



« Dynamise les entreprises sénégalaises »



### **AWARD FEE SELF ASSESSMENT**

*01 October 2000 – 30 September 2001*

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**USAID PROJECT :** 685-C-00-00-00002-00  
**SUBMITTED TO:** USAID/SENEGAL  
PRIVATE SECTOR STRATEGIC OBJECTIVE (SO1)



**SUBMITTED BY:** CHEMONICS INTERNATIONAL  
DYNAENTREPRISES PROJECT



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**SELF ASSESSMENT AND AWARD FEE REPORT**  
**CHEMONICS International for the DynaEntreprises project**  
**October 1 to September 30, 2001**

**Introduction**

This document presents Chemonics' self-assessment with regards to the factors laid out in Section E.3 of the subject contract for the determination of the award fee for the period January 1, 2001 through December 31, 2001. This award fee period is currently the subject of a proposed contract modification, which would bring the award fee period into sync with the project year, October 1 through September 30.

Therefore, this presentation of DynaEntreprises performance relative to the award criteria addresses the period of October 1, 2000 through September 30, 2001.

**I. Technical Achievement**

**A. Percentage of Targets reached during the period**

The table on the next page summarizes the 13 indicators and targets that Dyna tracked during the reporting period. Of note is column F: “% **Reached**” that calculates the percentage of the target achieved in comparison to the targets established at the beginning of the year.

Each technical indicator is defined by its property and the way by which it is measured (columns A & B), a baseline number (column C), a target (column D) and number actually achieved (column E).

Micro Finance had the more spectacular results where five measurements far exceeded their targets by at least 150%. These were: **Growth in savings mobilization** and the **Growth in Value of loans offered** which are two criteria crucial to the sustainable operation of decentralized micro finance institutions:

- Growth of male group savers      261% over target
- Growth of female group savers    163% over target
- Growth of female group borrowers 166% over target
- Value of loans offered              177% over target
- Value of savings collected         164% over target

We note that for both the MFI and PME sectors, each indicator and sub-indicator was given equal weight in calculating the **average** percentage of targets reached by the project. In light of the importance of each indicator (it would be difficult to say one was more important than another), overall percentage of project performance compared to its target was 123%.

One of the microfinance targets not fully attained in the reporting period is the number of Dyna partner institutions covering their recurrent costs through interest and fees. Dyna set themselves the target of eight (8) institutions, but at the end of this year, it was only able to report five (5). One of Dyna's partners, the *Union des Femmes Commerçantes (UFC)* is expected to provide their reporting data late for the final quarter of the year, and therefore their information is not included. In previous quarters, UFC reported full cost recovery.

Although all of Dyna's partners are not able to report full cost recovery at this time, this may be partly due to the difference between the evaluation period, which is October through September, and the fiscal year of microfinance institutions, January through December. The varying proportion of recovery and costs during the year may affect each institution's status.

The project fully met its target of number of Dyna partners with delinquency rates below 10%. However, the project reports only 5 institutions with loan losses under 5% of the loan portfolio. In this instance, the target number of microfinance partners with loan losses of less than 5% was 6 partners for this reporting period. Again, where UFC previously reported loan losses under the required level, their results were not yet available for the evaluation period.

## **B. Effective management and leadership in reaching Targets**

What distinguishes Dyna is its highly effective management and leadership style that creates an environment where the entire team feels it is part of a successful, youthful and fun development project.

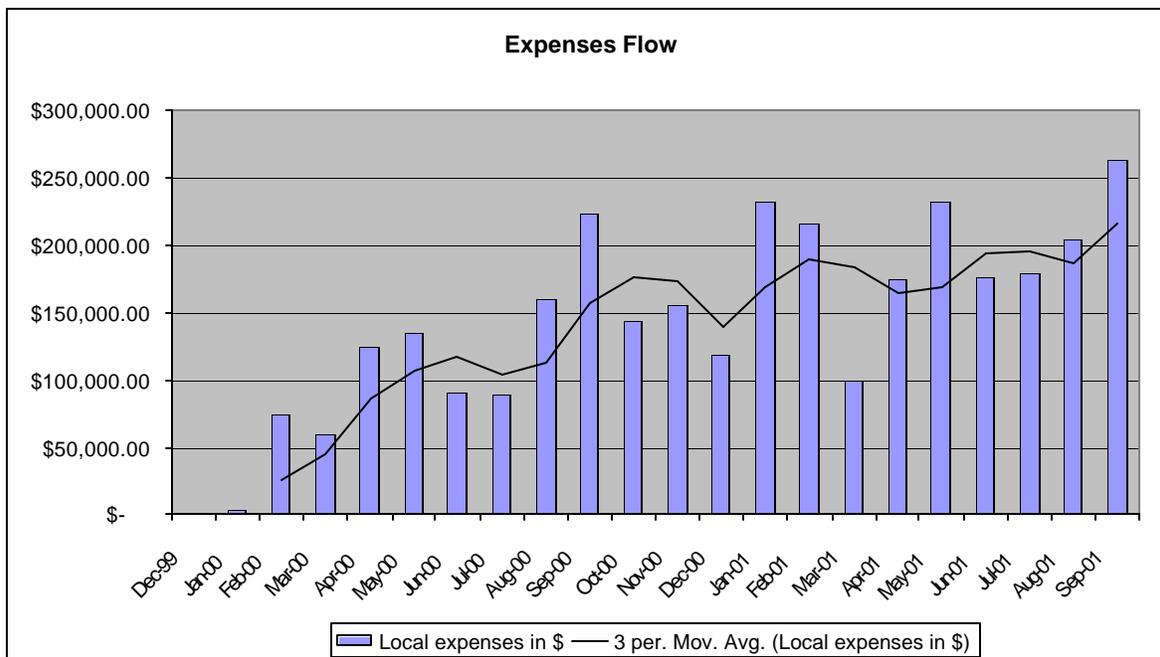
At the COP level, the leadership is inclusive, highly participatory and sensitively attuned to the individual's strength and special interest or passion. As a result of the positive tone set by the COP and management, Dyna acquired the reputation of having one of the most motivated and highly productive staff of among development projects. A productive staff that understands the stakes of the development effort easily "go the extra mile," not only to implement a task, but also to execute it with excellence and attention to details.

A happy and efficient team does not happen by accident. Management has applied techniques, as outlined in the table below, that impact work efficiency and ability to reach and even exceed targets. Project leadership does not try to change people; it creates an environment that promotes the growth of staff capabilities beyond their own expectations:

MANAGEMENT ACTION	IMPACT
Bi-weekly staff mtgs	Puts everyone on the same level of involvement and information about project objectives and project needs. Project targets are at the top of the agenda at every meeting.
Bi-weekly Brown bag mtgs	By selecting topics of general and specific interest, these lunch-time “get-togethers” increase staff knowledge base about activities, technologies and events related to the project (topics include trip reports, films of Dyna events, IT applications, new technologies and practices being tested by Dyna in the field).
Fomenting an information sharing and “wired” corporate culture	By equipping the project with cutting edge computer and information technology, project leadership managed to create pride, efficiency and results oriented behavior. It has dramatically increased information exchange among regional offices and the Dakar office. No one in the Regional offices feels excluded from the winning team.
Continual and wide reaching Staff Training	Through management’s push and promotion of furthering technical and computer training, the entire staff understands what is at stake in performance targets.
Quarterly Division mtgs in regional offices	Management has supported regular planning and evaluation divisional meetings which fosters close monitoring of project progress and possible problems areas
Promoting responsiveness through a cell phone culture	Dyna has in use over 45 cell phones among its drivers, support and technical staff as well as managers. This provides a seamless communication link between regions and Dakar, and makes Dyna a 24-hour humming operation. Since many of our staff members travel outside the regional offices, often in remote areas, the cell phones have increased instant access to information, and provide a security safety net that allows technicians to concentrate on reaching targets.
Establishing and sharing charts of performance targets as well as expenditures	Through the establishment and staff-level sharing of up-to-date charts and tables on project expenses, contract negotiations, and performance indicators, the COP and the Administration provide constant information of project performance. Burn-rate charts and bi-monthly expenditures table encourage engaged and productive staff. (see chart below)

Regular reporting of contents of USAID/Project meetings	By keeping the staff apprised of USAID concerns, the entire team has been able to be responsive to USAIDs request for the information it needs to be responsive to Washington.
Engaging and responsive behavior with Government offices	By bringing the Government and the Cellule to participate in Dyna's <i>Journee d'Informations</i> where they explain their policies towards Micro Finance institutions, Dyna has helped expand the number of officially registered MFIs and subsequently increase the number of potential project beneficiaries.
Teaming with other projects and Institutions	Dyna has been aggressive in teaming with organizations such as Making Cent\$, Peace Corps, ILO/GERME, Canadian, World Bank, GTZ projects, and NGOs to leverage funding and related activities.
Leadership in Synergy efforts	Dyna has been a leader in the synergy efforts organized by USAID Senegal; Dyna was the only contractor present at all synergy meetings since their inception, and provided other contractors with useful products, information and support.

Burn-Rate Chart used to track local expenditures available to Dyna Staff



**C. Quality and responsiveness of technical assistance and relevancy to the objectives of the Contract Scope of Work**

Dyna relies on two types of Technical assistance:

- local service providers, which are mostly “cabinet conseils” or “bureaux d’études,” individual consultants; and
- select few overseas consultants

The latter has been limited to Chemonics subcontractors IBI, CIPE, a Moroccan firm recruited to assist in training of Cyber Café managers, ECI from information technology transfer, and Making Cent\$, a US-based firm.

The bulk of Dyna’s workload consists managing the outsourced technical assistance. This task includes not only preparing the Terms of References, issuing RFPs, evaluating bids, negotiating contracts, and overseeing subcontract performance, but reviewing the body of deliverables that are required prior to each payment to the outsourced firm.

Over the course of the four quarters of the assessment period, the contractor signed forty-one fixed price subcontracts, whereas in the fourth quarter alone, there were twenty-six task orders signed with service providers. If a subcontractor has an average of two to three deliverables per contract that are generally reports of performance, the contractor read and evaluated approximately 167 performance reports. The deliverables track the responsiveness of the contractor to the required task as well as the quality of the work performed.

Critical for the contractor’s outsourcing strategy is the assumption that sustainable private sector growth requires: a) a dynamic service provider sector that offers business support services of the highest standards, and b) a developing demand market that is willing to pay for services rendered.

Through its action of preparing and issuing quality RFPs, as well as providing the constant follow-up, the contractor has been able to visibly improve the quality of service providers’ capacity to respond and implement technical Terms of Reference.

In addition to working with the winning offerors, Dyna provides guidance and feedback from non-winning offers on ways to improve their proposals, better present CVs and be more responsive in their cost proposals. Dyna’s collaboration with winning and non-winning firms fosters a continual learning process for both the project and for providers. This innovative technique has generated a series of letters, phone calls and visits from firms indicating that never before have contractors offered feedback, taken the time to review proposals, or showed interest in improving the responsiveness and quality of the bidder’s proposal.

Interactive outsourcing also involves a significant amount of low and high-tech skills transfer to the service providers, for skills such as marketing, quality control, research techniques, techniques for writing reader-friendly reports, and also for higher tech skills such as providing video clips of training participants to attest to the value of the training received, interactive CD-ROMS created for reports, the GPS techniques integrated into many subcontracts, and the organization of databases for data analysis.

Dyna’s strategy and commitment to using the Senegalese private sector and tender bids to introduce competition into the market place are perhaps among the most significant contribution to furthering the objectives of the contractor’s Scope of Work.

**D. Notable performance improvements through exceptional Contractor initiative**

During the reporting period, DynaEntreprises has become a project of reference, not only with USAID, but also among other development projects, donors and government agencies, and this in part has been due to innovative and efficient practices, some of which are summarized below:

<b>Exceptional Contractor Initiatives</b>	<b>Performance Improvements</b>
Revolutionized training paradigm by introducing: a) for fee-training b) buyer’s guarantee c) three pass training cycle	Training is now valued, it is in greater demand, and self regulating quality control standards are applied. Prior to Dyna, training offered by donors and NGOs often was free, participants received per diem and travel expenses, and training seldom “stuck.” During reporting period, Dyna tested and refined their approach. All training is demand driven, participants pay in advance, and requests for Dyna training is greater than our capacity to respond. The ILO, the Ministry of Industry and PME, Canadians, and other projects have requested partnership with Dyna to install similar training models. No inquiring participant asks if we pay a per diem during training. Training impact evaluation disclose significantly highest percentage of retention and application rate than Year 1.
Decentralized ILO/GERME Training of Training to regions	By requesting the ILO/GERME and collaborating with them to hold a T of T in Goudiri, and following up with the trainers to provide marketing skills, the percentage of trained trainers who conducted GERME training cycles went from 8% to 95%. As a result, ILO/GERME determined to adopt the Dyna model, and the GERME project in West Africa was extended rather than closed.
Advising Hewlett Packard and JOKO on Cyber café initiative	H-P and JOKO came to Dyna for assistance and guidance on ways to establish JOKO clubs in the countryside. Dyna strongly lobbied for HP and JOKO to abandon their plan to subsidize Cyber cafes in rural areas as this would compete unfairly with private investments. To date, it appears as though the plan to subsidize equipment has been abandoned.

Established Expert Junior program	Expert Juniors program is a way to get recent graduates of technical schools to gain first employment, and to provide technical support to requesting firms that want to either expand or test new technologies. Three EJs were placed during the reporting period, each in agricultural related activities. Requests for three more EJs are pending. Dyna pays the salaries, while participating firm pays for all other costs including lodging. Two EJs in Velingara are lodged and fed by women groupements that requested the TA.
Energized the Family-owned business sector	Beginning with a Diner-Debat in Year 1, Dyna worked with a core group of family owned businesses whose preoccupation was how to transfer assets to future generations within the context of Islamic and Civil laws. Dyna found that this preoccupation represented a major constraint to expanding the majority of businesses in Senegal; almost all of which are single family owned. Through its flexibility to develop a program around a felt-need, Dyna worked closely with a Core Group and a sub-contractor to identify solutions. One major solution was to establish an Association of Family-Owned Businesses whose objectives were to lobby for and assist family-owned businesses to interpret Muslim law in conformity with Senegalese civil laws.

Collaboration with Peace Corps	Dyna established collaborative relation with Peace Corps that has resulted in improved effectiveness of both Ag and SED Volunteers and Dyna Staff. Dyna staff contributed to every training cycle held by Peace Corps. Dyna assisted the Peace Corps by conducting a major evaluation of their Community Training Centers as a way to provide insights on demonstration plots for future actions.
Importation of Vetiver plants	When Dyna received increased requests for solutions to agricultural and civil engineer problems related to soil fertility and soil erosion, Dyna resorted to rapid infusion of the plant by collaborating the Ministry of Agriculture's Department of Plant Protection to import from South Africa cultivars of improved variety. Subsequently, 63 private nurseries began producing vetiver for a demand market that Dyna was creating for the plant and its bio-engineering applications. Dyna established 13 demonstration sites in 4 regions of Senegal, cooperating in each with a local institution or organization (Private banana growers, the Marie of Dakar, Thies and Kolda, Peace Corps, engineering companies, agricultural GIEs, producer associations in the Niayes).
Collaboration with Mission funded activities	Dyna promoted synergy with EnterpriseWorks through funding and managing a joint-interest study of Improved cooking stoves including the USAID promoted Djambaar stove.
GIS Information System	Dyna promoted GIS among other USAID projects in the Mission portfolio, the Mission itself and service providers to use mapping as a way to track project activities, their geographical distribution, and grapping effects of programs.
Introduction of the Blanket Ordering Agreement (BOA) contracting mechanisms	Dyna adopted the BOA bidding and contracting mechanism, which greatly increased the speed of subcontract letting, and permitted the project to process a march large number of subcontracts through a pre-selection of a pool of firms.
Introduction of Inverter system in the field offices of	By assuring stable electricity in the regional office, Management has created a work atmosphere that knows no interruption, that allows them to continually carry out their work, and thus appreciate the efficiency of the set-up. Inverters in the Field Offices also helps extend the information culture developed in the Dakar office to Field staff.

## **II. Cost Functions**

Cost containment and cost savings mechanisms in the project have resulted in a lower rate of spending than originally expected for the early stages of the project. When the project was asked to increase its spending rate, in April of 2001, it responded by boosting expenditures to consistently near the \$500,000 level in the subsequent months.

### **A. Cost containment**

The project has standard procedures in place to contain costs at all levels of its activities. This includes implementation and administration costs as well as technical activities. The project has continued to abide by its practice of requesting multiple quotations for procurements of all kinds, from expendable office supplies to office furniture and project vehicles.

On the technical side, Dyna commitment to implementing technical assistance through local subcontractors offers significant cost containment benefits. Local subcontractors are able to provide appropriate assistance tailored to the needs and capacities of project partners, for example in local languages. They are also available to provide follow up to trainings and other assistance provided, without international plane ticket costs and expatriate consultant salaries.

Competitive contracting also produces both cost savings and cost containment for project activities. Contractors are aware that it is in their best interest to keep costs as low as possible to remain competitive. As well, at the negotiation stage, the subcontract management team applies their knowledge of the local market to control costs. For example, when negotiating the direct costs, the staff is able to use their knowledge of the cost of room rentals and transportation at the local level to effectively negotiate with subcontractors.

Revenue generating: Another way of containing cost is by generating revenues through the for-fee for service process, and through the sale of reports and documents that are of value. While Dyna does not collect all funds paid by participants (portions of funds for GERME training, for example, goes directly to the ILO to pay for the training manuals), the amounts collected, summarized below return to the program budget and are applied against expenses, allowing the project to organize and hold additional activities. Almost 30 million CFA was collected as resources during the reporting period.

<b>Activity</b>	<b>Division</b>	<b>CFA</b>	<b>USD</b>
<b>Business Forum</b>		<b>435,000</b>	<b>580</b>
	SME	435,000	580
<b>CD-Rom</b>		<b>142,250</b>	<b>190</b>
	SME	142,250	190
<b>Diner débat</b>		<b>250,000</b>	<b>333</b>
	SME	250,000	333
<b>Seminaire</b>		<b>11,923,000</b>	<b>15,897</b>
	MF	11,923,000	15,897
<b>Training</b>		<b>16,654,401</b>	<b>22,206</b>
	SME	2,416,600	3,222
	MF	14,237,801	18,984
<b>Vetiver</b>		<b>72,000</b>	<b>96</b>
	SME	72,000	96
<b>Grand Total</b>		<b>29,476,651</b>	<b>39,302</b>

## B. Cost savings, i.e. actual costs are lower than estimates

Several cost-savings have been realized over the course of project implementation, both in contract implementation costs and technical assistance costs. After contract negotiations, with negotiations on labor rates as well as direct costs such as transportation, the subcontracts team has reduced the cost of subcontract implementation below the original project estimate.

The project has noted a cost savings related to the anticipated salary costs of the M&E and Information Technology specialists, who were both expected to be senior-level technicians. We were able to do this because we planned and invested in systems does not need high end people. The personnel hired to fill these positions are in fact junior-level, without the salary history to justify the same level of compensation.

Another example of cost-savings has been the rent and installation of regional offices. These offices were budgeted with higher rents than were required once the project negotiated leases.

The emphasis on the use of local resources for provision of technical assistance has resulted in a cost savings in the use of expatriate short-term technical assistance. The table below reflects cost savings from Year 1 in line items such as overtime, vehicle insurance, salaries, and rents that total more than \$700,000 over the life of project.

### Examples of saving initiative by the Dyna

Expenses incurred	Amount paid '000 CFA	Savings				Negotiations	
		Yr 2001		Over life of project		Date	Action taken
		'000 CFA	USD	'000 CFA	USD		
<b>Overtime Support Staff</b>	3,467	1,158	1,593	4,632	6,372	4/1/01	Changed of overtime payment procedure by introducing a forfeit for support staff
<b>Vehicles Insurance</b>	5,386	3,902	5,266	15,609	21,065	5/29/01	Increased the deductible for the insurance full coverage premium from \$40 to \$250
<b>IT Specialist</b>	2,225	16,450	21,933	17,286	23,048	Yr 2001	Hired a Junior IT Specialist rather than a Senior as initially planned
<b>Short Term Expat.</b>	8,500	91,236	121,648	364,944	486,592		The project used local expertise and reduced the short term expat costs
<b>Office Rent</b>	78,545	35,640	47,520	142,560	190,080		Better rent contracts have been negotiated
<b>Total Amounts</b>	<b>98,122</b>	<b>148,386</b>	<b>197,960</b>	<b>545,031</b>	<b>727,157</b>		

### III. Contract Administration

Contract Administration of the DynaEntreprises project is integral to the smooth functioning of the contract. Project administrative staff carry out activities which are essential to the execution of project activities, such as subcontracting, per diem disbursement, logistics organization.

#### A. Planning, Organization and Management

**1. Assignment and utilization of manpower.** All of the DynaEntreprises staff have specific terms of reference which account for their daily activities. As their responsibilities change, as has been the case for the assistant accountants recently promoted to accountants, and for the secretary promoted to human resources assistant, their terms of reference are reevaluated and changed as necessary. In addition, as the project evolves, the gradual replacement of expatriate personnel by local professionals is taking place. The expatriate Field PA as well as the Grants Manager have been replaced with local hire staff. All personnel are featured on the Dyna organigram, which depicts the hierarchical relationships as detailed in each terms of reference.

For punctual tasks and learning opportunities, Dyna looks for young professionals interested in gaining valuable experience and contributing to the success of the project. These junior professionals are brought in with specific terms of reference as well, and are assigned a mentor for the length of their assignment. For example, during the reporting period, the project hired a young professional with an interest in microfinance activities to monitor the Making Cents entrepreneurial trainings and gather the lessons learned and results. She was teamed with a senior Microfinance technician who helped her to identify key aspects of the trainings and guided her progress. As a result of her time with the project, she has practical and marketable skills in activity tracking and results collection.

The outsourcing of technical assistance allows Dyna staff to focus on the needs of project partners and clients, and at the same time has kept project staff numbers lower than they would otherwise be. At the same time, regional staff work independently in the field, and allow the project to have an increased impact in decentralized zones.

**2. Recognition of critical problem areas.** The project, through its monitoring and evaluation system, keeps track of various aspects of contract performance. Other critical elements of performance that are not addressed by monitoring and evaluation, such as personnel performance, are identified and addressed by project personnel and teams. The project maintains contact with the mission through weekly meetings with the SO team, which serve to keep both teams apprised of ongoing and upcoming activities. These meetings also allow the project to respond promptly and effectively to USAID concerns. Regular contact with the Chemonics Home Office through daily emails, Fax, and weekly telcons encourages information sharing and increases the perspective on project activities. Daily emails are stored in a searchable data base, web enable so that any information can be retrieved at any time about the history of the project.

One of the critical problem areas for the project was the speed of contracting and disbursement mechanisms. While the demand driven assistance and competitive contracting assure targeted and effective technical assistance, they also require intense efforts by the technical and administrative personnel involved. In order to continue with these two assistance mechanisms, while still responding to the requirements and targets of the contract, the project developed an alternative contracting mechanism.

The Basic Ordering Agreement allows technicians to envisage a general terms of reference for a particular area of assistance, and then select a pool of qualified contractors from the offers submitted. The contractor's rates are fixed upon signature of the BOA, and the contractor agrees to respond to specific terms of reference within a short time frame. The pool of contractors is then available to the technicians to perform various specific technical assignments in a reduced timeframe.

**3. Cooperation and effective working relationships with other contractors and Government personnel to assure integrated operation efficiency.** From the beginning of the contract, Dyna has followed a policy of full and free information sharing, with other contractors, with other US Government personnel, and with the Senegalese government. Dyna is a regular attendee of the monthly synergy meetings at the mission, at which it has provided georeferenced maps of Senegal, information on the locations and resources of improved cookstove producers, and links to microfinance institutions.

More directly, Dyna has worked closely with the Private Sector SO personnel when developing its workplans. SO Team members have been invited to consult on the working sessions leading up to workplanning retreats, and also to participate in those retreats. As a result of this cooperation, the final workplan is a demand driven document that reflects the consensus of Dyna and USAID, and which can be acted on that much more quickly.

Several project activities have had a secondary benefit for other contractors. The georeferenced maps of Senegal and a database of the microfinance institutions in Senegal were combined with a database of producers and suppliers of improved cookstoves, allowing the producers and suppliers to know quickly and easily what their access to credit could be. The Making Cents training of facilitators in entrepreneurial curricula included several staff members from the JOG project. These staff members are now evaluating the importance and possibility of including entrepreneurial training in school programs.

Dyna has also provided a sustainability study of Peace Corps Community Training Centers in coordination with its information decentralization initiative, which allowed Peace Corps to make informed decisions about which centers to continue and which to privatize. Dyna staff have participated in all of the Peace Corps volunteers' trainings since the beginning of the project, giving new volunteers the benefit of over 40 years of experiences and expertise in development.

Finally, in interaction with the Ministry of Finance, the project has launched an awareness training program with microfinance institutions, inviting personnel from the Ministry's Cellule AT/CPEC to explain the procedures for microfinance institutions to become registered with the ministry. The project is also participating in the institutional reinforcement of both the Cellule's infrastructure and personnel. With Dyna's sponsorship in the third quarter of this year, two representatives of the Cellule, Mme. Tall and M. MBaye, participated in the seminar on microfinance commercialization in Washington DC, as well as a meeting with representatives of the World Bank and CGAP. In the third quarter, Dyna placed an order for computer equipment to be provided to the Cellule, along with network cabling, to reinforce the unit's infrastructure.

Interactions by the project outside of these spheres have also proven fruitful, and the project remains available for reference and consultation to other actors in the private

sector in Senegal. For example, during this reporting period, Dyna dealt with the APIX investment promotion agency, provided them with contacts for international consulting firms and participated in the evaluation of services offered. Dyna has also assisted the Banque National de Sous Traitance (BNST) with developing the contracting methodology for a training in welding, which the BNST is holding to increase the skill level of local welders, and train them in ISO standards. As a result, the BNST required three separate bids from service providers before selecting a winning offer. This competitive process was a first for the BNST, and a milestone for transparency in contracting.

**4. Planning, organizing, and managing all contract performance.** Dyna has held three project workplanning and team building sessions to date. Each of these sessions has resulted in a workplan, which is submitted to USAID for validation. The workplan for 2001 was submitted according to the contract schedule on December 15, 2000.

These workplans serve to organize the major events and activities planned for each department, based on the perceived need at the time of planning. This year, in order to periodically reassess the direction and trend of project activities, each department has held quarterly meetings to adjust any planned activities as necessary. One major change in the workplan this year was the postponement of the Tambacounda technofoire from the fourth quarter of the assessment period to the first quarter of the next period. This was an adaptation by the project to information received from the Tamba BizDev technician.

**5. Problem solving capability.** Once the project has recognized problems either with its interior functioning, or with its partner's performance, it has shown a capacity to adapt and propose results-oriented solutions.

For example, the project contracted locally the procurement of computer equipment for UNACOIS and several other project partners. However, each procurement was plagued with source/origin problems. Despite repeated attempts to work with contractors to resolve the issue, it appeared out of their control. Therefore, the project decided to proceed with computer procurements through our home office, which is able to guarantee inspection for source/origin problems.

In the instance of working with project partners, Dyna has worked with one particular partner, MECFAM, who has had repeated difficulty responding to project reporting requirements. Staff from the M&E team and the microfinance team have worked together to increase the partner's awareness of the importance of results reporting. After a series of meetings and informal presentations, MECFAM provided their results to Dyna for the reporting period.

Even when there are no problems, Dyna has used its ability to identify options to take advantage of opportunities as they present themselves. For example, Dyna moved forward on establishing a regional presence more quickly than called for in the

contract, when the opportunities presented themselves and demand from project targets called for action. To avoid reinventing the wheel, Dyna brought in a Chemonics field administrator from a project in Mali, who had recently established regional offices and who was able to share her expertise with Dyna.

**6. Quality and timeliness of home office support.** Chemonics home office support to the DynaEntreprises Project touches on all aspects of project implementation. Chemonics has departments that specialize in accounting, contracting, procurement and training according to USAID guidelines, which allows them to provide a depth of knowledge and assistance to the project. A few examples of the assistance provided by the home office to DynaEntreprises follow.

The backbone of Chemonics home office support is the three-person project management unit (PMU), which has become part of the Dyna 'virtual team'. Through daily emails, bi-weekly phone calls and periodic budget reviews, the two sides of the team stay up to date. The field Project Administrator, Kate Woods was assigned to the PMU on her return, and continues to share her institutional knowledge with the team. All of the PMU staff are fluent French speakers, and the senior PA and the PS have long years of experience in the region and in Senegal.

Visits to the project from the home office staff have also served to strengthen communication, teamwork and ownership, and enable the home office to carry out actions on a timely basis because we are informed. In the two-year history of the project, there have been three visits from the home office project supervisor and a visit from the president of the company. The CTO has visited the home office and met with the Vice-President for Africa and Asia, the company's president and the entire PMU. Mike Meyer, Assistant Project Administrator, attended the 2002 annual workplanning retreat, and then was acting Field PA in the FO for three week while the Field PA traveled to the US for training, but unfortunately was grounded due to the September 11 events.

From the other side, the home office has had the opportunity to welcome the Dyna Chief of Party at the Home Office, where he consulted directly with specialists on the home office staff, and presented the successes of the Dyna project to other private sector development practitioners. Several of Dyna's local staff have also visited the home office during travel to the US. The contracts specialist came to the home office and met with personnel and contracting experts for consultations. A Business Development team member provided home office staff with firsthand accounts of project successes, which were subsequently written up and included in Chemonics publications.

During the first year of project implementation, the CTO observed that the invoice had too many items 'backed out' of each month. The home office took this comment seriously and the finance department and project management team focused on reducing 'back outs' in the invoice. On the next trip by the project supervisor, the CTO said that the issue had been resolved that it was no longer an issue.

The procurement department also serves a role in the smooth functioning of field activities, not only for the project but also for project partners. The procurement department this year has procured computer equipment for the remaining regional offices and for three microfinance partners, including the Cellule AT/CPEC. They have also assured that shipping went smoothly, despite the shipping dates' coincidence with the September 11 attacks.

Chemonics' contracts office has been indispensable to the startup and implementation of technical assistance by Dyna, particularly in providing guidance on subcontracting and grants instruments: the bilingual fixed price subcontract; the grants manual; the BOA mechanism. The contracts department also provides continual assistance with contract related questions related to project implementation.

The home office training department organized the introduction of the 'Senegal 12' to Making Cents while they were in Washington for a conference on Commercialization of Microfinance. During the same visit, the department organized a meeting with representatives of the World Bank and CGAP, set up an in-house presentation on HIV/AIDS and the workplace, and coordinated an intra-group roundtable on the outcomes of the trip.

The home office also participates in innovative opportunities for the project, and has been heavily involved in the conversion of the Scenarios from the Sahel films to CD-Rom format, for distribution to microfinance institutions.

The home office has organized various information sharing opportunities to benefit other company development activities. For example, the successful Dyna techniques of demand-driven training and for-fee training were written up and published in our Foreign Exchange newsletter, which makes the information available to development practitioners around the world. Dyna technicians who visit the home office have conducted brownbag lunches for many interested staff.

**B. Knowledge and compliance with contract terms and conditions.** The PMU has taken the initiative to draft and propose an amendment to the contract terms and conditions. Some of the key issues addressed in this amendment include project timetable and milestones issues. The amendment will also clarify certain outstanding issues and smooth project administration for both USAID and DynaEntreprises.

The project as well as home office staff are trained in reading the contract and researching and understanding contract clauses. The Chemonics home office contracts department is available for consultation, as they provided during the development of the BOA mechanism. While the field office understood what they wanted the BOA to do, the contracts office was able to clarify the competition

requirements, provide definitions of various contract clauses, and assure continuity between the BOA and Task Order format.

### **C. Subcontracting and Grants Management: administration and overall quality of work / Maximization of local resources**

The project has put in place a complete subcontract and grants management unit, which works in coordination with the technical departments to assure the correct administration and overall quality of the subcontract and grant assistance. Both teams are based on the interaction of technical specialists, responsible for monitoring the quality of the assistance provided, and the administrative team, responsible for establishing and monitoring the terms, both financial and administrative, of either grants or subcontracts.

The subcontracting team is trained in USAID and Chemonics subcontracting procedures. Early in the first quarter of this assessment period, the subcontracts manager and the newly recruited field PA received fixed-price subcontracting training from the outgoing field PA. The subcontracts manager was in the Chemonics home office for one week of the fourth quarter, consulting with the home office contracts department on fixed price subcontracting mechanisms, as well as the establishment of the BOA mechanism.

Technical staff are also closely integrated in the subcontracting and grants process. Technical staff draft the terms of reference for any requests for proposal, and participate in the evaluation panels responsible for assessing the offers received. They are also closely involved in the monitoring of subcontract performance, through regular reporting from the subcontractors, and the extensive feedback provided on the quality of technical assistance being provided.

The subcontracting team and the grants management team also attended a training held on the administrative and financial management of USAID awards during the fourth quarter. As a result, the team is able to follow more closely the compliance of subcontractors and grantees, and is also able to explore alternative contracting mechanisms such as the BOA.

This local capacity for subcontracting and grant-making has allowed the project to maximize its use of the locally available professional consulting services. The use of local resources for providing technical services has allowed the project to execute forty-one fixed price subcontracts and twenty-six task orders worth over \$1.2 million during the assessment period. All of these subcontracts and task orders were competed locally and executed with local firms.

### **D. Schedule: Promptness of delivery**

All reports and deliverables are delivered to USAID in a timely fashion, in accordance with contract requirements.

In addition, the project has worked in cooperation with the mission to consolidate and simplify the number and format of reports being submitted. For example, rather than submit both a Performance Monitoring Report and a Quarterly Report, the project and the mission agreed that the combination of the two reports would be sufficient. This conserves project resources in the production of reports, and consolidates information in one source for Mission reference.

**SUMMARY OF CONTRACT REPORTS BY DYNAENTREPRISES**

X indicates reports submitted

U S Fiscal Years	2 0 0 0				2 0 0 1				2 0 0 2				2 0 0 3				2 0 0 4				1
U S Fiscal Years – Quarters	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1	2	3	4	1
Contract Years	Contract Year 1				Contract Year 2				Contract Year 3				Contract Year 4				Contract Year 5				
Initial Report:	XX																				
Quarterly Progress Reports:		X	X		X	X	X														
Annual Report:								X													
Annual Implementation Plan:						X															

(A) # TEAM	(B) Indicator	(C) Measure	(E) Value FY 2001				(H) Comments / # of New savers	(I) % Growth	
			(D) Baseline	(E) Target	(F) Achievement	(G) % Reached			
MFI	1	# of institutions using full cost-recovery interest rates and fees	2	8	5	63%	Unacois, Umec, Cofdec, Mecfam, FNGPF		
	2	# of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio	# with delinquency rate below 10%	2	6	6	100%	Unacois, Umec, Cofdec, Mecfam, Acep FNGPF	
			# with loan losses below 5%	2	6	5	83%	Unacois, Umec, Cofdec, Acep, FNGPF	
	3	# of new savers disaggregated by gender	% growth of male savers	6,796	8,834	13,470	152%	6,674	98%
			% growth of female savers	12,629	16,418	23,587	144%	10,958	87%
			% growth of male groups savers	85	110	287	261%	202	238%
			% growth of female groups savers	1,353	1,759	2,870	163%	1,517	112%
			% growth of mixed groups savers	483	628	929	148%	446	92%
	4	# of active borrowers disaggregated by gender	% growth of male borrowers	2,129	2,768	3,122	113%		47%
			% growth of female borrowers	4,640	6,031	7,335	122%		58%
% growth of male groups borrowers			23	30	42	140%		83%	
% growth of female groups borrowers			435	566	939	166%		116%	
% growth of mixed groups borrowers			110	142	142	100%		29%	
5	value of loans offered	% growth	2,086,803,530	2,504,164,235	4,425,387,196	177%		112%	
6	value of savings collected	% growth	964,648,290	1,254,042,777	2,060,727,060	164%		114%	
7	branch offices trained	number	68	150	78	52%			
8	managers & tellers trained by gender	number	104	250	97	39%			
		% women	83%	50%	75%	150%			
9	Share of all decentralized financial system loans at The National Level provided by USAID funded partners	Ratio of the value of loans offered by Dyna-funded partners to the value of loans offered by all all Microfinance institutions reported by the Ministry of Finance regulatory body	0	10%	9.66%	97%			
<b>AVERAGE MFI</b>						<b>128%</b>			
PMIE	10	# of SMEs, associations and groups in targeted that purchase quality business services	# of fee paying trainees	119	200	226	113%	Training FCGPF Tamba(43), Directoire Femmes Eleveurs Tamba(22), Association Gérants de télécentres(16), Serigraphie(11),Radio Journalistes(7), Unacois Kolda(17), Directoire Femmes Eleveurs Dakar(18), Synergie Femmes(21), Xun Pang Diass(15), Cybercafé(21), Transformation Neem(15), Formateurs Germe(20)	
			% of trainees not reclaiming the guarantee	100%	90%	100%	111%		
	11	# of SMEs, associations and groups accessing information through interactive services & events	# of clients interacting	0	500	393	79%	Business Forum Thiès, Kolda et Tamba (167), Salon de l'entreprise Kolda(13), Emissions radio Oxyjeunes(105), Restitution Filière laitière(103), Comité had hoc Business Family (5)	
	12	# of SMEs, associations and groups attending paid events or functions that disseminate agricultural and other appropriate technologies	# of paying attendees	47	60	36	60%	Journée NTIC (30), Planification maraichère (6)	
13	# of SMEs, associations and groups that access information on agricultural and other appropriate technologies through new means	# of attendees	2,000	4100	5948	145%	# of connections on tender bid web site (5671), vetiver site (277)		
<b>AVERAGE SME</b>						<b>119%</b>			
<b>AVERAGE PROJECT</b>						<b>123%</b>			