of Project
MCEG NAFA	<i>Mutuelle de Crédit et d'Epargne et de Garantie</i> (Nafa is “billfold” in Wolof)
MEAC	Monitoring, Evaluation, Analysis and Communication
MEC FADEC	<i>Mutuelle d'Epargne et de Crédit de la Fédération des associations Développement Communautaire</i>
MECFAM	<i>Mutuelle des Femmes du Mouvement Acapes</i>

PAEP	<i>Programme d'Appui à l'Entrepreneuriat Paysan</i>
PAID/WAS	Panafrican Institute for Development / West Africa Sahel (IPD-AOS)
PAMECAS	<i>L'Union des Mutuelles du Partenariat pour la Mobilisation de l'Epargne et du Crédit</i>
PAMEF	<i>Programme d'Appui à la Mobilisation de l'Epargne dans la Francophonie</i>
PMC	Performance Management Consulting
PMP	Performance Monitoring Plan
PPMEH	<i>Projet de Promotion des Petites et Moyennes Entreprises Horticoles</i>
PROFEMU	<i>Programme des Femmes en Milieu Urbain</i>
RECEC	<i>Réseau des Caisses d'Epargne et du Crédit des Femmes de Dakar</i>
REMIX	<i>Réseau d'Etudes et d'Informations pour la Minimalisation des Risques d'Exploitations</i>
RESIG	<i>Réseau Sénégalais d'Institutions GERME</i>
RTT	Results Tracking Table
SEAD	Small Economic Activities Development
SMI	Savings Mobilization and Investment
SO	Strategic Objective
TDC	<i>Technologie Développement Consultance</i>
UFC	Union des Femmes Commerçantes
UMEC	<i>Union des Mutuelles d'Epargne et de Crédit - Sédhiou</i>
UMECU	<i>Union des Mutuelles d'Epargne et de Crédit d'UNACOIS</i>
UM PAMECAS	<i>Union des Mutuelles du Partenariat pour la Mobilisation de l'Epargne et du Credit</i>
UNACOIS	<i>Union Nationale des Commerçants et Industriels du Sénégal</i>
UNACOIS-DEF	<i>Union Nationale des Commerçants et Industriels du Sénégal – Développement-Economie-Finances</i>
UNAFIBS	<i>Union Nationale des Acteurs de la Filière Banane Sénégalaise</i>
USAID	United States Agency for International Development
USU	Umbrella Support Unit

I. Executive Summary

The level of activity supported by the Dyna project achieved an even higher plane in Fiscal Year (FY) 2002 reflecting a project hitting full stride after two successive years of growth. Figure 1 below presents this two-stage project growth process reflected in monthly local expenditure rates. Monthly local expenditure rates are an excellent proxy for Dyna's activity level because the majority of the project's support program to the Senegalese private sector is implemented by outsourcing to local firms through subcontracts. Hence, these funds are injected directly into the Senegalese economy through the private sector to stimulate economic growth.

The project contract was signed in November 1999 and the team arrived in Senegal in December. The project was on a continual growth curve during its first year of operations, reflected in the 6-month moving average in Figure 1 during FY 2000. In FY 2001 the project reached a plateau that approximated monthly expenditures of \$200,000. Realizing that project resources (e.g., staff, knowledge, strategy, funding, etc.) could achieve more and faced with increasing demand for project services, the project team decided in its annual strategic planning retreat of September 2001 (Goree Island Retreat) to go for additional growth in FY 2002.

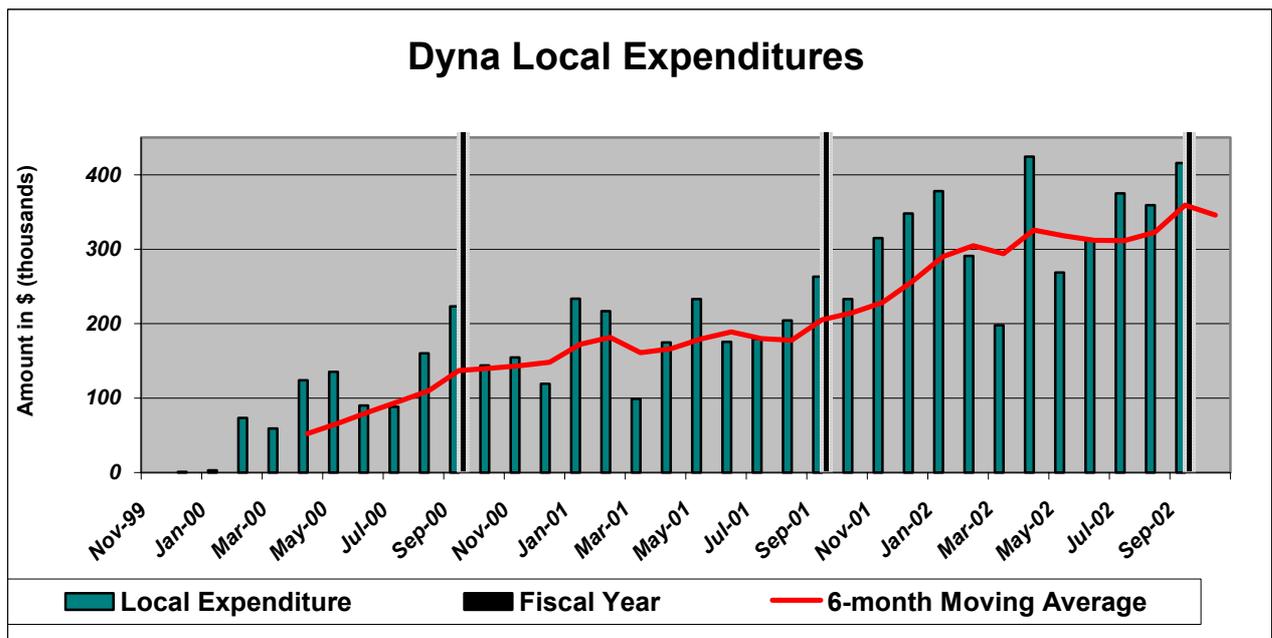


Figure 1: Local Expenditures by Month Since Project Start

After the rallying point of the annual retreat, this second round of growth was achieved in FY 2002 with local expenditure rates reaching a new plateau of over \$300,000 per month, reflecting a 50% increase over the previous fiscal year level of activity. Entering FY 2003 the project is on pace to average between \$350,000 and \$400,000 per month in local expenditures. This level of activity will be maintained throughout FY 2003 with no third stage growth foreseen given the duration and funding of the project (scheduled to end after FY 2004). The project has reached the apex of its monthly expenditure and activity levels, will continue this rhythm throughout FY 2003 and enter close-out mode, with steadily reducing monthly expenditures, in FY 2004.

This higher level of activity reflected in the monthly expenditure levels had significant repercussions on the Dyna Administrative and Financial Department. To achieve this higher plateau the project added human resources, upgraded its computer network, expanded the DynaDakar physical space, completed staffing of all regional offices, and outsourced implementation through multiple Basic Ordering Agreement (BOA) contracting mechanisms while motivating staff to higher levels of performance through training and a work environment conducive to teamwork. Particular mention must be made of the excellent job recorded by both the Contracts and Accounting divisions within Dyna in response to this increased workload. It is often overlooked that growth of this magnitude in an outsourcing based project exponentially increases the number of contracts, deliverables and payments to process.

Of course, this level of activity is also reflected in the indicators followed for both the Business Development Services (BDS) and Microfinance teams by Dyna's Monitoring, Evaluation, Analysis and Communication (MEAC) unit. Using the newly designed BDS indicators as the point of reference, the team greatly exceeded the FY 2002 targets for all indicators. Notable indicators include the over 600 entrepreneurs who paid for formal training of whom approximately one-third (190) were in agriculture related professions. The overwhelming number of participants in these trainings were from the private sector (564 or 93% of total). Another notable indicator is the large number of "hits" registered by visitors to the various websites created under Dyna sponsorship. BDS indicator data disaggregated by the 5 regions serviced by Dyna are presented in Annex 1.

The Microfinance team also exceeded its targets for FY 2002 with triple digit growth compared to the baseline in all but three indicators. Expected annual growth in the indicators was around 30%. The three exception indicators all exceeded the targeted growth but at less than triple digit values. Of these three indicators, two involve women's participation in microfinance either as individuals or as groups. This can be explained by the higher initial baseline values for women's participation in microfinance resulting in lower growth rates. The final indicator with less than triple digit growth was the number of branch offices trained (80% growth). Growth in this indicator will necessarily slow down given that Dyna is already working with close to half of all the registered microfinance branch offices in the country. Note that this growth was established and maintained in spite of the early departure from the project of the expatriate microfinance technical director for personal reasons. Aggregate microfinance indicators are found in Annex 2.

With the project underway for two and a half years, two-cycle growth achieved and a higher level of activities attained conditions warranted expansion of the monitoring, evaluation, analysis and communication (MEAC) component of the project. While MEAC staff provided standard reporting functions since the beginning of the project, the team also needed to reach a higher level in FY 2002 to fulfill its potential to transform Dyna into a "learning organization" that draws lessons and applies them while activities are underway. A "learning organization" leverages greater impact through better understanding of their activities. Dyna's MEAC team was strengthened in FY 2002 through training, recruitment, and a contracting mechanism to outsource MEAC activities.

Dyna continues to inject significant amounts of capital into the local economy through its strategy to outsource most all activities through the local private sector. The 50% growth in local expenditures experienced in FY 2002 resulted in total average monthly expenditures for the project of \$550,000 exceeding the targeted \$500,000. Indeed, this 12-month average monthly expenditure rate is surpassed by the last 6-month average which is on the order of \$600,000 per month. At this expenditure rate and given local accruals of over \$1.2 million due to programmed deliverables under local contracts, the project has only a 5 month pipeline of obligated funds entering FY 2003.

II. Introduction

A major tactic of the Dyna strategy to support the private sector in Senegal involves outsourcing as many project activities as possible through subcontracts with local private sector firms. Subcontracts are let on a competitive basis to procure both goods and services for Dyna clients. These contractual service providers are “partners” in the Dyna lexicon while the groups, associations or institutions receiving support are “clients.” Dyna’s role is that of a broker or facilitator bringing client demand and partner supply together in a market-based exchange. Hence, measures of the level and types of activities supported by the project can be garnered from the number, value and categories of contracts signed in a given fiscal year.

In FY 2002, the Dyna project signed a total of 150 local contracts evenly split, by chance, between the two technical divisions of the project; Business Development Services (BDS) and Microfinance Institution Support (MFI). The total value of these 150 local contracts was \$ 2.6 million (FCFA 1.7 billion). While the number of contracts was

evenly split between the two divisions, the largest share of the total value of the contracts (77%) was represented by MFI support, reflecting its relative budgetary importance in the project contract. Table 1 presents the overall picture of Dyna FY 2002 local contracting.

Category	Sub-Category	# of Contracts	CONTRACT VALUE	
			USD	FCFA
Training	Microfinance	31	1,067,421	693,823,849
	Informatique	6	151,841	98,696,545
	Entrepreneuriat	1	5,166	3,357,950
Organizational Development	Strategic Planning	4	372,652	242,224,016
	Marketing	1	395	256,665
Information Dissemination	Diagnostique	11	89,450	58,142,774
	Repertoire	3	114,104	74,167,708
	Study	1	20,549	13,356,525
Equipment	Multiple	8	163,756	106,441,105
	Office	4	4,872	3,166,893
	Security	5	39,269	25,525,131
TOTAL MF		75	2,029,476	1,319,159,161
Information Dissemination	Event	22	216,222	140,544,212
	Product	24	181,015	117,659,760
Training	Specific	10	122,739	79,780,069
	General	19	75,754	49,240,269
TOTAL BDS		75	595,730	387,224,310
GRAND TOTALS FY 2002		150	2,625,205	1,706,383,471

Table 1: Local Contracts in FY 2002 by Category

The largest Microfinance (MF) activity, representing 53% of all MF contract values, was training of both credit union technicians (tellers and managers) and board members (Management, Credit and Oversight committees). The second largest MF activity was strategic planning (18%). Computer training, the repertoire of MFIs, and multiple equipment each represent between 6 and 8% of contract values. “Multiple” equipment represents contracts in which both office equipment (file cabinets, bookshelves, desks, tables, chairs, etc.) were procured along with security equipment (safes, lock-boxes, counterfeit detectors, etc.).

The BDS contracts can be divided between Information Dissemination (66% of BDS contract value) and Training (34%). Information dissemination rightly occupies two-thirds of BDS contract values as the team seeks to ameliorate information asymmetries that inhibit market based solutions. Information is disseminated

through events (Business Forums, TechnoFairs, restitution sessions, radio programming, etc.) and products (Entrepreneur Daily Planner, sector studies, demonstration sites, websites, etc.). Training can be either generic (i.e., business principles needed in all economic sectors) or specific (i.e., addressing the specific technical needs of a sector).

In contrast to Dyna MFI, which focuses all efforts on one economic subsector (microfinance), the

BDS team works in several subsectors of the Senegalese economy. The various broad economic sectors and the respective subsectors supported by Dyna BDS in FY 2002 are presented in Table 2. The largest activity category reaches multiple sectors and multiple subsectors and includes activities such as Business Forums, TechnoFairs, Entrepreneur Daily Planner, etc. These activities represented roughly one-quarter (26%) of BDS contract value in FY 2002. The second most important activity by contract value was the banana subsector followed by vetiver, rural radio programming and website creation.

Sector	Sub-Sector	# of Contracts	CONTRACT VALUE	
			USD	FCFA
Multiple	Multiple	9	153,899	100,034,622
	Marketing	1	31,413	20,418,300
	GERME	9	26,976	17,534,170
	Assistance Technique	1	10,952	7,119,000
	Family Business	2	4,814	3,129,412
Information & Communication Technology	Rural Radio	6	48,547	31,555,737
	Websites	7	48,385	31,450,277
	Multiple	1	8,761	5,694,944
	Multimedia	1		
	Caravan	1	7,692	5,000,000
	GERME	1	7,090	4,608,726
	Internet Passport	1	3,015	1,960,000
Agriculture	Marketing	1	369	240,000
	Banana	7	60,995	39,646,627
	Slaughterhouse	1	13,437	8,734,315
	Market Gardens	3	11,554	7,509,900
	Milk	3	7,561	4,914,595
Natural Resource Management	GERME	1	5,745	3,734,000
	Vetiver	8	51,576	33,524,361
	Permaculture	1	18,898	12,283,651
Industrial	Neem	1	6,317	4,105,750
	Arc Welding	2	31,788	20,662,500
Finance	GERME	3	20,820	13,532,823
Training of Trainers	GERME	5	15,124	9,830,600
TOTAL BDS		75	595,730	387,224,310

Table 2: BDS Sector and Subsector Activities in FY 2002

Grouped around 5% of total BDS contract value are support activities in marketing, GERME training and arc welding. The marketing and GERME training address economic actor needs across multiple sectors, while arc welding was a specific training to provide local technicians with the skills needed to compete with imported technical labor. The remaining subsectors supported each represent between 1 and 3% of total BDS contract value.

GERME training is a generic business training system in several modules that is promoted by the International Labor Organization (ILO). GERME stands for “Gerer

Mieux Votre Entreprise” in French. Dyna BDS has worked with ILO/GERME and their regional headquarters in Dakar to adapt these modules to the Senegal marketplace and to decentralize training sessions outside of the capital Dakar. Dyna BDS has also integrated an entrepreneur’s fiscal responsibility (i.e., the how and why of tax payments) section into one the GERME modules. The slaughterhouse activity was an economic and financial valuation of the slaughterhouse complex in Kolda Region as a precursor to privatization.

III. Administration

During Fiscal Year 2002 Dyna achieved a higher level of activity than in previous years with repercussions on the Administrative and Financial Department. To achieve this higher level of activity, the project added human resources through both interns and long term staff. The project office space was expanded to accommodate increased staffing levels. An objective measure of this increased project activity is evident in a 78% increase in the number of contracts signed in 2002 compared to FY 2001.

Other additional resources were required to support this higher level of activity, particularly in the accounting section given the increase in contract deliverables and related payments. Resources were not only increased by adding more staff, but also by making existing staff more productive with the installation of a Wide Area Network to link the five project offices and increased emphasis on Monitoring, Evaluation, Analysis and Communication to work smarter.

3.1 Organization and Approach

The Basic Ordering Agreement (BOA) contracting mechanism has been fully integrated into Dyna's regular operations and now represents 77% of all contracts signed by value. In FY 2002, Dyna locally signed BOA contracts for goods and services totaling FCFA 1.29 billion (\$2 million @ 650 FCFA/USD). The principle BOAs are listed below along with the number of potential providers in each respective "pool" of local contractors :

- 11 - Monitoring and Evaluation
- 11 - Business Development Services (BDS) Training
- 10 - Microfinance Institution (MFI) Analysis II
- 8 - Information and Communication Technologies
- 5 - Organisationnel Development
- 5 - Professional Events II
- 3 - Computer Training

Total contracts signed in FY 2002, BOA and non-BOA combined, totaled 150 for FCFA 1.7 billion (\$2.6 million @ 650 FCFA/USD).

Mini Audit. An internal audit was implemented this fiscal year by the Accounting Division. The audit identified areas for improvement that were addressed through meetings with the drivers and refresher courses on trip logs. Improved procedures were put in place to reconcile social security and insurance payments between the separate accounting and human resource management software packages. A similar reconciliation was made between contract deliverables maintained in the Contracting Office and payments against deliverables in the Accounting Office. Updated accruals were prepared and submitted to USAID on a regular basis. The budget projection was updated and re-estimated to carry through to the end of the project. Finally, the ACEP Grant funds were almost completely dispersed by the recipient at year's end.

Organigramme. A structural change in Dyna Administration was implemented this year by separating the human resource responsibilities from the Contracts Office to deal with the increased contracting activity. The Human Resources Assistant was promoted to Human Resource Manager to reflect this change and reports directly to the Project Administrator. The new Dyna Administrative structure is presented in Figure 2.

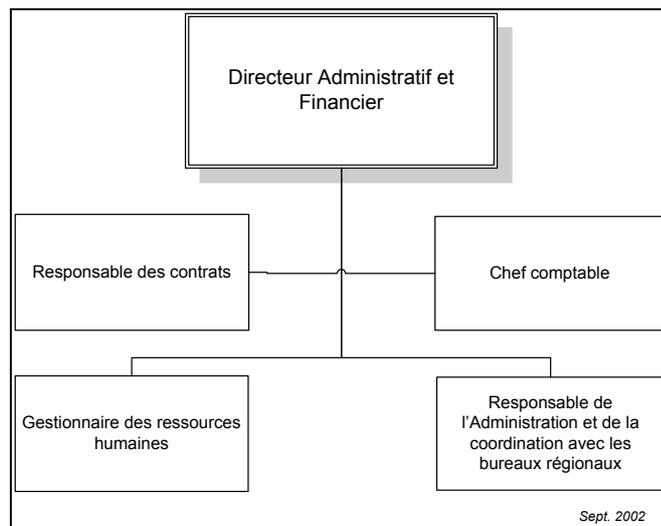


Figure 2: New Administrative Organigramme

Inventory. The Logistics Division of the Dyna Administration plays a key role in project implementation. During FY 2002, the Logistics Team inventoried all durable goods provided to project clients since the beginning of the project. Almost all of the inventoried durable goods are resident with microfinance institutions and concerns computers, office equipment, and security enhancements (ex., security bars, safes, counterfeit detectors, etc.). Figure 3 below presents the number and value of all durable goods in the Dyna client inventory.

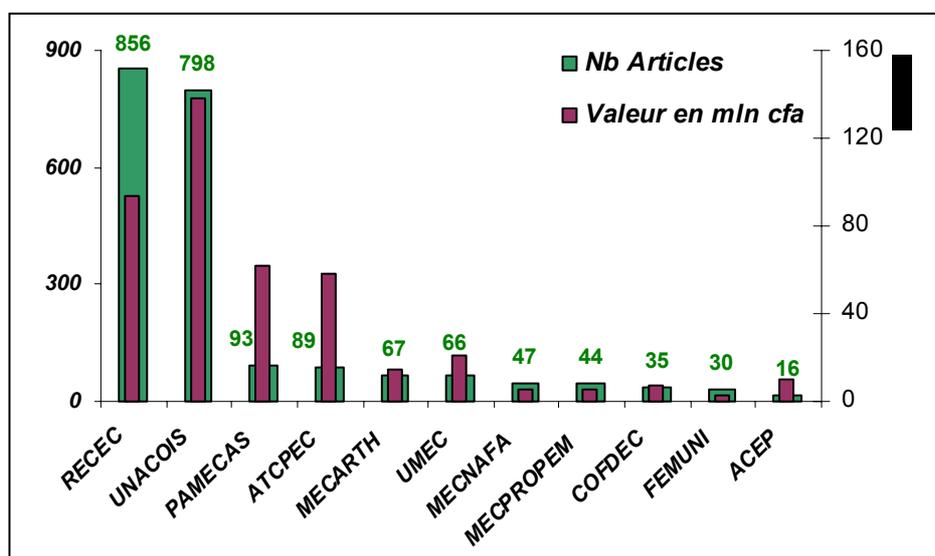


Figure 3: Value and Number of Inventoried Items

3.2 Work Methods and Approach

WAN. Dyna configured, procured, deployed and installed a Wide Area Network (WAN) using the Internet backbone offered by SONATEL entitled SENTRANET. The WAN allows staffers in all five Dyna Offices to communicate by e-mail, send

chat messages, surf the Internet and share files and printers resulting in increased productivity. Using Virtual Private Network (VPN) technology the Dyna online data is secure and will allow creation of a Dyna Intranet. The system is sufficiently robust to support Voice over IP, as well.

Annex. The DynaDakar office space was expanded in FY 2002 by the building owner to address the need for additional offices for a growing staff. The DynaDakar BDS, Contracts and Human Resources offices have been installed in the Annex since June 2002.



Photo #1 Dyna Annex

3.3 Human Resources

Further evidence that the project reached its apex during this year is reflected in a staff of 52 full-time employees and 3 expatriates across five offices. DynaZiguinchor became fully operational this year with a full complement of technical and administrative staff. Recall that the previous year ended with the opening of the Ziguinchor office and recruitment of the microfinance technician.

Reflecting the increased activity levels due to the BOA mechanism and the actions of the technical teams, the Contracting Office expanded by hiring a Contracts Assistant and an intern. Similarly, the Accounting Office recruited an Accounting Assistant who had previously served as an intern at DynaDakar. The Administration also recruited an intern to deal with the increased workload.

Three new drivers were recruited this year after an extensive trial period. One of the three was recruited to replace the DynaThies driver who died suddenly after a short illness while on vacation. The second recruitment replaced a driver whose contract was not renewed in January due to poor performance. The third driver was hired as a replacement to service both Dakar and the regional offices. His role is to provide a relief driver during periods when the regional drivers are oversubscribed or have multiple sequential field trips. The Administration noted driver fatigue due to numerous field trips without a break resulting from the increased activity level. The relief driver will also replace each of the existing 7 drivers when they are on vacation.

The Technical Director for the Microfinance Department, Sunimal Alles, resigned for personal reasons and departed Senegal during the 2nd quarter of the fiscal year. The Monitoring, Evaluation, Analysis and Communication (MEAC) Department recruited a locally-based expatriate as part of the program to reinforce their team and to fulfill their increased role as the project matures.

3.4 4th Quarter FY 2002 Activities

The Dyna Project Field Administrator was on vacation for part of the last quarter and the Chemonics Home Office (HO) sent a replacement to assure the interim. While the HO representative was in-country he performed an administrative review to

harmonize field and home office procedures. Given the summer months, several administrative interns were hired, principally to support the secretarial and inventory services which have both experienced significant workload increases due to enhanced project activity levels.

Annual Retreat. The annual strategic planning and team-building retreat was held late this quarter in the *Iles de Saloum* area. These annual retreats provide the opportunity for the entire Dyna team to unite and reflect on the past year and plan for the upcoming year. The retreat is organized by two local consulting firms; one for strategic planning and one for team-building. Given the level of effort expended this last fiscal year to increase project activities, particular focus was given to team-building during the retreat.

Kiosk. During this reporting period Dyna began a prototype program of computerization of two PAMECAS credit union branch offices in Bargny and Parcelles Assainies. The prototype consisted of a small-scale internal network within the branch office plus an informational kiosk for hosting public service messages in digital multimedia format. Using touch-screen technology and placed in the branch office waiting area, microfinance clients can interact with the informational kiosk. Dyna Administrative staff assisted the contractor installing the prototypes with logistics and inventory. Note that the Bargny branch office was visited last quarter by the US Ambassador to Senegal, the Undersecretary for Health and Human Services, the USAID Inspector General and other State Department and AID Washington dignitaries. These visitors were favorably impressed with the prototype, the work accomplished to-date and encouraged the entire team to continue the good efforts.



Photo #2 : Information Kiosk

3.5 Administration Next Quarter

The wireless connectivity test for the PAMECAS branch office networks demonstrated a slower data transfer rate than expected and the PAMECAS Administration has opted instead for traditional cabled connections. An important activity next quarter will be the contracting and oversight of a local service provider to cable the 28 PAMECAS branch offices. Affiliated with this will be the computer equipment order for PAMECAS, ACEP and other microfinance institutions. Finally, and most importantly, the ACEP Grant will be closed out next quarter involving close cooperation among USAID SO #1 team staff, Dyna and ACEP.

IV. Business Development Services (BDS)

The primary function of Dyna BDS is to develop markets and to formulate market-enhancing responses to the demand for assistance from targeted business sectors. In FY 2002 Dyna BDS responded with activities to enhance information dissemination (Section 4.1 below), to diversify training (4.2), and to strengthen professional associations (4.3). This BDS chapter closes with sections 4.4 and 4.5 presenting specific 4th Quarter and upcoming Quarter activities, respectively.

Dyna BDS achieved higher output levels in FY 2002 than in previous years as measured by the number of local public tenders offered (80) and the total amount obligated through local contracts (FCFA 387 million or \$600,000 @ 650 FCFA/USD). Each activity implemented through a local contract is followed by both a medium and long-term follow-up strategy to avoid “one-off” events and to deepen outcomes. For example, Business Forums are not just unique events but the first step in a process to stimulate local businesses and associations to organize themselves, claim ownership, and promote their own interests to support longer-term impact. In a similar fashion, many Dyna sponsored events and products were extended beyond their initial implementation phase in FY 2002.

4.1 Information Access. Access to information can provide the basis for competitive advantage. Information access can vary in price from low cost dissemination (ex., radio, Internet, handouts, etc.) to higher cost information (ex., sector-specific CD-ROMs & studies, websites, etc.). Information cost is partly a function of whether it is generic (generally low-cost) or more specific (generally high cost). The Dyna BDS approach to access, whether for general or specific purposes, focuses on the recoverable costs of information.

Dyna BDS information access activities can be broadly grouped into the two categories of informational events or products. In both cases, Dyna activities address a major hindrance to an efficient market for information by reducing information asymmetries. Information asymmetries arise when buyers and sellers do not have access to the same quantity, quality and timing of information resulting in non-optimal market solutions. Dyna BDS information events and products seek to reduce asymmetric access to information among market actors and throughout the country (i.e., between Dakar and the regions). Information access activities consumed about two-thirds of Dyna BDS contracts in FY 2002 while accounting for over 100 times the businesses reached through other BDS activities. Not counting the over 23,000 visitor hits on Dyna contracted websites in FY 2002, more than 5,000 entrepreneurs purchased information through Dyna sponsored events or products.

EVENTS

Information about markets, products, sub-sectors and appropriate technologies was generally circulated through information oriented “events” held and organized with Dyna support. Included in the “events” category were the :

- TechnoFoire in Tambacounda,
- Business Forums in Mbour and Ziguinchor, and

- Sub-sector specific “*Journées de Restitution*” in three different geographic regions

Tambacounda TechnoFoire: A firm from Kolda organized this event, a new product for this service provider, expanding its organizational and management capabilities. Over 3,700 people paid to attend this Fair, which included workshops, seminars, demonstrations, discussion groups, and site visits. In addition, Dyna BDS added a multi-media component for TechnoFoire visitors by contracting with the USAID-supported Multimedia Caravan. Thousands of young people surfed the net, created email addresses and developed basic computer skills for the first time under the Multimedia Caravan. Kids and adults also experienced digital film projections of *Scenarios du Sahel* on large screens.

Four new Cyber cafés have been established in Tambacounda since the TechnoFoire. Their owners commented that they were encouraged to invest by the level of local demand demonstrated at the Foire. Other follow-up outcomes to the TechnoFoire included development of an “innovator and inventors” web site recommended by one of the workshop-debates. Several large orders from an exhibitor constructing new products (*charettes*) were brokered as a result of contacts established during the Fair.

Business Forums: Dyna BDS contracted two Business Forums (Mbour and Ziguinchor) bringing together 40 and 50 local entrepreneurs, respectively. The Mbour business forum included representation by the *Centre d'Arbitrage de Médiation et de Conciliation* to present its services and represented their first visit to potential clients outside Dakar. Business Forum participants continue to meet on a regular basis to institutionalize the format into regional business associations.

Restitution Days: The *Journées de Restitutions* and *Journées de Validation* have proven to be successful tools as follow-up measures to studies, study tours and sub-sector decisions. These events encapsulate information, research developed and travel conducted by small groups who then share their experience and information with a larger cross-section of sub-sector participants. The result is exponential information dissemination to interested sub-sector actors.

In FY 2002, various operators of all sizes participated and paid to attend Dyna sponsored restitution days for four sectors (banana, market gardens, dairy and IT) held in multiple locations (Tambacounda, Gouloumbou, Thies, Sedhiou, Dakar and Kolda). For the banana restitution days, participants were provided information packets specific to the event, including technical sheets, association goals, and Action Plans. These follow-up measures prolong the implementation period but ensure “ownership” of and actions based upon good information. Approximately 405 operators in multiple sub-sectors participated in such information relaying events lasting 1 to 2 days.

PRODUCTS

More tangible information dissemination was achieved through innovative products conceived by Dyna and prepared by specialty service providers to respond to “frequently asked questions.” Dyna provided additional relevant information to entrepreneurs through informational “products” such as the :

- Entrepreneurs Survival Agenda,
- Fiscal and Taxation Handbook,
- Internet Passport,
- Handbook on Vetiver Technology,
- Web Sites, and
- Sub-sector Technical Sheets and CD ROMs.

The **Entrepreneurs Survival Agenda** is a daily planner that addresses the perennial need for information on what constitutes a business plan and a business financial statement. This entrepreneurial guide targets business support firms in decentralized zones and is presented in a lighthearted but serious manner. Each week of the year the survival guide owner is led through a different phase of basic business and financial planning. Copies of the Calendar Year 2002 Agenda sold out.

A **Financial and Taxation Manual** was developed initially as a companion module for GERME training, as Dyna felt this important area of business operation was missing in the ILO's enterprise training packet. The illustrated storyboard format was fitting for the targeted audience – people in the decentralized zones with minimal or no information about fiscal and tax responsibilities. Demand for this handbook has resulted in a second printing, far ahead of projected use originally limited to GERME training participants. Because of its relevance and conviviality, a large portion of Dyna's business partner projects and micro-financing institutions have purchased the manual.

The **Internet Passport**, on the other hand, was projected to be a hot seller, and yet at 500 CFA has had disappointing distribution. A new marketing strategy has been planned, as the network of Cyber café owners did not respond to the offer of selling this collection of hints and tips for the new Internet user.

The translated French version of the Vetiver Green Book (**The Hedge Against Erosion**) was relatively successful with approximately 300 copies sold, along with about three times the number of Technical Sheets provided at the request of environment projects, associations, individuals and farmers. Sub-sector CD ROMs were developed and sold in moderate quantities.

Four new **Web sites** were designed and implemented during FY 2002 including :

- the Thies Artisanal Village which expanded sales through its e-commerce format (www.senartisanat.sn);
- the BNSTP (*Bourse Nationale de Sous-traitance et de Partenariat du Sénégal*) offering its services for the first time outside Dakar (www.bnstp.sn);
- a catalogue of Senegalese and UEMOA innovations and inventors including technical sheets on each (www.innovtech.sn); and
- a banana sub-sector web site that updates the basic investment opportunities study (www.banane-senegal.sn).

These sites, along with the public tender site established last year (www.appel-d-offres.sn) had over 23,000 visits during the past 12 months, far surpassing expectations.

4.2 Training. More than 35 training modules with programmed follow-up sessions were organized this year, combining themes and topics including basic entrepreneurial GERME training, neem processing, radio management, arc welding, off-season market gardens, vetiver and permaculture technology for nurseries and service providers.

Dyna's training approach consists of:

- a three month period for follow-up and technical support,
- on-site coaching and monitoring for training quality and
- participant fees based on trainer costs.

Dyna BDS expanded training in FY 2002 to rural radio stations to improve broadcasting and programming by these relatively new entrants to entrepreneurial based operations. Rural radios generally start small, under-capitalized, and often lack a business model. Dyna contracted for training modules for 5 rural radios to assist them to plan for "self-sustainability" through programmatic adjustments that target entrepreneurs and information dissemination requested by this clientele. The training stressed interactive interview programs with local business people.

A series of short training cycles in vetiver technology were held in 8 localities often reinforced through the use of vetiver demonstration sites, to respond to demand for sustainable solutions to soil loss and reduced crop productivity. Other uses of the plant are being promoted in addition to its soil and water conservation properties. For example, major private consumers (SOCOCIM, hotels, environment and reforestation projects, NGOs, market garden associations, etc.) have purchased and are applying vetiver as an anti-erosion technology.

Training for Consulting Firms and Service Providers. BDS contracted a Training and Needs Assessment of consulting firms and service providers for this important and under exploited service sector in the four zones in which Dyna operates. Respondents stated they were willing to pay for a broad range of products and services if they could be delivered outside the capital. This assessment will serve as a basis for BDS activities in this area next year.

4.3 Promoting Professional Associations and Service Providers: Over a year ago, Dyna BDS initiated a Professional Association support strategy beginning with self-assessments of how well associations provide market information to their members and the process for possible federation. Today, more than a dozen professional associations are following through with the next step in this strategy by producing Action Plans.

Dyna's support through these associations contributed to better symmetry (*rapprochement*) between supply and demand for services. Dyna BDS contracted consulting firms and Junior Experts to work with dynamic Professional Associations (PA) that had developed their own Action Plans and expanded their outreach to federate with other associations. PAs have since identified new profitable services to provide their members too costly for individuals but which are collectively more affordable. In most instances the services included market information.

For example, an entirely new relationship has been established between the Professional Association FENAPH (*Fédération Nationale des Professionnels de l'Habillement*) and a local consulting firm (Hodar Conseil). These two entities did not know of each other prior to the PA support program. Hodar Conseil has since prepared three successful loan applications to the *Fonds pour la Promotion Economique* (FPE) for their new PA client, without direct Dyna intervention. Another example, two PAs in different economic sectors have identified their respective comparative advantages and collaborated on marketing and distribution. The *Federation des Producteurs Maraichers des Niayes* (FPMN) has agreed to provide transport and storage facilities to the Tambacounda Banana Producers Association to supply the Dakar market with the latter's produce.

4.4 4th Quarter FY 2002

Highlights from 4th Quarter activities include :

- GERME training in Thies, Mbour, Bakel, Tambacounda and Tivaouane ;
- Investment in refrigeration trucks by banana producers as a direct result of findings and recommendations about market demand for local bananas
- Business Forum in Ziguinchor ;
- Initiated work on a *Manuel du Planteur Bananier* resulting from UNAFIBS Action Plan;
- Launched 2 web sites ;
- Creation of Mbour Business Development Association resulting from Mbour Business Forum; Junior Expert program expansion through placements with Xun Pang to professionalize the association and to implement their Action Plan;
- Establishment of a Permaculture Demonstration and Training Site for CRESP in Grand Yoff;
- Implemented a wastewater treatment demonstration plot using vetiver in Grand Yoff with APEXIE; use of vetiver for bridge embankment protection in Gouloumbou;
- GIEs Njellitare Dnema and Ngaynaka of Tambacounda invest and convert to drip irrigation of banana plantation;
- Planned Dairy Association study tour to South Africa to inspect appropriate technology for processing milk in isolated rural areas;
- Handicap Association's silkscreening unit increased sales from 75,000 FCFA per month to 170,000 FCFA; Tambacounda Handicap Association invested 500,000 FCFA in new silkscreening equipment;
- Five Sedhiou-based companies implemented their respective marketing strategies with Junior Expert assistance.

4.5 Next Quarter

Planned for next quarter:

- Implement sector-specific "Management Tools" informational products for producer associations.
- Expand Market Gardening planning and marketing program in Kolda and prepare "Market Gardening Best Practices" informational product.
- Implement Ziguinchor TechnoFoire.

- Produce 2003 version of the Entrepreneurs Survival Daily Planner
- Complete the privatization assessment of SODAGRI in Kolda Region
- Organize a dairy study tour in South Africa
- Strengthen the poultry sector in Ziguinchor and the Professional Association
- Produce the “Banana Planter’s Best Practices Guide”
- Produce a training CD-ROM for managing Cyber Cafés
- Sponsor *Journée du vetiver pour les bassins de rétention* (with the Jeune Chambre Economique) and *Journée du Poulet Sénégalais* with the Poultry Professional Association

V. Microfinance

The third project year for micro finance (MF) saw a reduction in time needed to process requests for project assistance and a corresponding increase in the number of clients and partners assisted. These factors contributed to achieving the objective to assist the development of Senegal's private sector.

Expansion and consolidation were achieved in FY 2002 due to the following factors:

- Effective use of Dyna's Wide Area Network (WAN) by the regional offices and Dyna Dakar staff to share information on dossiers in "real time".
- Improved quality of the department's communication, planning, evaluation, and control activities.
- Increased rate of delivering client assistance through the effective use of BOAs to select service providers.
- Improved use of Requests for Proposals (RFP) and reduced timeline from proposal writing to activity completion.
- Open communication channels established between Dyna, its clients and service providers.
- More targeted approach to attract new MF clients by scheduling Information Days at the department level within the targeted decentralized regions.

5.1 Information Dissemination

5.1.a Information Days 2002

The increased client numbers were principally due to the acceptance of requests for project assistance following Information Days held in the decentralized areas of Mbour, Thies and Tivaouane. A better understanding of Dyna's project methodology contributed to an improved quality of concept papers submitted to Dyna by prospective clients.

Date	Region	Location	Service provider	No. participants
29-Nov-01	Thiès	Mbour	Cabinet Sarr	94
17,18-Apr-02	Tambacounda	Kédougou	Hodar Conseil	174
3-Jul-02	Thiès	Tivaouane	Hodar Conseil	100

Table 3 Information Days in FY 2002

5.1.b Resource Book: Financing Sources

A resource book listing sources of financing for small enterprises in Senegal was commissioned to:

- make available to entrepreneurs, microfinance institutions and other users a comprehensive guide to the various financing institutions operating in Senegal; and
- open up and demystify information on access to credit, including informal sources and sources operating in decentralized zones.

The production of the resource book was handled by the local consulting firm CIG and its promotion was managed by the firm ADIRA. Two thousand copies were made for distribution and initial feed-back indicates that the resource book is highly praised by Dyna clients (ex., Savings and Loan Credit Unions) and partners.

5.1.c Assessments

MF institution assessments were used to gather more in-depth information on potential clients. Thirteen institutions benefited from assessments that included clear institutional development action plans.

MFI	Service Provider	# Branches
MECARTZIG	CAMAD	1
MEC APROVAG & GEC RAFEG	SAHEL 3000	2
PROFEMU et MEC LAWTAN	CONACAP	3
MEC PROFEMU DAKAR	CONACAP	4
MEC APF & MECPROTES	SPIE	2
FNGPF	SPIE	23
WINROCK	BADARA DIONE	3
MECART NOTTO	BADARA DIONE	1
MEC KAYAR	THIAW & ASSOCIES	1
GEC DIMBALANTE & KIN O POGUM	NORD SUD CONSULT	2

Table 4 MF Assessments Realized in FY 2002

5.1.d National MF Conference

Planning was made for a national MF conference that would inform the public on the state of MF development in Senegal and provide information on individual institutions, their modes of operation and plans for the future. To successfully hold this event in the future, a study was conducted to gather information on the actual needs of the MF sector that could be addressed by such a national conference.

5.2 Training

5.2.a Generic / Technical / Management

This category includes a broad range of training requested by Dyna's clients that established an essential base for the future development of MF institutions. Taken as a whole, these sessions successfully enhanced the credibility of the institutions and encouraged a vision of achieving financial sustainability. Additionally, the training supported the growth of technical assistance partnerships and opened the door to a more in-depth program of assistance in the future.

5.2.b Cross-cutting / Specialized

These trainings were supported in response to client requests and were often carried out on an experimental basis before offering them on broad basis to our target population. In all cases Dyna supported 75% of the training cost with the balance paid by the participant.

✓ **Computerization:** Institutions receiving computer training in FY 2002 included network headquarters and branch offices of PAMECAS, UNACOIS-DEF and the *Cellule AT/CPEC*.

DATE	SFD	FORMATION	PRESTATAIRE	NBRE DE PERS
Décembre 02	MEC UMECU	Organisation, fonctionnement et gestion	REMIX	206
Dec. - Sept. Oct. 02	MEC UMECU		REMIX	302
Sept. 02	MEG EGAM		BADARA DIONE	46
02-03 Nov. 01	CAPEC JOBASS		BADARA DIONE	61
Décembre 02	FNGPF		MUTUALITE & DEVELOPPEMENT	79
20-26 Juin 02	UGPF		CABINET SARR	22
15-16 Mai 02	CAPFED		CABINET SARR	25
Janvier 02	RECEC		CABINET SARR	321
Mai 02	MEC FEMZOP		BADARA DIONE	21
Janvier-Février 02	UFC		SEN ING. CONS. /ORIENTAL CONSULTING	186
Nov.-Déc 01	MECARTH		BADARA DIONE	60
Janvier 02	MEC PROPEM		BADARA DIONE	32
Juin 02	MUPROP - MUPROEL		MUTUALITE & DEVELOPPEMENT	32
Mai 02	CMECAT		Renforcement des capacités des dirigeants et personnel technique	SEN INGENIERIE CONSULT/ORIENTAL CONSULTING
	GANDA	REMIX		18
Janvier 02	FEMUNI	Formation de cadre légal, comptabilité, gestion du crédit commercial et contrôle	REMIX	22
Janvier 02	INTER CREC	Administration et Management; Gestion	GRUPE OCC	22
Avril -Juil 02	PAMECAS	Formation Informatique (logiciel)	AMBUR INFORMATIQUE	23
Juin - Juil 02	UMEC de SEDHIOU	Lecture et interprétation des états financiers	ONG SAHEL 3000	109
Août 02	COCOGES	Rôle et responsabilité, Contrôle et gestion	REMIX	69
Décembre 01- Janvier 02	MEC FADEC	Gestion comptable et financière ; l'analyse et la gestion des risques	SPIE SARL MEÏSSA	69
TOTAL				1737

Table 5 General, Technical and Managerial Trainings

✓ **Making Cents:** The modules “*Esprit d’Entreprise*” and “*Entreprendre*” were tested and adapted by selected Dyna MF partners and by the *Fonds National de Promotion des Jeunes* (FNPJ) as a prerequisite to receiving a loan. The modules were judged to help improve enterprise performance through better management of the business cycle. Of 431 facilitators trained, 239 attended “*Esprit d’Entreprise*” and 192 were trained on “*Entreprendre*”. In addition, 4 master trainers were certified.

MODULE	MEN	WOMEN	TOTAL
<i>Esprit d’Entreprise</i>	148	91	239
<i>Entreprendre</i>	109	83	192
<i>Certification Master Trainer</i>	2	2	4
TOTAL	259	176	435

Table 6 Training “Making Cents”

✓ **CAPAF Training:** This training consisted of the following 4 modules: “Accounting Principals for MFIs”, “Financial Analysis of MFIs”, “Delinquency Measurement and Control”, “Determining and Calculating Interest Rates”, “Business Planning with Microfin Software”. The modules overarching objective is to reinforce MFI capacities through the use of best-practices designed to help the institutions realize their potential and achieve sustainability. Mastery of the content of these courses not only improves MFI planning capacity but also helps MFIs comply with the PARMEC law and better understand their strengths and weaknesses. 150 persons received Dyna support to attend CAPAF training.

MODULE	MEN	WOMEN	TOTAL
<i>Debit or Credit? Accounting principals for MFIs</i>	28	9	37
<i>Measurement and control of delinquency - calculation and setting interest rates</i>	23	10	33
<i>MFI Financial analysis</i>	27	9	36
<i>Business plan and financial projections with MICROFIN</i>	15	5	20
<i>Accounting corresponding to PARMEC law</i>	17	7	24
TOTAL	110	40	150

Table 7 CAPAF Training

✓ **IPD – AOS (Institut Pour le Développement – Afrique de l’Ouest/Sahel, Ouagadougou, Burkina Faso):** The UMEC headquarters and branch offices benefited from training that was presented in two modules: “Internal control for MFIs” and “Strategic Planning”. The first module was attended by Surveillance Committee members and UMEC administrators. UMEC branch managers, directors and selected board members participated in the second module on strategic planning.

MODULE	HOMMES	FEMMES	TOTAL
<i>Planification stratégique dans les IMF</i>	25	3	28
<i>Contrôle interne dans les IMF</i>	27	0	27
TOTAL	52	3	55

Table 8 IPD-AOS Training

✓ **Naropa University:** Two Dyna MF technicians participated in the 2002 MF training in Boulder Colorado at Naropa University. A particularly strong feature of this training is the option to choose according to one’s needs from a variety of course electives that includes such topics as accounting, governance, financial analysis, and savings mobilization.

✓ **FIFED (Financial Institutions for Private Enterprise Development):** Harvard University developed this program which provides participants with a practical guide to the financing of micro, small and medium enterprises and covers new management and financing techniques applicable to the daily operations of financial institutions. FDEA’s Director General attended this training.

5.3 Organizational Development

Organizational Development assistance was provided to Credit Union networks which had identified the need to engage in strategic planning to help them to determine their appropriate institutional structure and direction, as well as how to implement both. Three institutions benefited from this type of technical assistance:

5.3.a UMECU (*Union des Mutuelles d'Epargne et de Crédit de l'UNACOIS-DEF*)

Following receipt of organizational development assistance, UMECU was able to articulate a common institutional vision and strategy that allowed it to effectively plan and manage its subsequent activities in a structured and agreed-upon way.

Dyna's assistance provided the framework for UMECU to progressively install a central governing body for the network and to entrust its management to qualified professionals. Following the computerization and installation of essential office equipment at the new headquarters, management was able to quickly analyze key information and communicate more effectively with their branch offices.

Once UMECU acquired the tools and means to better manage its operations, it systematically learned to focus priorities and effectively manage the various assistance interventions Dyna provided. In the short term, a headquarters steering committee will ensure communication between the network branch offices and exterior stakeholders in the MF sector.

5.3.b PPMEH (*Projet de Promotion des PME Horticoles*)

Agriculture is an important market sector for microfinance institutions operating in the area of Niayes. Technical assistance in the area of organizational development provided a base for these institutions from which they evaluated the state of their operations. Through this optic, nine Credit Unions looked closely at their relationship with the PPMEH project and the impact of its termination in 2004. Key concerns among those affected were their sustainability and self-reliance. Future actions to be examined will concern refinancing the Credit Unions and improving overall performance of the agriculture sector.

These different stages of reflection should lead to concrete suggestions and action plans that will put in place the appropriate mechanisms to enable these institutions to manage anticipated change. An outline of the actions to be followed by these institutions will be evaluated to determine the best use of Dyna's assistance.

5.3.c ACRA (*Association de Coopératives Rurales en Afrique*)

Strategic planning sessions were held with the assistance of the local consulting firm *Access Finance Gestion*. The workshops were attended by 287 people of whom 166 were men representing all 18 member *Groupement d'Epargne et Crédit* (GEC). Key findings included:

Institutional aspects:

- The majority of GECs have received legal recognition and a certain number were in the process of qualifying for the more rigorous "legal agreement" status;
- The managers of different GECs are in the habit of communicating with each other on a regular basis;

- The majority of GECs are functional in terms of their physical premises and state of development.

Technical aspects:

- Administration and management procedures, as well as management supporting documents, are harmonized across different GECs;
- GECs are staffed with technicians possessing an adequate level of education. Managers and assistant managers regularly produce financial statements and activity reports;
- Leaders in each region demonstrated the capacity to effectively contribute to the strategic workshops.

Financial aspects:

- With the exception of 3 GECs, most GECs are able to fully cover expenses with operating revenues;
- Fees from member GECs are regularly collected to support operational costs of the headquarters and regional meetings;
- Different regions have shown a financial surplus;
- There is strong growth potential due to the diversity of economic activities taking place in each region.

5.4 Equipment

Equipment includes office furnishings, security improvements (safes, window grills, reinforced doors, locks), counterfeit bill detectors, calculators, etc.. Once MF clients receiving basic training improve their performance indicators, Dyna proceeds to provide basic capital equipment. The following institutions received equipment assistance in FY 2002: UMEC, MEC NAFA, UMECU, MEC FADEC, MECARTH, and MECPROPEM.

5.5 Fourth Quarter

In addition to the regular monitoring of ongoing activities, the following activities occurred in the fourth quarter:

5.5.a Training

Basic training sessions were held for technicians and elected officials for the following MF clients (MEC COCOGES, Winrock affiliated MECs, MEC EGAM, GEC LAWTAN et MECARTH). A third and last training module was delivered to the elected officials of 14 UNACOIS-DEF branches that brought the total of UNCACOIS branches trained to 44. Two Making Cents Master Trainers led specialized trainings at RECEC in preparation for an upcoming training to be given using the new Making Cents module “Assess It!” that develops loan assessment skills.

5.5.b Organizational Development

A second phase of organizational development work was launched at UMECU as well as the initiation of strategic planning sessions at PPMEH and 18 of the GECs associated with ACRA. Action plans for the development of sectoral networks in Tambacounda, Ziguinchor, Thies and Kaolack were completed.

5.5.c Information Dissemination

This activity involved the institutional diagnosis of selected Dyna MF clients: FNGPF (23 caisses), PROFEMU (7), GEC Ndimbalanté (1) and Kin O Pogum (1). Following the diagnosis, tri-partite meetings were held to discuss conclusions and recommendations for additional future project assistance. The guide book “*Sources de Financement de SFD au Senegal*” was distributed to a wide audience in the decentralized regions covered by Dyna; 2,000 copies were produced and offered at 5,000 FCFA per copy.

5.5.d Equipment

Installation of a local area network (LAN) at the PAMECAS headquarters and a pilot test of a wireless LAN system and information kiosk were carried out at the Bargny and Parcelles Assainies branch offices. In addition, office equipment and security improvements were made at the following MF clients: UMECU, MEC FADEC, MEC GANDA, MECARTH, MEC NAFA, and MECADER at Kolda and Tambacounda.

5.6 First Quarter Year 4

The primary activity planned for the first quarter of year 4 will be the preparation and implementation of new MF Basic Ordering Agreements (BOA). In addition to the current BOAs for Organization Development, Equipment, and Training, two new BOAs will be added: Accounting and Marketing. The additional BOAs are needed to provide a full complement of possible assistance interventions to meet the objective of increasing the depth of assistance offered to MF clients. Prior to the end of the quarter a pool of service providers will have been competitively chosen and task orders utilizing the BOAs will begin.

VI. Monitoring, Evaluation, Analysis and Communication (MEAC)

6.1 Introduction

During the last year MEAC made significant strides to increase staff size and capacity while acquiring the tools needed to gear up and assume an increasingly important role during the second half of the project. In 2002 MEAC collaborated closely with Dyna's Microfinance (MF) and Business Development Services (BDS) technical departments to improve the collection and reporting of key performance indicators and encourage the regular scheduling of three-way meetings attended by MF, partners, and service providers.

6.2 Reinforcement of MEAC's Team

In response to the increased workload MEAC recruited both interns and staff to help with the compilation of MF and BDS performance indicators. Recent local university graduates are recruited as interns for periods ranging from 3 to 6 months to gain practical work experience and improve their chances to find permanent employment. Early in FY 2002, MEAC's team was further bolstered with the recruitment of Victor Luboyeski who has extensive experience in BDS and MF and was previously director of CRS-Senegal's MF program. His contributions have been greatly appreciated by MEAC, as well as the BDS and MF technical teams. In addition, he assists the Administration by drafting USAID project approvals.

Between June and July 2002 MEAC's department head participated in a specialized four-week training in Ottawa, Ontario. The session titled "International Program for Development Evaluation Training" (IPDET) was organized by the World Bank's Operations Evaluations Department and Carlton University of Canada. It consisted of a two-week core curriculum followed by two weeks of elective workshops. This format permitted participants to choose topics most relevant to their work. MEAC's attendee elected a workshop on Case Studies since cases will become a key communication tool to describe the Dyna project lessons-learned and incorporate them into the teaching curriculum of local institutions such as Senegal's *Ecole Nationale d'Economie Appliquée* (ENEA).

MEAC launched a new Basic Ordering Agreement (BOA) for Monitoring and Evaluation services in FY 2002 and 11 local consulting firms were selected using a competitive bid process. The firms in this BOA pool will help MEAC to monitor ongoing project activities and measure client impact and trends. Reports generated through this BOA will be shared with the relevant Dyna departments to improve performance.

6.3 Digital Images and Video

In 2002 Dyna began experimenting with digital video media to improve the recording and communication of key project activities and outcomes. Over the course of the past year, digital video became an increasingly integral part of Dyna's project activities and proved to be a very effective communication tool. Digital recordings were made of major events that Dyna organized or participated in. By transferring the digital film to CD ROM, they could be easily distributed to a wide audience and viewed on a computer.

6.4 Tripartite Meetings

Tripartite meetings were initiated in FY2002 with all Dyna MF partners. These meetings bring together Dyna staff (MF and MEAC), the MF partner, and the service provider to discuss project activities in process. These meetings proved to be an effective mechanism to bring decision-makers together to address problems that arise in the course of project interventions and identify agreed-upon solutions. The team also found these meetings were excellent opportunities for Dyna to uncover new avenues of future collaboration with both partners and clients.

6.5 New BDS Indicators

In March 2002 a two-person team from Chemonics' headquarters in Washington traveled to Senegal to work on the reformulation of the BDS department's performance indicators. MEAC accompanied the team on its visits to the regional offices in Kolda, Tambacounda and Thies to seek input on the new indicators from the BDS technicians. Meetings were also held with the SO1 team at USAID and DynaDakar before the new set of indicators was finalized. The new indicators better reflect the activities undertaken by the BDS technical team and measure the outcomes of its interventions.

6.6 MRR and TRAINET Reports

In conformance with the contract terms, MEAC annually compiles and submits the Microenterprise Reporting Results (MRR) data for all MF institutions that receive Dyna project assistance. Since Dyna also acts as a BDS facilitator, MEAC also submits MRR data to AID Washington under this rubric. While the MRR data was expected to be directly entered on the MRR web site, this was impossible due to problems with the web site. As a result, MEAC transmitted the information by email attachment, albeit slightly late due to the on-line data entry problem.

The older version of the TRAINET software continues to be an ineffective tool to record data on project-supported training. For this reason, MEAC continued its practice of maintaining key record fields required by TRAINET in Excel. Project training data will be transferred from Excel to TRAINET once the new software version becomes available in late 2002 and MEAC receives training in its use.

6.7 Fourth Quarter, 2002

The first study using the new MEAC BOA was initiated. The consulting firm *Etudes et Management de Projets* (EMAP) was selected in a competitive bid process to survey and report on the impact of vetiver dissemination strategies employed by Dyna BDS. The study required EMAP to make site visits to all project-targeted regions and conduct interviews with relevant stakeholders.

As part of MEAC's effort to supplement its staff, MEAC recruited an intern in September from a pool of recent graduates from the *Institut Supérieur de Management (ISM)*. The selected candidate will join MEAC on October 1st. Digital film was shot and a short film produced of various partners and their respective exhibition stands at the inauguration of the new USAID office building. At PAMECAS's branch office in Bargny a new prototype computer terminal kiosk was installed on which digital video content produced by Dyna and others can be viewed. Kiosks such as this will be key outlets for future digital video produced by the MEAC.

6.8 Next Quarter

In October the recruitment of an Administrative Assistant for MEAC will be completed. Also, a second intern will be recruited to begin work by mid-quarter. To accommodate its additional staff members, MEAC will move into the DynaDakar office space formerly occupied by Dyna BDS who moved to the new annex.

MEAC plans to deepen its level of activities in the coming period by conducting evaluations of MF partners whose assistance from Dyna is completed. Also, studies will be initiated next quarter on the impact the project has had on local consulting firms which provide training and technical services to clients under contract to Dyna. The Tender Bid web site launched by Dyna at the start of the project will be examined to measure its success and long-term viability and to suggest ways it may be improved. Lastly, consultants familiar with writing and using Harvard-style Case Studies will be recruited to begin work on the first set of Teaching Cases including two on BDS, two on MF and one on Dyna's intervention strategy.

6.9 Performance Indicators

6.9.a Microfinance

MF institutions improved both the quality and timeliness of quarterly performance indicators submissions during FY 2002. This is attributed to three factors: (1) the institution's capacity to record and report on key indicators improved through microfinance training and technical assistance provided by the project; (2) Dyna MF and MEAC staff increased their efforts to ensure MF partners complied with reporting requirements; and (3) the report format and accompanying instruction sheet was improved to make it easier to understand.

As MF institutions developed the capacity to furnish Dyna their quarterly results, they became self-motivated to do so when they saw that the same information helped them to manage their operations better. MF partners use this same data to compile and construct their annual financial statements required by the Central Bank (BCEAO). Recently the *Cellule AT/CPEC*, responsible for microfinance oversight, reported that more than twice as many MF institutions submitted their financial statements last year than the year before. They partly attribute this welcome development to Dyna's capacity building activities with MF institutions.

All Dyna's MF performance indicators exceeded their FY 2002 targets (see Annex 2). Out of 24 MFIs reporting, 17 were able to cover their operating costs by the end of the year. Throughout each project reporting period the number of institutions covering costs has increased steadily. Regarding loan portfolio quality, 20 MFIs reported loan arrears of less than 10% and a loan loss rate of less than 5%. This progress can be attributed to the efforts of the MFIs to effectively use Dyna's assistance to professionalize their operations and become self-sustainable, financial service structures.

Established MF networks, plus those in the process of being established, account for 93% of total savings and 92% of total loans outstanding amongst Dyna's MF clients. These numbers provide justification for Dyna's strategy to concentrate on providing assistance to MF networks. Women and women associations account for the majority of savers and borrowers. However, in terms of the value of loans

outstanding and amount of savings on deposit, men exceed women in our MF clients' institutions. In the last year 122 Credit Union branch offices received microfinance and/or computer training. This included training elected committee members as well as 287 managers and cashiers.

6.9.b BDS Indicators

As with MF, the BDS performance targets were exceeded in FY 2002 (see Annex 1) During the year 609 persons paid to attend BDS related trainings. Training topics included: GERME business training, neem oil transformation, gardening, permaculture, vetiver, arc welding, and rural radio. The vast majority of trainees (93%) came from the private sector with significant numbers of women (30%) and youth (22%) participating. The provision of technical assistance was also a large part of BDS activity last year with 1,394 receiving technical assistance other than training.

Dyna's project methodology to engage local service providers to deliver training and technical assistance to partners has resulted in follow-on BDS work that takes place without Dyna's direct intervention. This can be seen in the BDS indicator that counts the number of new products and/or services (112 in FY 2002) developed as a result of Dyna's interventions.

In the past year more than 5,000 attendees participated in various events sponsored by Dyna BDS that included the Tambacounda Technofoire, Business Forums held in Mbour and Ziguichor, and sub-sector *journées de restitution*. In addition, 18,179 visitors were recorded to the various web sites assisted by Dyna: Tender Bid, Thies Artisanal Village, and the *Bourse Nationale de Sous Traitance*.

VII. FINANCIAL STATUS

The present financial reporting period covers total expenditures for FY 2002 and specific information for the calendar months of June through August 2002. September 2002 is excluded from this analysis because of the one-month lag in submitting and registering expenditure vouchers. Total expenditures for the last three-month period set a new record amount for the project (\$1.85 million). The project has had three consecutive quarters of record expenditures (\$1.79, 1.74 and 1.85 million, respectively) reflecting apex expenditure rates at mid-term of the Life of Project (LOP).

Table #9 below presents project expenditure information by monthly invoice, Contract Line Item (CLIN) and percent of total expended per line item during the project. The LOP budget, LOP balance and the amount obligated to-date (in italics at lower left-hand corner) are also presented. Note that as of the August 2002 invoice, 50% of the project budget had been expended; however, this expenditure level reflected 76% of obligated funds. At present expenditure rates the project will likely reach 80% of obligated funds with the September 2002 voucher. Note also that Table 9 below includes a \$3 million obligation engaged by contract amendment signed by Chemonics on 11 June and by USAID Senegal on 23 July. This amendment also reallocated funds across line items; reducing funds for Grants and adding funds to Labor, Material & Equipment and Training. These reallocations are also reflected in Table 9.

	LOP BUDGET	Invoices 1-31 Nov-99 to May-02	32 Jun-01	33 Jul-02	34 Aug-02	Total Invoiced To-Date	% of CLIN Expended	LOP Budget Balance
Labor	12,385,822	6,009,772	263,896	309,246	296,179	6,879,092	56%	5,506,730
Material & Equipment	998,303	923,789	476	3,126	571	927,962	93%	70,341
Training	1,647,800	681,809	74,017	67,411	74,090	897,327	54%	750,473
Grants	10,402,192	3,456,397	127,504	390,629	191,286	4,165,816	40%	6,236,376
Base Fee	658,412	311,855	12,620	20,535	15,115	360,125	55%	298,287
Award Fee	371,062	67,746	0	0	0	67,746	18%	303,316
17,500,000	26,463,090	11,451,368	478,513	790,946	577,242	13,298,069	50%	13,165,522

Table 9: Invoices Submitted to USAID by Chemonics (Jun. 2002 through Aug. 2002)

Dyna's expenditures by CLIN continue to follow the usual quarterly pattern with Labor and Grants (reserved for microfinance activities) being the most important categories, accounting for roughly 85% of all expenditures. This is followed by Training (reserved for Business Development Service activities) which averages between 10 and 12% of total expenditures. The remaining percentages are split between Base Fee (3%), Equipment and Award Fee.

The 12-month monthly expenditure average for FY 2002 was \$550,000 and the most recent 6-month average is approximately \$600,000. Hence, the expenditure levels indicate that the present trend will continue and probably average closer to the higher monthly figure of \$600,000. These trends highlight the accelerated pace of activities as the project hits mid-stride. Given roughly \$4.2 million in obligated funds remaining, the project has a pipeline, before accruals, of about 7 months. Local

accruals (difference between commitments under local contracts versus actual disbursements) of around \$1.3 million reduce this pipeline to 5 months. Addition of Home Office accruals will result in an even lower pipeline figure than 5 months of funds remaining for the project.

KIR 1.3 : Increased Use of Best Technical and Managerial Practices

#	Indicator	Definition & Measure	BASELINE		Fiscal Year 2002						
			YEAR	VALUE	Target	Achievement					TOTAL
					TOTAL	DAKAR	KOLDA	TAMBA	THIES	ZIG	
1.3.1	# Participants from SMEs, consulting firms, associations and groups that purchase business training	Total # of fee paying participants	1999	226	400	184	44	51	319	11	609
		# Private sector participants	1999	n/d	320	151	42	50	310	11	564
		# Ag-related participants*	1999	n/d	60	16	21	21	132	0	190
		# Female participants	n/d	n/d	n/d	28	10	17	123	3	181
		# Youth participants (18-30 yrs)	n/d	n/d	n/d	33	12	33	53	0	131
		# Disabled participants	n/d	n/d	n/d	25	10	0	0	0	35
1.3.2	# New products and services offered by BDS providers	Total # new products & services	2001	0	30	19	14	26	32	21	112
		Total # ag-related products & services	2001	0	5	13	12	16	15	13	69
1.3.3	# SMEs acquiring quality technical assistance (not training) from BDS providers	Total # of SMEs receiving BDS support	2001	0	250	407	570	147	264	6	1,394
1.3.4	# SMEs consulting firms, associations and groups that access market and technical information	# SMEs accessing information	1999	5948	7,000	18,656	187	4,023	386	149	23,401
		# SMEs accessing information (not web site)	n/d	n/d	n/d	740	187	4,023	386	149	5,485
		# SMEs purchasing information	1999	n/d	300	338	152	3,993	386	149	5,018

KIR 1.2 : Improved Access to Financial Services

#	Indicator	Measure	Baseline		Fiscal Year 2002	
			Year	Value	Target	Achievement
1	# of institutions using full cost-recovery interest rates and fees	among institutions receiving assistance from DynaEntreprises	2000	2	8	17
2	# of institutions with delinquency reates below 10% and loan losses under 5% of the institution's loan portfolio	# with delinquency rate below 10%	2000	2	10	20
		# with loan losses below 5%	2000	2	12	21
3	# of savers disaggregated by gender	# of male savers	2000	13,470	17,511	37,747
		# of female savers	2000	23,587	30,663	38,653
		# of male groups savers	2000	287	373	770
		# of female groups savers	2000	2,870	3,731	3,828
		# of mixed groups savers	2000	929	1,208	2,958
4	# of active borrowers disaggregated by gender	# of male borrowers	2000	3,122	4,059	15,538
		# of female borrowers	2000	7,335	9,535	22,477
		# of male groups borrowers	2000	42	54	200
		# of female groups borrowers	2000	939	1,221	2,708
		# of mixed groups borrowers	2000	142	185	764
5	value of loans offered	value	2000	2,086,803,530	5,310,464,635	10,882,172,866
6	value of savings collected	value	2000	964,648,290	2,678,945,178	7,481,935,291
7	branch offices trained	number	2000	68	101	122
8	managers & tellers trained by gender	number	2000	104	126	287
		% women	2000	83%	50%	57%
	Share of all decentralized financial system loans at the National Level provided by USAID funded partners	Ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all Microfinance Institutions reported by the Ministry of Finance regulatory body *	2000	0%	12%	36.50%

* value of loans disbursed by DFS in national level (grands réseaux) during civil year 2001