



« Dynamise les entreprises sénégalaises »



*The varied targets of Esprit d'Entreprise Training of Trainers, from left to right: an independent consultant, an ONG staff member, a Peace Corps Volunteer, and a consulting firm representative.*

## **SECOND ANNUAL REPORT**

*01 October 2000 – 30 September 2001*

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



**SUBMITTED BY:** CHEMONICS INTERNATIONAL  
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## I. EXECUTIVE SUMMARY

This report includes both the overview perspective of the annual project report as well as some detailed accounts of project activities as would be included with the fourth quarterly report. The main body of the text provides an overview of the project's activities and progress over the course of the year, with highlights on fourth quarter activities. Within the Monitoring, Evaluation, Analysis and Results Reporting section the project results to date in relation to the project indicators are discussed in detail. The project indicators are laid out in the Performance Monitoring Plan (PMP) in Annex II, and the project targets and results for the second year of activities are reported in the Results Tracking Table (RTT) in Annex III. The Summary Results Table in Annex IV provides some more in depth detail on the results. Also in annex (Annex V) to the report are several short vignettes, 'success stories', from the fourth quarter of the year.

The second year of project implementation featured a team and an organization getting up to speed and reaching its stride. During its first year, Dyna was focused on starting up offices, installing the project and establishing its principal axes of intervention, laying out intervention techniques, and introducing project activities. Going into the second year, the project was expecting to move on to the next phase of project implementation and perform at a higher level.

The administrative arm of the project demonstrated once again that while project results are not tied directly to its performance, it is an integral part of the success of the project in meeting those results. The local subcontracting team signed 30 fixed price subcontracts and 26 task orders this year, allowing the technical teams to make use of the local resources for technical assistance. The administration adopted and finalized the Basic Ordering Agreement contracting modality to provide a more flexible contracting method to the technical departments. This year the administration also finalized the regional office setup in Tambacounda, established the Thies office, and began putting in place the Ziguinchor office, with the lease signed and equipment procured for this last of the contract's five (5) offices. A total of 27 additional staff, including 16 regional staff, were recruited and hired on long-term contracts with the project. The essential functions of procurement, accounting and other logistical tasks kept the project on its feet throughout the year.

The Microfinance Team worked closely with the Administrative Team to develop the Basic Ordering Agreement (BOA) contracting modality to create pools of potential subcontractors available to provide assistance to partner microfinance institutions. The microfinance department has continued to expand their activities throughout the 5 regional zones of intervention of the project. With the Thies and Ziguinchor Information Days, the project has solicited concept papers from potential partners in all 5 regional capitals. The next step, already underway with the Information Day held in Bakel, is department level information days, which will hold their own challenges as far as preparation and information sharing. Each of the information days has resulted in the selection of new partners for the Dyna Microfinance Support Program, which brought the total number of microfinance partners to eleven this year. Among these new partners are network level institutions (UMEC), which will allow the project to continue working with economies of scale as it has with UNACOIS, RECEC and FNGPF. There are developing networks, such as Union des Femmes Commerçantes (UFC), which offer opportunities to apply those lessons learned through the study of microfinance networks in Senegal, completed in year 2. There are also the smaller MECs and GECs like COFDEC and MECFAM, which have more basic needs for institutional reinforcement.

To support the expanding web of microfinance institutions receiving assistance from the project, the Microfinance Team worked to reinforce the microfinance sector as a whole. During the reporting period the team made it a priority to increase the level and flow of information on microfinance techniques and best practices within Senegal. Based on the success of the Ministry of Finance Microfinance Recognition Information Day, the project organized similar events, such as decentralized Information Days on the Instructions of the BCEAO for Microfinance Institutions. Dyna identified outside training opportunities for microfinance professionals. Events of particular importance to our work such as the Microfinance Best Practices Training in Boulder, Colorado, the Conference on Microfinance Commercialization in Washington DC, and the training on the foundation and management of credit unions and cooperatives in Burkina Faso were promoted to the larger microfinance community in Senegal. A broad participation was evident over the reporting period. The training in financial analysis of microfinance institutions and cost control offered by CAPAF to microfinance professionals in West Africa was also opened to participant microfinance professionals through a cost-sharing with Dyna.

The Business Development team has once again broken the barriers of mundane project activities, and gone hog wild innovative. At the start of year 2, the team proposed revised project indicators, baseline data and results targets to more effectively measure the impact of project activities on the key elements of the business development environment. The team worked with consultants to modify ILO's flagship GERME training modules, and produced synthesized two-in-one courses, allowing the team to better respond to the immense demand for training among business associations. In response to the increased demand for the GERME-based training, the team partnered with ILO to offer a first-time ever Training of Trainers outside the nation's capital. The result of this combined ILO/Dyna activity was a significantly large pool of coached regional service providers who could and have delivered services and training in local languages. The decentralized trainings continue to be organized on a for-fee, money-back guaranteed basis, and are now being executed with regionally-based consulting firms.

BizDev has pursued other techniques for improving the decentralization of contract awards to regionally based firms. The most effective technique has been the close interaction between winning firms and Dyna, and the debriefing and advice shared with the non-winning firms. Decentralization has also played a large part in the organization of the various business encounters (Business Forum, Salon de l' Entreprise, Journée NTIC) that brought together the more dynamic elements of the business communities of three regional capitals. Other decentralized events have included Cybercafe training, silkscreen printing for handicapped entrepreneurs, neem oil production, and radiophonie training, as well as the vegetable production planning, all of which have been held in decentralized zones, and most of which have been executed by decentralized service providers. Vetiver soil and agricultural technology has taken root with the BizDev team and around Senegal, with fourteen demonstration sites established and over 60 nurseries involved to demonstrate the benefits and business opportunities offered by the technology.

## II. BACKGROUND

This is the second of five Annual Reports to USAID/Senegal under the DynaEntreprises Project implemented by Chemonics International Inc. and funded through the Private Sector Strategic Objective (SO #1). The strategic objective is

*to achieve sustainable increases in private sector income generating activities in selected sectors.*

This project supports two of the three key intermediate results (KIRs) of the Strategic Objective:

- (1) *Improved access to financial services by microenterprises and small business entrepreneurs and*
- (2) *Adoption by more microenterprises and small/medium enterprises of best technical and managerial techniques.*

As per the contract, “the fourth quarterly report (for the period ending September 30) can be incorporated into the annual report”, this report covers the quarterly period ending 30 September and also presents a discussion of the results for the project year.

The report is organized around a discussion of the project progress during the year and a presentation of activities for the 4<sup>th</sup> quarter. In this section can be found an analysis of the impact of project activities and also suggestions for the resolution of various issues that the project has come across during implementation.

After discussing the yearly and quarterly progress and activities, the report then provides a discussion of Results Monitoring and Evaluation. This discussion will present the achievements of the previous year, and will also address any shortfalls on results. In annex to the report are the project’s Performance Monitoring Plan (PMP) and Results Tracking Table (RTT), which substantiate the discussion provided in the Monitoring and Evaluation section. The RTT provides the project’s contribution to the PRSO Indicators for incorporation into USAID/Senegal’s R-4 Reporting and the Agency MicroEnterprise Reporting.

### III. ADMINISTRATION

The fourth quarter reporting period featured several major events to cap off another eventful year for the Administration of DynaEntreprises. The physical location and setup of the Ziguinchor regional office, the last of the five contractually required offices of DynaEntreprises, was greatly advanced. The selection and hiring of personnel for this office also moved forward. Finally, a new contracting modality, the Basic Ordering Agreement, was introduced as a tool for implementing project subcontracts.

**1. Home Office Support.** As in the third quarter, the project continued to receive timely and applied support from the Chemonics Home Office through the visit of Kate Woods, Senior Project Administrator and Mike Meyer, Assistant Project Administrator. Both came to Senegal to assist with the annual workplanning retreat held on Gorée Island from September 5<sup>th</sup> to 8<sup>th</sup>. In addition, Mike Meyer dedicated a month to replacing the DynaEntreprises Field Project Administrator while he attempted to travel to the US for training.

During this training in Washington DC, the Field PA was expected to receive specific trainings in management and supervision, and also continue his training in Chemonics systems and procedures. Unfortunately this scheduled travel was from September 10 – 11, and he was unable to complete his trip to Washington due to the tragic events of September 11. It is expected that this training will be rescheduled during year 3 of the project.

The project also received the support and expertise of the Home Office Contracts Department in developing the template and implementation guidelines for the new BOA (*Basic Ordering Agreement*) contracting modality in accordance with USAID and Chemonics requirements.

The home office has been integral this year in the negotiation of fixed price subcontracts with ECI Communications for the design and installation of computer networks, and with Making Cents Inc. for the execution of trainings in their various entrepreneur-training curricula.

**2. Personnel.** The DynaEntreprises administrative staff once again demonstrated their flexibility and depth of talent when the contracts and human resources manager for the project, Mamata Lo, was stranded for two weeks in the US due to the events of September 11. The Thies regional administrator, who had been assisting with the subcontracting functions for the project, along with the human resources assistant, worked to keep project activities on track until her return.

During this quarter, DynaEntreprises accepted two newly graduated accountants for three-month internships. At the same time, the job descriptions for the two assistant accountants and the accounting manager have been revised to better allocate the various functions of the department. Another intern, a student from ENEA (*Ecole Nationale d'Economie Appliquée*) was accepted for a 4 month joint internship with the MicroFinance and Business Development Departments to support the Making Cents curriculum initiative.

The Biz Dev department in Dakar recruited and hired a specialist in Information and Communication Technologies (NTIC). They also hired on a long-term basis a technician in Kolda to follow and work with the various demonstration sites in place in the regions. The recruitment of the IT Specialist for the project was also finalized, and in Tamba and Thies, two secretaries were offered long term contracts after successful one-month trials. The selection

process for hiring an administrative coordinator and a MicroFinance specialist for the Ziguinchor office has started and should be finalized during the next quarter

A short-term consultant was hired to provide additional support to the growing business development activities in vetiver at the Dyna office in Dakar.

In all, during the second year of project implementation, an additional 27 staff were hired. In keeping with the level of project activities, the majority of these new staff, 16 in all, were brought into the regional offices. This includes the full complement of the staff of the Tambacounda and Thies regional offices, as well as additional staff in Kolda to accommodate the growing level of activities in the first of the project's regional offices. The project also hired several technicians, such as the IT Specialist, the M&E Specialist, and two Biz Dev Specialists, into the Dakar office to support project activities in all of the regions. Both the IT Specialist and the M&E Specialist were hired after performing successful internships with the project.

Two of the expatriate employees have also left the project as originally planned in the contract. The Field Project Administrator, Kate Woods, was replaced early this year by a local hire, Joseph NGom. After a 3-month training period with Mr. NGom, Ms. Woods returned to the Chemonics home office, from where she is able to provide continuous support to her replacement. The Administrative Manager of the Microfinance Department has also left the project as scheduled, allowing a transition to the local subcontractor staff from USU.

**3. Contracts.** During this quarter Dyna organized the annual strategic planning and teambuilding retreat on Goree Island at the Goree Institute. This retreat was facilitated by two specialized consulting firms: Performances Management Consulting, a strategic planning and management specialist and WEP a team building and staff motivation specialist, with whom the project worked on the FY 2001 work plan.

A new contracting modality, the Basic Ordering Agreement (BOA) was introduced in the fourth quarter as a supplement to the established fixed price contract mechanism. The BOA modality was developed specifically to respond to the increased demand for assistance by the project, and the necessity of streamlining the process for providing demand driven assistance. The project started using the BOA mechanism in August, and in the two months since its implementation, five (5) separate BOA's have been established. The various categories of assistance covered under these agreements include:

- Microfinance Institution Needs Diagnostic
- Business Development Professional Meetings and Events Organization
- Microfinance Institution Training
- Business Development Business Group Training, and
- Business Development Information Technology Development

The adoption of the BOA tool is especially critical in the execution of project activities in the second year of the project, as the project expands to almost full size with four fully functioning regional offices and technicians in the field every day working with various clients requesting services. Under these five BOAs, a total of 26 task orders were signed with local service providers in the fourth quarter, with a total value of roughly \$180,000.

In addition to the BOA, the project has used and continues to use the fixed-price subcontract mechanism as needed to implement project activities. In the fourth quarter, ten fixed price

subcontracts were signed with local service providers. All told the project engaged \$400,000 in project funds through these ten fixed price subcontracts and 26 task orders.

Over the course of the year, the project has signed 30 local fixed price subcontracts that have engaged \$580,000 of project funds directly to project activities through local businesses.

**4. Regional Offices.** The setup of the Ziguinchor office, the final office of the five required in the Dyna contract, was advanced this quarter, with the procurement of office equipment, and the launching of the recruitment process for the microfinance technician and the office manager. This office opening had been delayed at the beginning of year two, based on the assessment of security in the region. The administration also put a lot of effort into consolidating the other regional offices opened to date, including the Thiès office opened at the beginning of this year. This included training of regional project staff and trips to the regions by more experienced staff to provide on the job guidance. As the regional office activities have expanded, interns are hired on a temporary basis to take on certain specific activities.



*Photo 1 : Precious shaded view of the newest regional office in Ziguinchor.*

**5. Procurement.** In this fourth quarter, Dyna signed a contract with the local firm INF24/7 to perform the computer cabling network for the head offices of UNACOIS and PAMECAS, and also the Cellule AT/CPEC of the Ministry of Finance. Under the same contract, the contractor will cable the regional project offices of Ziguinchor and Thiès.

The IT equipment purchased in the third quarter of this year for installation in PAMECAS, UNACOIS and AT/CPEC will arrive in Senegal early in the next quarter and will be installed following the cabling work of INF24/7.

After preparation for and selection of office space in Ziguinchor the office equipments were purchased and made by a local furniture manufacturer Les Ateliers Diocesan. This facilitated the delivery of the furniture to the office in this isolated region, and also promotes the use of local businesses.

## **IV. MICROFINANCE**

During the second year of project implementation, the microfinance department built on the successes and lessons learned in their various domains of intervention during the first year to accelerate the activities and impact of the project. Effective tools such as the Information Days, BCEAO trainings and tender bid contracting were identified for multiplication and improvement. Weaker performance areas from the previous year, such as the speed of assessments and sector – level activities, were targeted for reinforcement. At the same time, the microfinance team continued to expand their interventions, executing activities in all five project zones of intervention during the second year.

The first three quarters of the year saw significant levels of activity with both new and old partners in the four established geographic zones of the project. As well, activities began to take place in the fifth region of the project, Ziguinchor. During the fourth quarter, which coincides with the rainy season and a low point for activities outside of agricultural production the department put an emphasis on developing the Microfinance sector through trainings, rather than putting the emphasis on direct assistance to MFI's.

### **A. Grant Eligible Institutions**

The only grant under the DynaEntreprises project remains with ACEP. At the end of the fourth quarter, with three (3) months remaining in the grant agreement, ACEP has requested and justified a lower than expected portion of the grant funds. The MicroFinance department expects to see an increase in the requests for grant fund advances with the end of the rainy season, as financial activities increase. A second request from ACEP for computer equipment is on hold, pending the outcome of this activity.

The accounting department of DynaEntreprises has been especially implicated in the implementation of this grant, and the enforcement of the procedures for requesting and justifying advances of grant funds. The Microfinance department and the accounting department will continue to work closely together with ACEP to improve management and performance under the grant. The two departments of Dyna will also continue to improve the general productivity of the grant modality through process improvements.

Grants have remained a minor tool for implementation of project activities, as institutional development continues to be the largest part of Dyna's assistance to microfinance institutions. One other request for grant assistance was received this year, from FDEA. The project is currently awaiting the report on the audit performed on the institution.

### **B. Non-Grant Eligible Institutions**

During the fourth quarter of the project year, the microfinance team selected training providers for the Training BOA designed for potential and existing partners. This selection was done in conjunction with the implementation and testing of the BOA mechanism. The qualification of a pool of consulting firms under a BOA, which are then available to perform specific terms of reference on demand, will allow the microfinance department to more quickly and efficiently respond to previously approved requests for assistance.

At the end of the reporting period, the BOA modality had been applied to two areas of microfinance assistance: needs diagnostic and training. The department was able to clear a

large number of pending assistance requests using the BOA task orders. The microfinance department used the Diagnostic BOA to write several different task orders, which analyzed 16 separate institutions at varying degrees of development and prescribed the assistance required to respond to their needs.

**TABLE 1: Potential recipients of training under BOA**

#	MFIs	# OF CAISSES
1	<b>UNACOIS phase 2</b>	18
2	<b>RECEC</b>	17
3	<b>UFC</b>	10
4	<b>FNGPF phase 2</b>	16
5	<b>MECARTH</b>	1
6	<b>PAARZ</b>	6
7	<b>MECROPEM</b>	1
8	<b>CAPEC JOBASS</b>	1
9	<b>MEC FADEC</b>	3
<b>7</b>	<b>TOTAL</b>	<b>64</b>

The BOA modality, by allowing the project to work with large numbers of service providers simultaneously, has also highlighted the fact that while there are a number of consultants in the microfinance sector in Senegal, there is a wide disparity in performance levels. The project will continue to provide feedback and quality control to service providers in order to improve the general quality of assistance. In order to further improve quality, and also address the level of

sophistication available on the local consulting market, the project is addressing more and more trainings to microfinance consultants as well as to microfinance institutions, the project's traditional targets.

This flexibility and speed has become especially important over the past year, as the number of non-grant eligible project partners has continued to expand. The tender bid/ subcontracting process has become a key aspect of Dyna's ability to implement demand driven assistance. As the number of partners and the diversity of their needs have grown over the past year, the need for an efficient and effective tool for response became evident. As well, many of our current partners are nearing the end or have reached the end of their initial assistance cycle with Dyna, and will be graduating to another level of support. This group will also benefit from this increased efficiency in Dyna's demand driven assistance.

During the second year of the project, Dyna worked directly with eleven (11) partner microfinance institutions, covering various aspects of institutional reinforcement and capacity building. In the last quarter alone the project signed seven new memorandums of understanding with new and old partners. Some of the longer standing partners also submitted some significant news. The RECEC team provided Dyna with the police report regarding the fire that took place in their Guinaw Rails branch almost three quarters ago, and the MECFAM team submitted their results to the MEAC team for the year to date.

The microfinance department's vision of the structure of the microfinance sector in Senegal has also evolved over the course of year 2. The sector is now envisioned in more of a pear shape than a pyramid or the bottom of an hourglass. This shape emphasizes the upward growth evident at the bottom of the sector, and also shows the predomination of the middle segment of the sector. At the top of the pear there are the well-organized networks, which constitute Dyna's largest partners, such as UMEC, FDEA, ACEP and PAMECAS. Next, at a slightly wider point, are the networks in formation, which are still organizing themselves to some extent or another, such as UNACOIS, RECEC, FNGPF, and ACRA. These organizations offer some of the most interesting potential as partners of Dyna. At the widest point on the base of the pear are the isolated MECs and GECs that constitute the largest segment of the sector in Senegal, such as

Dyna's partners COFDEC and MECFAM. The final section of the tear drop, the rounded bottom, shows the Small Economic Activity groups that are on the road to becoming part of the official microfinance sector, such as the groups participating in the SMI program of the microfinance department.

### C. Savings Mobilization

The Dyna Savings Mobilization and Investment program continued its growth figures increasing the number of savers by 26% and increasing savings mobilized by 50% over the last quarter. A total of 296 Small Economic Activity Development (SEAD) groups were assisted representing 67 more groups than in the previous quarter. By the end of September 2001 the SMI program had worked in 144 towns, villages and urban neighborhoods. The evolution of the financial figures for these groups over the last four quarters is presented in the Table below.



*Photo 2 : Savings collection meeting, Groupe Madina Yoro Fula (Tambacounda)*

**1. Consolidation of Progress.** Continued high growth figures for the third straight quarter reinforce the pertinence and demand for the Dyna SMI program. Dyna continues to explore means of "outsourcing" this assistance due to the high demand and approach costs to this highly decentralized program. Existing Microfinance institutions that approached Dyna during the last quarter are asking for assistance to develop SMI programs as a means to increase their own membership, loan portfolio and capital base. At the internal review workshop of microfinance technicians held in August, it was decided to prepare Terms Of Reference in order to hire consultant animators in all regions to assist Dyna to provide this service to a larger segment of the population. The Microfinance team members also developed benchmarks for fiscal year 2002 during the meeting.

**TABLE 2: Fourth quarter and FY 2001 SEAD Results**

Indicator	Description	Gender	Value				% Growth Q3 to Q4 FY 2001		
			FY 00 Q4 Baseline	FY 2001					
				Q1	Q2	Q3		Q4	
Savings	Internal	# of savers	M	0	na	215	442	573	30%
		F	70	850	1,847	3,729	4,700	26%	
	amount saved	M	230,000	230,000	1,686,550	2,589,550	3,613,975	40%	
		F	450,000	1,720,310	6,048,000	15,045,520	22,876,410	52%	
	External	amount deposited in MFIs	M	0	0	0	0	0	
		F	0	200,000	946,840	1,447,620	2,541,705	76%	
Loans	Internal	# of loans	M	0	na	207	384	720	88%
		F	0	na	1,296	3,008	6,214	107%	
	amount loaned	M	5,000	429,150	2,397,375	4,167,150	6,864,790	65%	
		F	271,800	1,218,610	9,635,000	23,971,295	45,769,850	91%	
	External	amount obtained as leveraged loans	M	0	0	0	0	0	
		F	0	400,000	2,725,000	4,525,000	7,123,000	57%	
Number of SEAD groups			13	65	132	229	296	29%	
# of villages/Quarters visited			19	29	67	126	144	14%	

**2. Group Links to MFIs.** Thirty two SEAD groups in the Kolda, Tambacounda and Thies regions opened accounts and deposited money in savings associations and various microfinance institutions (e.g., CMS, ACEP, ACCRA, UNACOIS, etc) This is an increase of 12 from the last quarter.

**3. Formation of unions and federations of SEAD groups.** During this quarter, seven (7) SEAD groups in the department of Tivaouane in the Thies region pooled their funds to form a union and deposited 560,500 CFA in a MFI. In September 2001, Dyna carried out a diagnostic of the union and groups to verify their capacity and feasibility to establish a Savings and Credit association. The findings of the diagnostic demonstrated that they had the motivation but needed to build their capacity to develop their association and apply for recognition through the ministry of finance.

In the FY 2001 work plan it was stated that the SMI program would work in at least 300 villages and urban quarters in Thies, Kolda, Tambacounda and Dakar. However, this target was not achieved primarily due to the lack of human resources available to provide the time consuming follow up necessary for the management of the program. Dyna staff in the regions concentrated on carrying out field visits and preparing documentation to assist recognized MFIs since April 2001, reducing the time available to implement the SMI program. The cumulated results of the SMI program are given in column Q4 FY 2001 in the table above.

#### **D. Sector Development.**

A major observation after the first year of project activities was that the microfinance climate in Senegal was also in need of assistance, in order to accompany microfinance institutions as they developed and grew. This sector development was a major focus of the activities of year 2 of the project.

**1. Sectorial Training.** During the fourth quarter alone, the project held three information days on the BCEAO's instructions for MFIs, and saw 56 participants in Thiès, 22 participants in Tambacounda and 56 participants in Ziguinchor. CGAP technicians attended the training in Ziguinchor for the opportunity to observe a decentralized training organized by Dyna, and also to get a more precise idea of the expectations of the microfinance sector in Senegal for training. The travel of the CGAP team allowed for significant advances in the planning of trainings by CGAP in Senegal.



*Photo3 : Training on BCEAO instructions for microfinance institutions – Thiès, July 2001*

Continuing with sectorial trainings in Senegal, during this year Dyna tested the trainings offered for reinforcing microfinance capacity in Francophone Africa. The CAPAF program is a joint program between the Cooperation Francaise and the World Bank's Consultative Group for the Poorest (CGAP). Dyna technicians attended selected courses earlier in the year, and expected that the program would be useful to other microfinance technicians. Dyna offered cost-sharing enrollment to microfinance technicians, who were required to carry 25% of the cost of the training.

The cost sharing, or for-fee training precept has proven as successful with the microfinance trainings as with the BizDev trainings. The principle of cost sharing was also applied to international trainings, such as for the Africare technician who attended of the Microfinance training program in Boulder Colorado. In some instances, as with the case of the Microfinance Commercialization Conference in Washington DC, demand is greater than Dyna expects. In that instance, there were twice as many interested participants than spaces. The participants who were able to attend contributed 25% of the cost of their training, including registration and airfare. In addition, the participants organized a presentation of the conference and other events of their trip for those who were unable to attend. At the end of their presentation, the group formulated suggestions for the continued development of the microfinance sector in Senegal.

All of these trainings are targeted at encouraging the other portions of the microfinance sector, such as NGOs, projects, consulting companies and even the Cellule AT/CPEC, to accompany the Dyna's partner institutions as they increase the quality and sophistication of their microfinance activities. The continuing interest in for fee trainings offered by Dyna in the microfinance sector is an encouraging sign that others share our interest in the growth of other actors in the sector to accompany the microfinance institutions.

**2. ESPRIT D'ENTREPRISE / MAKING CENTS.** The Esprit d'Entreprise is an interactive business simulation game that reproduces, in a training room, the environment and requirements of a small business. The game places participants in a virtual world of consumers, producers, wholesalers and retailers. Dyna first came into contact with the game through the Chemonics home office, who first introduced it to the 'Senegal 12', participants in a microfinance conference in Washington DC. The feedback from that overview was very positive

and Dyna decided to offer a training of trainers in Dakar. After offering the course with a 25% cost-sharing requirement, Dyna received an overwhelming response for enrollment.

The first round of training of trainers was organized in September in Dakar, with 32 participants. The participants came from several categories of Dyna's target groups. There were representatives of microfinance institutions (UNACOIS and FNGPF) interested in seeing how this training could improve member's management skills as a way to increase their capacity for managing loans. There were representatives from consulting firms, (MSA, IATIG, SEN INGENIERIE, Internet.org) who wanted to explore new training tools. There were also representatives from technical training institutes (CIFOP, CEPE) and from USAID's JOG project (ADEF/Afrique, CRETEF, CETEF), interested in the possibility of integrating the game and its principles into their curricula.

Another round of the Esprit d'Entreprise training is scheduled for the first quarter of next year. During this same period, training on *Entreprendre*, another curriculum offered by Making Cents for training of entrepreneurs, will be offered. During the trainings of *Esprit* and *Entreprendre*, one of the Dyna staff will be trained as a Master Trainer of Trainers.

**3. Other Sector Reinforcing Activities.** During his visit to the field office in June of this year, the Chemonics project supervisor, Joel Schlesinger, met a representative of Global Dialogues, an organization that has produced a series of films on the HIV/AIDs epidemic in the Sahel. The films, entitled *Scenarios from the Sahel* as a group, are based on story ideas submitted in a contest across West Africa, and directed by some of the best film directors in West Africa. As a result of this meeting, and subsequent conversations, Dyna has been pursuing the possibility of converting the films to CD-Rom and distributing them to its partners. The films are being converted to local languages in order to broaden the audience base, and will be able to play on any computer with a CD-Rom drive as part of an HIV and the workplace campaign. Dyna expects to produce the CD-Roms during the first quarter of next year.

## V. BIZDEV

During the project's first year, the Business Development Division of Dyna responded to requests from a rural private sector that was perceived to resemble a pyramid; a large number of micro enterprises at the base, associations, service providers, federations of entrepreneurs, organized along sectorial lines at the middle and, at the top, national level private sector institutions. We focused on learning about this "middle" section of the pyramid and in the provision of services to this grouping. We became "brokers" putting together buyer and seller, although we developed non-traditional products to test such concepts as for-fee services, three-pass training and information-sharing events.

By end of Year One, we realized that the pyramid's "middle" was concave and in strength and numbers resembled more the middle of an hourglass. National professional association had nearly no active presence in Kolda, Tamba or Thies. Local associations, groupings, GIEs, service providers, consulting firms, training institutions lacked status, structure as well as numbers.

During this reporting period, Business Development adopted a more proactive role as instigator of "innovator" practices that produced a ripple effect beyond the individual partners we worked with. During Year Two, the results and impacts were notable in three areas:

- Decentralization
- Information Dissemination
- Innovation and follow-up Best Practices

### A. Decentralization

**1. ILO/GERME expands into uncharted territory, then adopts the model for five West African countries:** During Year One, Dyna had established close working relations with the ILO/GERME entrepreneurial training modules for small businesses (viz Dyna's 2000 Annual Report). We used and promoted GERME's training modules in the decentralized zones, and combined them with Dyna's training methodology that includes: a) for-fee training; b) three passes instead of one; and c) money-back guarantees. Demand for entrepreneurial training began to far outstrip our capacity to identify and field qualified trainers, in large part because the pool trained by ILO lacked local language skills.

Dyna began negotiating with the ILO to have them test the concept of conducting their Training of Trainers cycles outside of the capital city, and to promote this training in the decentralized zones in order to attract local service providers. The ILO agreed, and together we planned, recruited, selected and organized a special in-residence, for-fee "Training of Training" session in Kidiri, a town about 2 hours from Tamba. The ILO agreed to visit each one of our regional offices to work in the selection process. Over 100 people and institutions applied, 72 were interviewed, and the top twenty candidates selected. Each agreed to travel to the training site at his own expense.

In addition candidates were also provided a marketing session on how to sell their services. Each was subsequently required to organize an entrepreneurial training course in their region to which they would be "coached" by an ILO expert prior to receiving certification as a GERME trainer.

Dyna brought three innovations to the traditional Training of Trainers concept used by the ILO to date: decentralize the training outside of Dakar, have the trainers pay for the training, and add two important sub-modules to the time-tested 10 module training package - use of Information Technologies for small businesses, and Tax paying responsibilities of Small businesses. Additionally, Dyna and ILO worked to provide “coaching” to the new trainers before they could be certified as GERME trainers.

Within 3 months of training, all but one of the new trainers had organized or delivered their own training sessions – a 95% application-of-training rate. Traditionally ILO had less than a 10% application-of-training rate – only 2 individuals or institutions out of the twenty trained in capital cities had conducted a GERME training cycle on their own six months after benefiting from a non-fee-based training. This rate was so low that the West African ILO/GERME program had run the risk of being closed. Instead, due to this decentralization partnership, the ILO/Dakar regional office has received new funding, and is applying the “decentralization” approach in 5 other West African countries.

**2. ITA goes to the provinces.** The *Institute de Technologie Agronomique* of Dakar has long been a well-equipped institution that researches, tests, trains and supports agribusiness processors to produce world-standard food products. ITA has been in a transition phase this year, migrating from a public institution to a stand-alone privatized structure capable of generating its own funds. Even though Dyna tried unsuccessfully last year to enlist ITA to participate in the Kolda TechnoFoire, we worked with them to test the waters if operating in the decentralized regions, starting first with follow-on passes to their training modules, and subsequently to participate in the forthcoming TechnoFoire in Tamba (to be held next Quarter).

Subsequent to negotiations with ITA, Dyna submitted to them 42 individuals from groups and associations from the decentralized zones who registered for 4 different ITA training modules in food processing. In the recruitment, partner organizations were assured that follow-on sessions would be conducted by ITA at their place of business (Thies, Tamba and Kolda). Getting out into the “decentralized zones” was a strategy that ITA was looking for as a way to attract new clients, to render the Institution more national in scope and to broaden its for-fee client base. For Dyna, it helps resolve the problem of inadequate agro-processing technical competence in the regions, especially as Dyna moves over the next three years to a more export-oriented policy of agricultural products.

**3. Significant increases in contract awards to consulting firms in the decentralized zones.** Dyna’s strategy to improve the quality of service providers includes working with winning bidders as well as losing firms. Its success is found in the shift of out-sourcing with predominately Dakar-base firms, to more balanced outsourcing with regional-based firms. In Year One, all 11 winning bids came from Dakar-based service providers; by the end of Year Two, the number of winning bids in the regions went from zero to 11, which is 50% of the 22 contracts negotiated during that year, attesting to the success of “coaching” done by Dyna’s regional offices.



Photo 5 : Financial management training in Diass, Thies Region

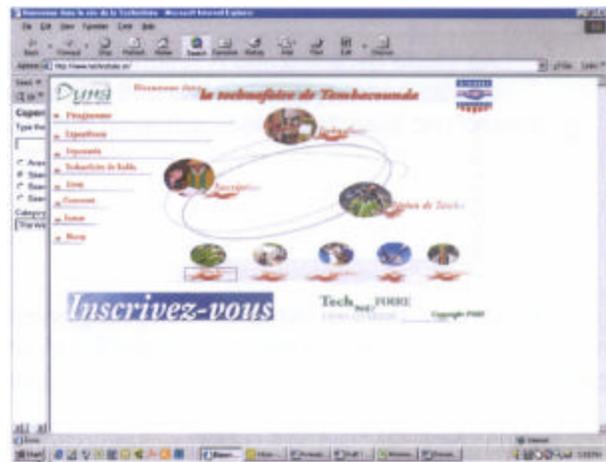
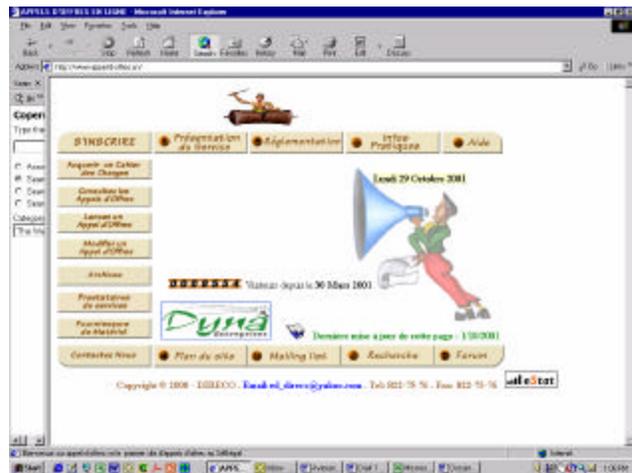
Dyna continued to follow its original approach to work closely with winning firms to assist them in developing better business practices, as well as advising losing firms - service providers who submitted non-winning bids. As a result, there has been a significant improvement in broadening the base of qualified firms in the regions as well improvement in their institutional capacity to respond and implement work orders and contracts. In Year One, a Dakar firm won the contract to implement the TechnoFoire, Biz Dev's largest annual activity. In Year Two the winning bid was from Kolda. The winning bidder in Year One for a major sub-sector study (dairy) was Dakar-based, while in Year Two, the winning firm to conduct an equally important sub-sector study (banana) was from Tambacounda.

**B. Information Dissemination**

**1. Web Site Appel-d-Offres gets more than 5,000 hits in 7 months:** One area of significant impact has been from Biz Dev's focus on information technology and use of Internet to better inform businesses in the decentralized zones. Since Year One, Dyna saw that the market for out-sourcing and public tenders was dominated by Dakar-based businesses. Dyna subsequently developed with a local partner an innovative public tender web site, a first in West Africa - ([www.appel-d-offres.sn](http://www.appel-d-offres.sn)). This site has helped level the

playing field and stimulated greater competition by allowing potential bidders to have access to the same information on public tenders at the same time. The web site allows for issuers of RFPS as well as potential bidders to up-load and down-load complete Terms of Reference, announce closure dates, issue contact points, and provide exact addresses where bids can be deposited. The site also allows the browser to sort tenders by categories. The site took 4 months to construct, and was tested at the end of March 2001. From that time through the end of the reporting period, more than 100 tenders were published on the site. The breadth of these RFPs go from tourism, commerce, International Organizations, NGOs, job offers, Government Ministries to public companies such as Senelec, Sonatel and SONACOS, the Port of Dakar, and the World Bank Road construction Project. The tender web site has expanded the reach of Senegalese public tender bids, and brought better transparency to the process. We were disappointed, however, that the partner and we were not able to reach the objective during the reporting period to establish a viable user-payment system. Dyna absorbed the development cost of this national, sub-regional and international site, and we are working with the subcontractor to increase sponsorship, paid ads and an acceptable user-payment system.

**2. Broad based TechnoFoire web site:** Last year, the TechnoFoire managed to etch out a limited web site on the event. This year's



web site has been under construction during the reporting period. Its objectives are to transform the site - after the November event - into a database of innovations and inventions for the sub-region. It is also designed to serve as Dyna's main project web site, providing information and data on Dyna's activities. The site is still in its beta phase, and the issue of its sustainability will be developed over the following two reporting periods.

**3. Various Vetiver dissemination approaches being tested:** During the reporting period Dyna initiated a series of approaches to test Best Practices in appropriate rural technology diffusion. Local use of the vetiver root as a water purifier (*tsepp* in Oulof) is widely known and applied in Senegal, yet the simple technology was probably never the substance of a nationwide extension program, study, feasibility study or even donor or ministerial-sponsored project. In the same manner, Dyna has tried to identify the best means to promote or disseminate a similar low tech system that has high impact on farming and rural incomes, and that can be promulgated through simple means using in large part the private sector as its vector.

**4. Community – based Information Dissemination:** During the reporting period, Dyna collaborated with the Peace Corps to fund an impact assessment of the Peace Corps's experience operating 5 CTCs (Community Training Centers). The assessment concluded that rural demonstration and training centers are generally successful in promoting appropriate technology, however, success or failure are traced to: the commitment of the manager the CTC, and the quality of the leadership in the communities to access the information being promoted. With vetiver, Dyna has developed with partners and private businesses approaches that include demonstration sites (14 demonstration sites were established over the last year), establishment of producers of the technology (over 60 small nurseries including a few large ones), conferences, farmer-to-farmer meetings, training (Peace Corps Volunteers, growers associations), documentation through web sites, production of reports, placing of junior consultants (*Experts Junior*) in requesting firms and participation in fairs (FIARA agricultural Fair). Dyna worked with target groups to identify those that were the most effective in transmitting a technology, and thereby developing a demand market. This included NGOs (AFRICARE, Rodale), projects (PSPI, PCGRN), businesses (SOCOSIM, Floricounda), environmental agencies (CSE, Eaux et Forêts), small farmer groups, producer associations, and local authorities. A comparative study and evaluation was launched during the reporting period that will assist Dyna and others determine the approach and the target groups that have the greatest impact on developing markets for new technologies.



*Photo 6 : A banana plantation where production has increased dramatically on the portion of the plot where vetiver has been planted.*

## C. Innovation

**1. Professional events create credibility among targeted clients:** In Year Two, BizDev organized with subcontractors five different types of events that produced results not expected at their outset. Based on the success of the first Business Forum held in Thies, two similar events were replicated in Tamba and Kolda. In each case, Dyna's objective was to bring together entrepreneurs, service providers, groupings, and professional associations under one roof to discuss a central theme – how they the operators and private sector actors could lift the regional barriers to improved business activities and business climate. Each successive Business Forum increased the number of participants (50 in Thies, 61 in Kolda and in Tamba, 77). Not only did the Forums ferment networking in the towns and regions where very little existed before, but subsequent events: the *Salon de l'Entreprise*, the *Journée NTIC* (Kolda), the *Dinner Debats*, and *les Journées de Restitution* solidified the spirit that the businesses together can have an impact on economic health of the region. Both Kolda and Thies saw the emergence of new professional associations, and especially among consulting firms. Each town is now endowed with a professional association of consulting firms. Their articles of association established ethical codes of conducts for the membership as strategic plans of actions to strengthen the institutional capacity of the new organization.

By coming together in an organized association, the small firms attract the attention of local businesses who then perceived local consultants in a more professional light. Not only did the number of firms expand during the reporting period (Kolda saw the number of consulting firm expand from 4 to 10), but their credibility among small businesses improved as well. Local firms took initiatives to plan and propose events to expand markets (*Association Pour la Promotion des NTIC*, Kolda), to clean up the environment (*Association Fass Jom*, Tamba), and to organize into an Action association to highlight the economic viability of their region (*Action Thies*).

**2. Training in Coordination with other institutions and partners:** A series of training cycles and modules were developed and implemented during the reporting period. Among them were:

- Serigraphy (wax print) training for Handicaps, one in Kolda and one in Tamba. Each training was provided by physically challenged trainers. In each instances, the trainees landed new contracts soon after the training.
- Management, Accounting and Marketing (for FGPF, Directoire de Femmes Eleveurs, Association of Telecenter owners, GERME coaching sessions with various entrepreneurs,
- Radiophonie and management of rural radio stations (with the association of community and rural radio owners, Sedhiou)
- Cyber Café: How to manage and operate successfully a Cybercafe in rural areas.
- Small business training to Peace Corps trainees



*Photo 7 : Handicap Association of Kolda trainees show off the results of their training in serigraphy.*

## VI. MONITORING, EVALUATION, ANALYSIS AND RESULTS REPORTING

### A. Microfinance

These indicators concern the microfinance institutions that have an established partnership with DynaEntreprises and who have already received assistance from the project. These institutions include FNGPF, UNACOIS, RECEC, COFDEC, MECFAM, UMEC and ACEP.

**1. Number of institutions using full cost-recovery interest rates & fees.** Of the seven institutions in this group, five of them have managed to establish a full cost-recovery rates and fees. However, at this point it is difficult to say whether this measure accurately reflects the actual status of the institutions in question. Given that an institution's costs and fees are not necessarily collected at the same rate during the same period in the year, and that certain elements of charges and products are only calculated at the end of the year, it is only at the end of the institution's fiscal year, the calendar year in this case, that it is possible to establish whether interest rates and fees are sufficient for full cost recovery. We expect to see significant changes in these figures during the second quarter of the third project year, when the institutions will report on their end of year figures.

**2. Number of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio.** The rate of loan losses and delinquency rates reflect partner institutions' continued efforts to continually reduce their rates. The majority of institutions are able to maintain their delinquency and loan loss rates below the required limits. In this quarter, the Union des Femmes Commerçantes (UFC) did not provide their results in time for this report. However, MECFAM results are included in the data. Therefore, whereas in the last quarter UFC was included in the number of institutions with loan losses below 5%, MECFAM does not qualify in this group. We fully expect UFC results to show that they remain in the under-5% loss group, which would show full achievement of this result for 2001.

**3. Value of savings collected/ # of new savers disaggregated by gender/ Value of loans offered/ # of active borrowers disaggregated by gender.** At the end of the 2001 fiscal year, all of the indicators for savings and credit show exceptional growth rates. The expected results have been greatly exceeded. This reflects the dynamism of the DFSs in the awareness-raising of the target populations and in the mobilization of savings. This is the case, for example, at the UNACOIS Branch 14 in Parcelles Assainies where a one-day open house registered an impressive number of new clients in a very short time. The one exception to the large growth rates is in the category of female active borrowers, which shows an increase of 27.55%. This may be in part due to the difference in relative populations between microfinance institutions, and the characteristics of each institution. For example, UNACOIS has a majority male membership, with a very high level of loan volume and value. RECEC, on the other hand, has a majority female membership, with a lower volume and average value of loans.

**4. # of branch offices trained/ # of managers & tellers trained by gender.** The preparation and implementation of the BOA modality inflicted a significant delay on the execution of training activities expected in the 2001 period. This contributes to the lower than expected result in the number of technicians and branches trained. However, now that the BOA is in place, its flexibility and speed will allow the project to address any backlog in training needs.

The awareness-raising program, a follow-up to the difficulties with results reporting experienced during the MRR period for RECEC in the last quarter, was a success for the MEAC and Microfinance Departments. RECEC was able to furnish their results in an on-time fashion for this quarter and the entire year.

Another advance in this quarter's results reporting is that MECFAM submitted their results this quarter. Dyna has been following up with the credit union's leaders regarding the commitment made when they entered into partnership with the project. We will continue to work with MECFAM to assure that they are able to comply with their reporting requirements for the next quarter as well.

## **5. Share of all Decentralized Financial Systems' loans at the national level provided by USAID-funded partners**

This indicator measures the contribution of USAID-funded partners to the development of the microfinance sector in Senegal. The nominator data (value of loans provided by Dyna partners) that we have available comes from the current Dyna partners, with the denominator data (value of all DFS loans at the national level) provided by the AT/CPEC of the Ministry of Finance.

The data show the amount of credit distributed during the year 2000. At the time of this report, the Cellule has only available information on the larger microfinance networks: PAMECAS, CMS, ACEP, UNACOIS, UMEC. The percentage of all loans distributed by these networks that are distributed by Dyna partner institutions is 9.66%, compared to a goal for all USAID-financed DFSs of 10%.

## **B. Business Development**

On the whole, the results were achieved for the Business Development indicators. Despite a slowdown in activities in the fourth quarter due to the implementation of the BOA modality, the large majority of the expectations were met, and in some cases surpassed. One of the main activities, the Technofair, was postponed until the next fiscal year, to accommodate visitors and participants in the rural area, who would be otherwise occupied during the rainy season.

**1. Number of SMEs, associations and groups in targeted areas that purchase quality business services.** This indicator is measured via the participation in for-fee training activities (Marketing management, accounting, cybercafé, radio journalists, silkscreening, GERME trainers, neem transformation). During the project year 226 people were trained. The expected results were more than achieved, and more telling than the number of participants trained, no participants requested a reimbursement of their training fee. In fact, there has been no request for reimbursement received by the project since it started using the for-fee/guarantee principle. In general, participants have no regrets paying for a training and per diem as the results show considerable improvement in revenues by adopting best practices.

**2. Number of SMEs, associations and groups accessing information through interactive services & events.** The series of business forums organized in Thiès, Kolda and Tambacounda and the Salon d'Entreprise in Kolda brought together over 180 businesses who had rarely met under a common self-help theme before. The resolutions made at these encounters have led to the establishment of cooperative frameworks between the economic players in the various regions. This is especially true for Thiès, where 'Thiès Enterprises Action' was created to act as a forum for meetings and exchanges between enterprises, consultant

cabinets, and training groups. Due to the postponement of the Tambacounda TechnoFair however, the target number for this indicator was not fully met, but the desired benefits of networking compensated for the numeric shortfall.

**3. Number of SMEs, associations and groups attending paid events or functions that disseminate agricultural and other appropriate technologies.** A major activity in vegetable production was initiated in the Kolda region with 5 groups of women's producers. The women agreed to participate in paying the fees of horticulture technicians who will work with them during off-season cropping. In addition, an open house on new information and communication technologies was held in Kolda, organized through the initiative of a cybercafé owner in Kolda, which brought a number of participants to test drive information technologies.

**4. Number of SMEs, associations and groups that access information on agricultural and other appropriate technologies through new means.** Since its initial launch in March 2001, the national Tender Bid web site recorded 5671 visitors as of September 30 2001. In the same category, the vetiver demonstration sites spaced around the country continued to receive a large number of visitors who receive written documents and information on the soil erosion technology. (Success story on Vetiver).

## C. MICROENTERPRISE REPORTING RESULTS

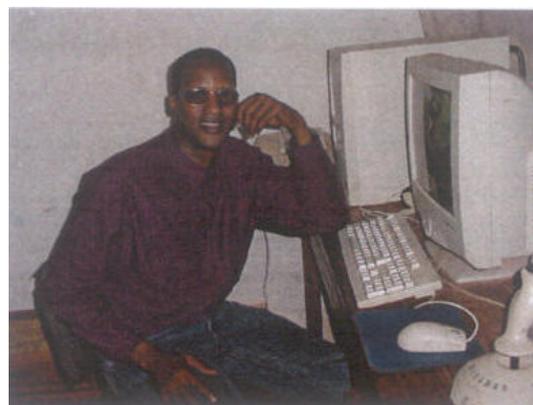
This past quarter will have allowed the MEAC department to put the MRR information on line. In general, the information required for the MRR reporting is collected by institutions on a calendar year basis, and is last available for the period ending 30 December 2000. During that period, the project had information available on the following partner institutions: UNACOIS, RECEC, UMEC, ACEP. The information for FNGPF, COFDEC, and MECFAM were not available at the time required to be put up on the MRR website.

## D. ONE YEAR LATER

### 1. Hamidou Diallo, Cybercafe manager.

Hamidou attended the Cybercafé Training in Tambacounda held in September 2001. He only had one computer, and he was always running up against the problem of financing more equipment and the personnel necessary to put in place a cybercafé. In July 2001, he was able to acquire seven (7) new computers, thanks to a loan from Action Plus. At the same time, he recruited for three additional personnel to handle the traffic.

Hamidou recognizes that the cybercafé training provided him tips on how to best manage his cybercafé, as well as made him see the value of a business plan in the search for financing. He expressed that the business plan that he developed during training helped him think through his expansion plan, and gave him confidence to implement his project. Another benefit of the training was his idea to develop the market for cybercafés and new information technology where he formulated the idea of an open house/ information workshop held in Kolda and supported by Dyna.



*Photo 8 : Hamidou Diallo  
in his cybercafé.*

**2. Dinner debate on Family Businesses.** In accordance with the recommendations that came out of the dinner debate held in October 2000 on Family Businesses in Senegal, Dyna worked with a local firm, Hodar Conseils, to work with the ad hoc committee, 'Business Family', on creating a structure called 'Association pour la Pérennité des Familles en Affaires au Senegal (APEFA – Senegal).

After the dinner debate, the ad hoc committee was formed with 5 heads of family businesses, and started work in June 2001. The committee meets regularly with a Dyna observer to follow the recommendations that came out of the dinner debate.

A general constitutional assembly for the association is scheduled to be held in Dakar on December 20, 2001. The members of the committee expect about 150 owners or managers of family businesses in Senegal to attend.



*Photo 9 The Business Family meets*

## VII. FINANCIAL STATUS

The present financial reporting period covers the calendar months of June through August 2001 because of the one-month lag in submitting and registering expenditure vouchers. Total expenditures over this three-month period were \$1.1million. This expenditure level is slightly lower than the third quarter, but continues to reflect a general growth trend within project expenditures as activities and partners continue to expand. Table 3 below presents the project expenditure information by monthly invoice, Contract Line Item (CLIN) and percent of total expended per line item during the project. The Life of Project (LOP) budget and balance are also presented.

Labor remains the largest and most stable budget line item since it is less subject to seasonal influences on expenditure patterns. As the remaining permanent staff are brought into the project, this line item will continue its current slow growth pattern. The Equipment line item increased slightly in July. The Training line item, dedicated to PME activities, continues to expend between 10 and 20,000 per month. Both the Training and Grants line items show a slight slowdown in June and July, which reflects the slowdown in contracting activities as the technical departments prepared for the implementation of the BOA contracting mechanism. August, the month that the BOA was brought online, shows the increase in contracting activities and payments under BOA task orders. The value of the Base Fee continues to be a function of other expenditures, representing roughly 2.8% of certain other costs.

Expressed as a percentage of total quarterly expenditures, the Labor line item stayed relatively steady with regards to past quarters near the usual 60 to 65% (57%). The Training line item continues to represent between 2 and 4% of quarterly costs incurred. Grants represented about one-third of quarterly expenditures. The Base Fee remains around 3% of total expenditures in any given quarter.

The amount expended since the beginning of the project is just under one-quarter (24.98%) of the total project budget, reflecting the equivalent of fifteen months within a five-year project. The project has been active for just under twenty-four months. Expenditures remain on-target when the start-up period is taken into consideration along with the non-linear nature of project expenditures over the project lifecycle. Projects generally accelerate expenditures above the mean during their mid-years and have expenditures below the mean in the start-up and phase-out periods. The resulting pattern is more like a bell-curve than a smooth and even set of monthly expenditures. Dyna's expenditures resemble this bell-curve shape.

Given Dyna's outsourcing approach to project implementation, the potentially significant value of accruals due on contracted deliverables must be taken into consideration in analyzing the project's financial picture. Accruals (difference between commitments under contract and actual disbursements) at the end of the second year remained significant although lower than in previous quarters, with the equivalent of \$150,000 and \$100,000 outstanding for Microfinance (Grants) and PME (Training), respectively. When this total of contracted expenditures (\$250,000) is added to actual expenditures the total amount of the project budget engaged reaches 26% or slightly more than one-quarter of the budget for the life of the project.

**TABLE 3:** Invoices Submitted to USAID by Chemonics (cumulative & June – Sept 2001)

CLIN	CLIN NAME	LOP BUDGET	Invoices 1-16 Nov-99 to May-01	20 Jun-01	21 Jul-01	22 Aug-01	Total Invoiced To-Date	% of CLIN Expended	LOP Budget Balance
0001AA	Labor	12,220,820	3,312,052.37	191,259.52	240,331.55	207,218.35	3,950,861.79	32.33%	8,269,958.21
0001AB	Material & Equipment	639,196	824,781.43	8,423.49	21,978.83	5,435.56	860,619.31	134.64%	-221,423.31
0001AC	Training	1,047,800	186,103.21	7,210.63	10,102.47	\$18,325.07	221,741.38	21.16%	826,058.62
0001AD	Grants	11,525,800	1,018,928.83	101,064.13	105,064.99	165,385.76	1,390,443.71	12.06%	10,135,356.29
0001AE	Base Fee	658,412	156,076.33	8,570.56	10,333.87	10,888.44	185,869.20	28.23%	472,542.80
0001AF	Award Fee	371,062	0.00	0.00	0.00	0.00	0.00	0.00%	371,062.00
		26,463,090	5,497,942.17	316,528.33	387,811.71	407,253.18	6,609,535.39	24.98%	19,853,554.61

**VIII. ANNEXES**

**ANNEX I French Translation of Executive Summary**

**ANNEX II Dyna Performance Monitoring Plan (PMP)**

**ANNEX III Dyna Results Tracking Table (RTT)**

**ANNEX IV Dyna Recapitulative Summary of Indicators, Baselines, Targets and Results**

**ANNEX V Success Stories**

## I. SOMMAIRE EXECUTIVE

Ce rapport comprend une vue d'ensemble des activités annuelles du Projet et un descriptif des activités précises comme cela aurait été reporté dans un quatrième rapport trimestriel. Une partie importante du présent document donne un aperçu des activités du projet ainsi que les progrès réalisés durant l'année avec une attention particulière portée sur les activités du quatrième trimestre. A travers la section Rapport de Suivi, Evaluation, Analyse et Résultats, les indicateurs clés de performance liés aux résultats du projet à ce jour sont présentés dans les détails. Dans l'annexe I, la partie Plan de Suivi de la Performance (PMP : Performance Monitoring Plan) montre l'ensemble des indicateurs du projet. Les objectifs et résultats de la deuxième année d'activité sont présentés dans le tableau de suivi des résultats (RTT : Results Tracking Table) dans l'annexe II. Le Tableau Récapitulatif des Résultats de l'annexe III nous renseigne en détail sur les résultats. De la même manière, l'annexe IV du rapport inclus plusieurs petites histoires pleines de succès qui ont été reportées durant le quatrième trimestre.

Durant la deuxième année d'activité du projet, il est noté une emphase particulière sur une équipe et une organisation atteignant progressivement une vitesse de croisière et son rythme. La première année avait beaucoup plus été une année de démarrage, d'installation du projet et d'établissement de ses principaux axes de d'intervention, d'affinement de ses techniques d'intervention et d'introduction des ses activités. Durant la deuxième année, l'objectif du projet était de passer à une autre étape d'implantation et d'atteinte d'un niveau de performance supérieur.

L'administration considérée comme un outil d'appui démontre encore une fois que même si la performance globale du projet ne lui est pas directement imputable, son action est partie intégrante de l'atteinte des objectifs qui ont été assignés au projet. La section des contrats a permis la signature de 30 contrats à coûts fixes et 26 appels de livraison de service (**Task Orders** dans le cadre d'accords cadre de type **Basic Ordering Agreement**) durant l'année qui se termine, participant ainsi à l'utilisation par les équipes techniques de l'expertise locale à des fins d'assistance technique. L'administration a adopté et utilisé la modalité d'accord cadre de type BOA afin de donner aux départements techniques des outils contractuels plus flexibles. Cette année, l'administration a également finalisé la mise en place du bureau régional de Tambacounda, procédé à l'installation du bureau de Thiès et démarré le processus d'ouverture du bureau régional de Ziguinchor, avec un bail signé et des équipements achetés pour le dernier des cinq (05) bureaux tel que stipulé sur le contrat du projet. De plus 27 ressources se sont rajoutées au personnel du projet avec des contrats à long terme incluant 16 recrutements dans les régions. La fonction essentielle d'acquisition de biens, la comptabilité ainsi que les autres activités de logistique ont participés au bon déroulement des activités du projet à travers l'année.

L'équipe MicroFinance a travaillé en étroite collaboration avec l'administration afin de développer la modalité d'accords cadre de type BOA et créer des pools de sous-contractants potentiels, disponibles pour des prestations de service d'assistance aux Institutions MicroFinancières partenaires de Dyna. Le Département MicroFinance a continué l'expansion de ses activités à travers les cinq (05) régions cibles d'intervention du projet. Avec les journées d'information de Thiès et de Ziguinchor, des demandes de partenariat ont été reçues par le Projet pour des partenaires potentiels dans les cinq (05) capitales régionales. L'étape suivante déjà en cours de réalisation avec la journée d'information tenue à Bakel est d'organiser des journées d'information au niveau départemental qui vont comporter leurs propres défis sur le plan de la préparation et du partage de l'information. Chacune de ces journées d'information a eu comme résultat la

sélection de nouveaux partenaires pour le programme d'appui aux Institutions MicroFinancières de Dyna, ce qui a conduit le nombre de partenaires MicroFinance à onze (11) cette année. Parmi ces nouveaux partenaires nous comptons quelques institutions organisées en réseau (UMEC), qui permettent au projet de poursuivre la collaboration avec des économies d'échelle comme cela a été le cas pour UNACOIS, RECEC et FNGPF. Des réseaux en développement comme l'Union des Femmes Commerçantes (UFC) ont été identifiés, ces réseaux offrent des opportunités d'application des leçons apprises à travers l'étude des Réseaux de MicroFinance au Sénégal, réalisée par Dyna durant l'année 2. Il est également intéressant de noter la présence de MEC et GEC plus petites à l'instar de COFDEC & MECFAM ayant des besoins de base plus importants en termes de renforcement institutionnel.

Afin d'aider à l'expansion des réseaux des institutions de MicroFinance recevant une assistance du projet, l'équipe MicroFinance a noté un besoin de renforcement du secteur de la MicroFinance dans son ensemble. Durant la deuxième année, l'équipe a donné une priorité aux opportunités d'accroissement du niveau et du flux d'information sur les techniques MicroFinancières ainsi que de diffusion des meilleures pratiques en la matière au Sénégal. Sur la base du succès de la journée d'information pour la reconnaissance du Ministre des finances, le projet a continué d'organiser des événements similaires tels que les journées d'information sur les instructions de la BCEAO dans les zones décentralisées à l'attention des institutions de MicroFinance. Dyna a également identifié des opportunités de formation à l'étranger pour les professionnels du secteur. Des événements d'une importance particulière pour notre mission tels que la formation sur les meilleures pratiques en MicroFinance à Boulder au Colorado, la conférence sur la commercialisation en MicroFinance à Washington D.C., et la formation sur les fondements et la gestion des mutuelles d'épargne et coopératives de crédit au Burkina Faso étaient partagées avec les différents partenaires de la communauté MicroFinance au Sénégal. Une large participation était constatée sur l'exercice passé. La formation en analyse financière des institutions de MicroFinance offerte par CAPAF aux professionnels de la MicroFinance en Afrique de l'Ouest était également ouverte aux participants acteurs de la MicroFinance dans le cadre du programme de partage des coûts de Dyna.

L'équipe PME a une fois de plus évité de tomber dans la monotonie et la banalité en innovant. Au début de l'année 2 du projet, l'équipe a proposé des indicateurs d'activités du projet révisés, des données de base et résultats cibles qui permettaient de mesurer efficacement l'impact des activités du projet sur les éléments clés de l'environnement du développement des affaires. L'équipe a travaillé avec le BIT pour améliorer les modules vedette de la formation GERME et produire des cours agrégés selon la formule du deux pour un afin de mieux répondre à la grande demande de formation des associations professionnelles. En réponse à la demande croissante de formation GERME, l'équipe, en partenariat avec le BIT a offert pour la première fois une formation des formateurs GERME cette année en dehors de la capitale nationale. Le résultat de la combinaison des actions de Dyna et le BIT est la mise en place d'un nombre important de formateurs coachés et basés dans les régions qui pourraient et ont déjà fourni des services de prestation de service et de formation en langues locales. La formation décentralisée continue d'être organisée sur la base du paiement de frais de participation, garantie de remboursement, et est maintenant dispensée par des formateurs basés dans les régions.

Le Département PME a également utilisé d'autres techniques d'amélioration de l'attribution des contrats aux cabinets basés dans les régions. La technique qui s'est avérée la plus efficace a été l'interaction entre les cabinets gagnants et Dyna, ainsi que la séance de restitution et conseils proposée à tous les perdants d'un appel d'offre. La

décentralisation a également joué un rôle important dans l'organisation des différentes rencontres d'affaire (Business Forum, Salon de l'entreprise, Journées NTIC à Kolda) qui ont permis de réunir les éléments les plus dynamiques de la communauté des affaires dans trois différentes capitales régionales. Les autres évènements en zone décentralisée incluaient la formation Cybercafé, Sérigraphie pour les entrepreneurs handicapés, la production d'huile de neem, les radios rurales aussi bien que la formation en production de légumes qui se sont toutes déroulées dans les zones décentralisées et dont la plupart ont été exécutées par des prestataires de service basés dans les zones décentralisées. Les applications technologique du vétiver pour l'agriculture et le maintien des sols a également pris racine avec l'équipe PME et à travers le Sénégal avec quatorze (14) sites de démonstration établis et plus de 60 pépinières impliquées afin de montrer les avantages et les opportunités d'affaire offertes par cette technologie.

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)
<b>SO 1 : Sustainable Increases in Private Sector Income Generating Activities in Selected Sectors</b>									
1.1	Private Sector share of Gross Domestic Product (GDP)	Macroeconomic indicator not within the manageable interest or contractual mandate of Dyna <i>Dyna Unit of Measure:</i>							
1.2	Number of registered Small and Medium Enterprises (SME) and Microenterprises Increased	Number of microfinance institutions registered with Finance Ministry	Practicing microfinance institutions within the UMEOA zone, including Senegal, must be registered under a convention cadre, agrément or reconnaissance	Finance Ministry Microfinance Unit	Report & sum figures	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Unit of Measure:</i>	# of registered microfinance institutions						
1.3	Ratio of Private Investment to GDP	Macroeconomic indicator not within the manageable interest or contractual of Dyna <i>Dyna Unit of Measure:</i>							
#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)
<b>KIR 1.1 : Improved Legal, Regulatory and Policy Environment</b>									
1.1.1	Time for a business to become operational	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>							
1.1.2	Time for a business to complete customs clearances	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>							
1.1.3	Number of investment regimes	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>							
1.1.4	Proportion of business litigation cases resolved by the Arbitration Center	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>							
#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)

### KIR 1.2 : Improved Access to Financial Services

		Indicator not within the manageable interest or contractual mandate of Dyna							
1.2.1	<b>Amount of credit disbursed through the Loan Portfolio Guarantee Program</b>	<i>Dyna Unit of Measure:</i>							
1.2.2	<b>Value of savings collected by Decentralized Financial Systems (DFS) in target areas</b>	<b>Value of savings collected</b>	<i>absolute amount &amp; annual growth rate of savings collected by Dyna partner DFS</i>	Dyna DFS Partners	report & sum figures	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i>millions of FCFA</i>						
			<i>% growth in savings value</i>						
		<b># of new savers disaggregated by gender</b>		<i>absolute # &amp; % growth of new savers among Dyna partner DFS by gender</i>	Dyna DFS Partners	report & sum figures	bi-annual	MF & MEAC	bi-annual
<i>Dyna Units of Measure:</i>			<i># of new savers by gender</i>						
			<i>% growth of new savers by gender</i>						
1.2.3	<b>Value of loans disbursed by DFS in target areas</b>	<b>Value of loans offered</b>	<i>absolute amount &amp; % growth of loan portfolio among Dyna partner DFS</i>	Dyna DFS Partners	report & sum figures	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i>billions of FCFA</i>						
			<i>% growth in loan value</i>						
1.2.4	<b>Number of people obtaining loans from DFS in target areas</b>	<b># of active borrowers disaggregated by gender</b>	<i>absolute # &amp; % growth of borrowers among Dyna partner DFS by gender</i>	Dyna DFS Partners	report & sum figures	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i># of new borrowers by gender</i>						
			<i>% growth of new borrowers by gender</i>						

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)
<b>KIR 1.2 : Improved Access to Financial Services</b>									
Additional indicators		<b># of institutions using full cost-recovery interest rates &amp; fees</b>	<i># of Dyna partner DFS covering recurrent costs thru interest &amp; fees</i>	Dyna DFS Partners	evaluate data provided	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i># of partner institutions</i>						
		<b># of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio</b>	<i># of Dyna partner DFS with 3-month and 1-year loan arrears less than 10% &amp; 5%, respectively</i>	Dyna DFS Partners	evaluate data provided	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i># of partner institutions</i>						
		<b># of branch offices trained</b>		Dyna DFS Partners, subcontractors	training reports	bi-annual	MF & MEAC	bi-annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	<i># of branch offices</i>						
		<b># of managers &amp; tellers trained by gender</b>	<i># of managers and tellers</i>	Dyna DFS Partners, subcontractors	training reports	bi-annual	MF & MEAC	bi-annual	MF & MEAC
	<i>Dyna Units of Measure:</i>	<i>% of women</i>							
	<b>Share of all decentralized financial system loans at the National Level provided by USAID funded partners</b>	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	Ministry of Finance and USAID funded Partners (ex. CRS, Africare, Dyna, etc.)	Ministry data available in July each year; partner data available quarterly	annual	SO 1	R4	SO 1	
	<i>Dyna Units of Measure:</i>	<i>Ratio expressed as percentage</i>							

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)
<b>KIR 1.3 : Increased Use of Best Technical and Managerial Practices</b>									
1.3.1		Number of SMEs, associations and groups in targeted areas that purchase quality business services	# of fee paying trainees	Dyna SME partners	survey, report & sum figures	annual	PME & MEAC	annual	PME & MEAC
			% of trainees reclaiming the guarantee	Dyna SME partners	survey, report & sum figures	annual	PME & MEAC	annual	PME & MEAC
			<i>Dyna Units of Measure: number and percentage</i>						
1.3.2		Number of SMEs, associations and groups accessing information through interactive services & events	# of clients interacting	Dyna SME partners	survey, report & sum figures	annual	PME & MEAC	annual	PME & MEAC
			<i>Dyna Units of Measure: number</i>						
		# of SMEs, associations and groups attending paid events or functions that disseminate agricultural and other appropriate technologies	# of paying attendees	Dyna SME partners	survey, report & sum figures	annual	PME & MEAC	annual	PME & MEAC
			<i>Dyna Units of Measure: number</i>						
1.3.3		# of SMEs, associations and groups that access information on agricultural and other appropriate technologies through new means	# of attendees	Dyna SME partners	survey, report & sum figures	annual	PME & MEAC	annual	PME & MEAC
			<i>Dyna Units of Measure: number</i>						

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	Method & Approach to Data Collect. & Calc.	Dyna Data Acquisition		Dyna Analysis & Reporting	
						Frequency	Team(s)	Frequency	Team(s)
<b>Other Dyna Indicators</b>									
O.1		Program related M&E of impact providing R4 required information for activities for each PRSO assisted target zone by November 15th of each year for the period ending 30th September	Annual Report & additional punctual reports submitted to USAID Senegal	Dyna teams & partners	report produced	annual & quarter	Dyna Team	annual & quarter	Dyna Team
		<i>Dyna Units of Measure:</i>	Initialization Report						
			Strategic Workplan						
			Quarterly Reports						
			Annual Report						
O.2		Topic specific analyses or reports that inform, educate & communicate microfinance financial & non-financial best practices to the public circulated	Recounting of various activities & actions undertaken by Dyna to communicate information on financial and non-financial best practices	Dyna teams & partners	evaluate data provided	annual	MF & MEAC	annual	MF & MEAC
		<i>Dyna Units of Measure:</i>	brochures						
			trainers identified						
			association & MFI surveys						
			workshop proceedings						
			constraints passed to USAID						
O.3		USAID Global Bureau Microenterprise Reporting requirements for Senegal completed in a timely manner	Microenterprise Results Reporting (MRR) data included in Memoranda of Understanding with and collected from Dyna Partner DFS	Dyna DFS Partners	report & sum figures	annual	MF & MEAC	annual	MF & MEAC
		<i>Dyna Unit of Measure:</i>	input to annual report to Global						

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	BASELINE		Indicator Value (USG fiscal year)	
					Year	Value	2001	
							Target	Actual
<b>SO 1 : Sustainable Increases in Private Sector Income Generating Activities in Selected Sectors</b>								
1.1	Private Sector share of Gross Domestic Product (GDP)	Macroeconomic indicator not within the manageable interest or contractual mandate of Dyna <i>Dyna Unit of Measure:</i>						
1.2	Number of registered Small and Medium Enterprises (SME) and Microenterprises Increased	Number of microfinance institutions registered with Finance Ministry	Total number of practicing microfinance institutions in Senegal registered under UEMOA law with either agrément, reconnaissance or convention cadre	Finance Ministry Microfinance Unit	CY 1999	183	?	512
		<i>Dyna Unit of Measure:</i> # of registered microfinance institutions						
1.3	Ratio of Private Investment to GDP	Macroeconomic indicator not within the manageable interest or contractual of Dyna <i>Dyna Unit of Measure:</i>						
<b>KIR 1.1 : Improved Legal, Regulatory and Policy Environment</b>								
1.1.1	Time for a business to become operational	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>						
1.1.2	Time for a business to complete customs clearances	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>						
1.1.3	Number of investment regimes	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>						
1.1.4	Proportion of business litigation cases resolved by the Arbitration Center	Policy indicator not within the manageable interest or contractual mandate of Dyna <i>Unit of Measure:</i>						

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	BASELINE		Indicator Value (USG fiscal year)				
					Year	Value	2001				
							Target	Actual			
<b>KIR 1.2 : Improved Access to Financial Services</b>											
1.2.1	Amount of credit disbursed through the Loan Portfolio Guarantee Program	Indicator not within the manageable interest or contractual mandate of Dyna <i>Dyna Unit of Measure:</i>									
1.2.2	Value of savings collected by Decentralized Financial Systems (DFS) in target areas	Value of savings collected	absolute amount & annual growth rate of savings collected by Dyna partner DFS	Dyna DFS Partners	CY 1999	404	424	2,060			
		<i>Dyna Units of Measure:</i>	millions of FCFA						5%	410%	
	# of new savers disaggregated by gender	absolute # & % growth of new savers among Dyna partner DFS by gender	Dyna DFS Partners	CY 1999	1,845/8,369	1,937/8,787	13,757 / 26,457				
		# of new savers by gender (m/f)						n/d	n/d	929	
# of mixed groups								5%	646%		
	% growth of new male savers				5%	216%					
1.2.3	Value of loans disbursed by DFS in target areas	Value of loans offered	absolute amount & % growth of loan portfolio among Dyna partner DFS	Dyna DFS Partners	CY 1999	736	773	4.425			
		<i>Dyna Units of Measure:</i>	millions of FCFA						5%	501%	
		% growth in loan value									
1.2.4	Number of people obtaining loans from DFS in target areas	# of active borrowers disaggregated by gender	absolute # & % growth of borrowers among Dyna partner DFS by gender	Dyna DFS Partners	CY 1999	1,919/6,487	2,015/6,811	3,164 / 8,274			
		<i>Dyna Units of Measure:</i>	# of active borrowers by gender (m/f)						n/d	n/d	142
		# of mixed groups borrowers								5%	65%
		% growth of active male borrowers								5%	28%
	% growth of active female borrowers										

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	BASELINE		Indicator Value (USG fiscal year)	
					Year	Value	2001	
							Target	Actual
<b>KIR 1.2 : Improved Access to Financial Services</b>								
Additional Indicators		<b># of institutions using full cost-recovery interest rates &amp; fees</b>	<b># of Dyna partner DFS covering recurrent costs thru interest &amp; fees</b>	Dyna DFS Partners	CY 1999	0	8	5
		<i>Dyna Units of Measure:</i>	<i># of partner institutions</i>					
		<b># of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio</b>	<b># of Dyna partner DFS with 3 months - 1 year loan arrears less than 10%</b>	Dyna DFS Partners	CY 1999	0	6	6
			<b># of Dyna partner DFS with 1 year loan arrears less than 5%</b>	Dyna DFS Partners		0	6	5
		<i>Dyna Units of Measure:</i>	<i># of partner institutions</i>					
		<b># of branch offices trained</b>	<b># of branch offices</b>	Dyna DFS Partners, subcontractors	2000	0	150	78
		<i>Dyna Units of Measure:</i>						
		<b># of managers &amp; tellers trained by gender</b>	<b># of managers and tellers</b>	Dyna DFS Partners, subcontractors	2000	0	250	97
		<i>Dyna Units of Measure:</i>	<i>% of woman</i>			0%	50%	75%
		<b>Share of all decentralized financial system loans at the National Level provided by USAID funded partners</b>	<i>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</i>	Ministry of Finance and USAID funded Partners (ex. CRS, Africare, Dyna, etc.)	2000	0%	10%	9.66%
			<i>value of loans disbursed by Dyna partner DFS during civil year 2001(in millions of FCFA)</i>	Dyna DFS Partners		n/d	n/d	2.355
			<i>value of loans disbursed by DFS in national level (grands réseaux) during civil year 2001(in millions of FCFA)</i>	Ministry of Finance		n/d	n/d	24.378
	<i>Dyna Units of Measure:</i>	<i>Ratio expressed as percentage</i>						

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	BASELINE		Indicator Value (USG fiscal year)	
					Year	Value	2001	
							Target	Actual
<b>KIR 1.3 : Increased Use of Best Technical and Managerial Practices</b>								
1.3.1		Number of SMEs, associations and groups in targeted areas that purchase quality business services	# of fee paying trainees and % of trainees reclaiming the guarantee	Dyna SME partners, subcontractors	CY 1999			
		<i>Dyna Units of Measure:</i>	number			0	200	226
			percentage			0	10%	0%
1.3.1		Number of SMEs, associations and groups accessing information through interactive services & events	# of clients interacting	Dyna SME partners, subcontractors	CY 1999			
		<i>Dyna Units of Measure:</i>	number			0	500	393
1.3.2		# of SMEs, associations and groups attending paid events or functions that disseminate agricultural and other appropriate technologies	# of paying attendees	Dyna SME partners, subcontractors	CY 1999			
		<i>Dyna Units of Measure:</i>	number			0	60	36
1.3.3		# of SMEs, associations and groups that access information on agricultural and other appropriate technologies through new means	# of attendees	Dyna SME partners, subcontractors	CY 1999			
		<i>Dyna Units of Measure:</i>	number			0	4100	5948

#	USAID SENEGAL PERFORMANCE INDICATOR	DYNAENTREPRISES PERFORMANCE INDICATOR	INDICATOR DEFINITION & UNIT OF MEASURE	DATA SOURCES	BASELINE		Indicator Value (USG fiscal year)			
					Year	Value	2001			
							Target	Actual		
<b>Other Dyna Indicators</b>										
O.1		<b>Program related M&amp;E of impact providing R4 required information for activities for each PRSO assisted target zone by November 15th of each year for the period ending 30th September</b>	<i>Annual Report &amp; additional punctual reports submitted to USAID Senegal</i>	Dyna teams & partners	CY 1999					
						<i>Dyna Units of Measure:</i>	<i>Initialization Report</i>	0	0	0
							<i>Strategic Workplan</i>	0	1	1
							<i>Quarterly Reports</i>	0	4	4
							<i>Annual Report</i>	0	1	1
O.2		<b>Topic specific analyses or reports that inform, educate &amp; communicate microfinance financial &amp; non-financial best practices to the public circulated</b>	<i>Recounting of various activities &amp; actions undertaken by Dyna to communicate information on financial and non-financial best practices</i>	Dyna teams & partners	CY 1999					
						<i>Dyna Units of Measure:</i>	<i>brochures</i>	0	1	1
							<i>trainers identified</i>	0	list created & updated	done
							<i>association &amp; MFI surveys</i>	0	survey completed	MFI - yes PME FSP
							<i>workshop proceedings</i>	0	proceedings published	reconnais- sance workshop
	<i>constraints passed to USAID</i>	0	weekly	weekly						
O.3		<b>USAID Global Bureau Microentreprise Reporting requirements for Senegal completed in a timely manner</b>	<i>Microenterprise Results Reporting (MRR) data included in Memoranda of Understanding with and collected from Dyna Partner DFS</i>	Dyna DFS Partners	CY 1999	0	input provided	completed for four partners		
						<i>Dyna Unit of Measure:</i>	<i>input to annual report to Global</i>			

**DYNAENTREPRISES QUATERLY RESULTS TABLE**

#	TEAM	Indicator	Measure	Value						Comments / # of New savers and borrowers	% Growth	
				CY 99	FY 2000		FY 2001					
				Baseline	Target Q4	Q4	Target Q4	Q2	Q3			Q4
1		# of institutions using full cost-recovery interest rates and fees	among institutions receiving assistance from DynaEntreprise	0	3	2	8	2	6	5	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%	0	2	2	6	3	6	6	Unacois, Umec, Cofdec, Mecfam, Acep FNGPF	
			# with loan losses below 5%	0	2	2	6	3	6	5	Unacois, Umec, Cofdec, Acep, FNGPF	
3	MFI	# of new savers disaggregated by gender	% growth of male savers	1,845	5%	too early in the assistance cycle to report, assistance began in 4th quarter of FY 2000	1,937	6,901	9,384	13,757	11,912	645.64%
			% growth of female savers	8,369	5%		8,787	10,813	10,850	26,457	18,088	216.13%
			% growth of mixed groups savers	n/d	n/d		n/d	n/d	n/d	929	n/d	n/d
4	MFI	# of active borrowers disaggregated by gender	% growth of male borrowers	1,919	5%	too early in the assistance cycle to report, assistance began in 4th quarter of FY 2000	2,015	1,536	2,421	3,164	1,245	64.88%
			% growth of female borrowers	6,487	5%		6,811	3,573	4,625	8,274	1,787	27.55%
			% growth of mixed groups borrowers	n/d	n/d		n/d	n/d	n/d	142	n/d	n/d
5		value of loans offered	% growth	736,129,775	5%		772,936,264	2,117,483,311	2,499,105,824	4,425,387,196		501.17%
6		value of savings collected	% growth	404,040,697	5%		424,242,732	1,143,240,000	1,465,576,536	2,060,727,060		410.03%
7		branch offices trained	number	0	50	68	150	65	78	78		
8		managers & tellers trained by gender	number	0	100	104	250	68	97	97		
			% women	0	40%	83%	50%	72%	75%	75%		
9		# of SMEs, associations and groups in targeted that purchase quality business services	# of fee paying trainees	0	50	119	200	100	177	226	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 reclaiming the guarantee	0	20%	0%	10%	0%	0%	0%		
10	PME	# of SMEs, associations and groups accessing information through interactive services & events	# of clients interacting	0	0	0	500	169	251	393	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)	
11	PME	# of SMEs, associations and groups attending paid events or functions that disseminate agricultural and other appropriate technologies	# of paying attendees	0	60	47	60	0	0	36	Journée NTIC (30), Planification maraichère (6)	
12	PME	# of SMEs, associations and groups that access information on agricultural and other appropriate technologies through new means	# of attendees	0	500	2,000	4,100	620	1879	5948	# of connections on tender bid web site (5671), vetiver site (277)	

## Who's reinforcing whom?

Gestion Plus was one of the first service providers to work with DynaEntreprises and the BizDev Team. At the time, they were part of a network of consultants, RESIG, trained in the ILO/GERME training methodology. The Dyna team was eager to integrate GERME into their program, and together Dyna and RESIG were going to test their for-fee, satisfaction guaranteed training.

In the beginning though, it was not that easy. On the one hand, RESIG was reluctant to include the guarantee clause, an innovation in their training contracts, On the other hand the members of the target group, objected to the idea of for-fee training. They observed that trainees never contributed to the training costs – even in a symbolic fashion – and usually received a per diem for their attendance.

Nonetheless two consultants, the founding members of Gestion Plus, continued negotiations with Dyna, and in May 2000 Gestion Plus accepted the satisfaction guarantee principle. The participants agreed to contribute 10,000 fCFA each. When the training was finally held, not one single participant requested a reimbursement.



*Some of the first clients of Gestion Plus and DynaEntreprises, the Directoire des Femmes Eleveurs de Rufisque*

In response to a request from the President of the Directoire des Femmes Eleveurs, who attended the first training, training in marketing was next organized for the Directoire. Once again none of the participants requested a refund of their contribution.

Since that time, Gestion Plus has gone from performing their first training ever with Dyna to performing needs assessments, developing synthesized training modules, training Peace Corps volunteers, and preparing and executing successful for-fee trainings for entrepreneurs. Their reputation for being a performing and credible service provider now allows them to charge market rates to trainees.

## Savings Club in the Kolda Market

Of to one side of the Kolda market, 14 tailors are talking to Adam Elinoff, a Peace Corps volunteer known as Sidy. He visited often, and he had noticed that their machines sat idle most of the time.

When he asked why they didn't go look for clients, they responded, 'We know we need to go to the clients, but with what? What merchandise, bought with what funds? What we need is a bank that can give us credit.'



Sidy thought of the savings and credit clubs being formed around the region with guidance from DynaEntreprises. He suggested that the tailors start their own savings and credit club.

No sooner said than done. The Dyna technician explained the various steps for the savings and credit club, and presented the tools for managing the clubs

funds. Among themselves, the tailors nominated a treasurer, an assistant treasurer, a secretary and an assistant secretary and two auditors, and then set the rules of the club:

Savings of 600 fcfa per member per week

Meetings every Monday at 6pm

Credit ceiling: 20,000 fcfa to start

Late fees: 25f for every 15 minutes late and 300 f for every meeting missed.

After one month of savings and credit activities:

- Boubacar has bought a new sewing machine.
- Omar bought a stock of cloth and is selling ready to wear clothes.
- Oumou invested in wholesaling eggs.
- Ibrahima participated in the Neem transformation training with DynaEntreprises, and has ordered a press from a metalworking shop.

The group has set a new goal of opening a shop for tailoring supplies, hoping to reduce their own supply costs and supply other tailors. They have opened an account at MEC UNACOIS to leverage their savings for the financing of the boutique. 'With this shop we will buy our own supplies more cheaply and possibly become the supplier for all of the tailors in Kolda.'

## First came vetiver...



The Xun Pang Association of the rural community of Diass has been an active partner of the Dyna/Thies office over the past few months.

The Association is made up of 45 different groups, each with 30 – 50 members, spread out in the 19 villages of the rural community of Diass. This is the area identified for the new international airport site.

The association's activities have recently focused around providing access to technical training and information to its members. Members of the association are involved in various economic activities such as gardening and fishing, and had requested information concerning anti-erosion technology. Six months ago, the association contacted Dyna regarding vetiver soil conservation technology. Water erosion is one of the major concerns of the local population, and is damaging gardens, orchards and even homes in the area.

Since that first contact, the association has introduced vetiver technology and there are currently 28 pepinieres in the rural community. After the introduction of vetiver technology, group members requested and participated in marketing and accounting GERME trainings, and will be participating in the Tamba technofaire to network with other rural entrepreneurs. Members of Xun Pang paid their way for the neem oil transformation training. The various members of the association have started 30 savings and credit clubs.

And all this due to a simple blade of grass.

## Esprit of an Entrepreneur

During the first training of trainers session for Esprit d'Entreprises Omar Dieng, a client of the UNACOIS/Rufisque branch, was invited to join the practical session. 'It was like a revelation', he said, he had finally understood why his businesses were never as successful as they should be.



Omar has had one business or another since he was 21 years old. Once, he lost everything on a buying trip, and had to start his business from scratch. He kept going though, because he has a 'nose for business'. Somehow, that nose for business could never move him past 'just getting by' to 'getting somewhere'.

Most recently, Omar started a fast food restaurant in his garage. Rather than reinvest all of his money in the business, he set aside a small amount of his profits and opened a savings account at Unacois. Business is doing well enough that Omar opened a second restaurant, which is run by friends and family.

Still, the restaurants are not doing as well as it seems they should be. There is plenty of clientele, business is booming. But profits just don't appear. Omar has been wondering what is happening.

Now, Omar has learned about stock management and accounting, job descriptions and division of labor. He has given specific assignments to each of his family members, operates the restaurants on a zero stock policy, and has completely separated his personal and business expenses. Omar is now using a journal to track his business' expenses and revenues, and expects to see exactly where his money is going.