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Volunteers for Economic Growth Alliance

VEGA South Africa Annual Program Statement Small Grants Administration (SAAGA)

Quarterly Performance Report: April 1 – June 30, 2007 Quarter 3, Fiscal Year 2007

**Leader with Associate Agreement (LWA)
EEM-A-00-04-00002-00**

**Associated Cooperative Agreement
674-A-00-05-00067-00**

**Prepared for the United States Agency for International Development
(USAID)**

Implementing Organization:



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1.0 Executive Summary

The Annual Program Statement (APS) supports USAID/South Africa's program to increase market-driven employment. The program is designed to stimulate employment through the growth of Historically Disadvantaged (HD) agribusinesses and small, medium and micro-enterprises (SMMEs). In support of these objectives, the Volunteers for Economic Growth Alliance (VEGA) South Africa APS Grants Administration Program (SAAGA) signed subagreements with four South African organizations under FY06 APS and five South African organizations under FY07 APS. Two of the organizations awarded under FY07 APS are follow-on grants. The organizations were competitively selected through their proposed projects to support USAID employment creation objectives.

Final reports have been submitted from the four subgrantees under FY06 APS and a final program report for the FY06 APS is in development. World Education and Natural Botanicals fully expended the funds awarded to them under the FY06 APS and each achieved program targets. MDA spent most of the funds awarded, with a small portion being unspent; they have achieved most of their program targets. ECI Africa spent 75% of funds awarded, requiring an appropriate modification in their program design.

Subagreements with five organizations under the FY07 APS were signed during the current reporting quarter. VEGA SAAGA staff has completed planning with each organization to provide support in various aspects of project reporting requirements. As with the previous APS grantees, the newly awarded grantees are submitting monthly financial reports and quarterly progress reports.

One volunteer assignment was successfully completed during the third quarter. Scopes of Work (SOW) were received from three of the FY07APS subgrantees and VEGA/SAAGA is currently sourcing and fielding volunteers for the three technical assistance assignments. A meeting was held with various representatives of USAID/South Africa on June 11, 2007, to introduce Colette Bennett (a volunteer fielded from Canada), as well as Karin Aupais and Suzanne Burgess (South African volunteers), who have completed various volunteer assignments through the duration of the VEGA SAAGA program.

Dana Mullins resigned as VEGA's Chief of Party to return to the US, completing her contract on June 30, 2007. Mary Kathryn (MK) Cope replaced her as of July 1, 2007. Dorah Menoe completed her contract as VEGA Program Assistant on May 5, 2007. This position has not been filled.

2.0 Summary of VEGA SAAGA Third Quarter FY 2007 Activities

2.1 Key Meetings

2.1.1 USAID/South Africa: Introduction of Subgrantees

VEGA staff introduced FY07 APS subgrantee programs to USAID/South Africa representatives on May 15, 2007. The FY07 APS subgrantees in attendance were, Milk Producers Association and World Education. Representatives from each gave short presentations to USAID/South Africa summarizing their proposed program activities and targets under the FY07 APS. VEGA staff gave presentations on behalf of Business Skills for South Africa, Cape Regional Chamber and Natural Botanicals, who were unable to attend the meeting.

2.1.2 USAID/South Africa: Briefing on Volunteer Technical Assistance

VEGA staff held a meeting with USAID/South Africa on June 11, 2007, and gave a presentation on the process being used to source and field volunteer experts to provide technical and business assistance to subgrantee organizations as well as beneficiaries in their assisted enterprises. At this meeting, one international VE (Colette Bennett) and two South African VE's (Suzanne Burgess and Karin Aupiais) were introduced to USAID/South Africa representatives and gave brief feedback on their assignments and experiences in providing volunteer assistance. (See VE Presentation to USAID - Appendix 2).

2.1.3 ECI Africa: Status of Subgrant

VEGA staff held further meetings on April 10, 2007, and June 1, 2007, with ECI Africa to discuss key concerns with respect to the final financial status of the ECI Africa subgrant. (See Meeting Minutes - Appendices 3 & 4). ECI Africa's spending and implementation was slow, as previously reported. In the end, they spent the full amount of their obligated funds (75% of the total award) as per the sub agreement but did not request the full amount of the subaward. This information has been minuted as per the above appendices. ECI Africa submitted a final program report outlining certain program achievements. The final financial report is in process.

2.1.4 FY07 APS Subgrantees: Budget Meetings

During the reporting quarter, several meetings were held with representatives from the subgrantee organizations who were awarded funding under the FY07 APS to finalize their budgets and program descriptions which form part of their subagreements. All five subagreements were signed during the reporting quarter.

2.1.5 FY07 APS Subgrantees: M&E Meetings

Meetings were held with all subgrantees regarding finalization of M&E plans. These meetings included a specific review of performance indicators as well as the appropriate measures to capture accurate information.

2.1.6 Triple E Holdings (Pty) Ltd (Triple E): Potential Cost Share Memorandum of Understanding (MOU)

A meeting was held with VEGA staff and a representative (Muzi Mthembu) from Triple E on April 17, 2007, to pursue the possibility of Triple E providing adult basic education, specifically numeracy and literacy training on a cost share basis to two subgrantee organizations under the FY07 APS. The meeting was positive and a draft MOU was sent by VEGA to Triple E. Triple E has continued to express interest in partnering with VEGA and both partners continue to explore the appropriate opportunity within the current funded projects. A further meeting was held between MPO and Triple E Holdings to discuss possibilities.

2.2 Site Visits

2.2.1 Cape Regional Chamber (CRC)

Lynette van Niekerk, VEGA Program Coordinator, conducted two site visits to CRC during the reporting quarter. The first site visit took place on May 2, 2007. The main objective of the visit was to meet with CRC financial administration staff to provide assistance on financial reporting requirements under VEGA's SAAGA program as well as to meet the Director of CRC, Albert Schuitmaaker. Due to additional support required by CRC with their financial reporting, a second site visit was conducted on June 15, 2007. The second site visit included Jan Rockliffe-King, who met with Hanns Bohle (CRC Mentor and SME training contractor) and Don Shay (CRC M&E Consultant). Van Niekerk held a meeting with CRC financial administration staff as well as a follow-up meeting with Albert Schuitmaaker. Both site visits have been very beneficial and CRC have responded well to all reporting requirements. (See Site Visit Report – Appendices 5 & 6).

2.2.2. Natural Botanicals (NB)

Van Niekerk conducted two site visits to Natural Botanicals during the reporting quarter. The first took place on May 3, 2007. The main objective of the visit was to meet with the project manager (Marianna Smith) regarding the close out of the NB grant under FY06 APS and discuss budget issues on the follow-on grant under FY07 APS. Van Niekerk also had the opportunity to meet with Lindsay Grier who is the Product and Fragrance Developer for NB's assisted enterprise, Red Cedar Soap Products. The second site visit took place on June 14, 2007, with the objective of providing assistance on NB's financial record keeping and reporting requirements. (See Site Visit Reports – Appendices 7 & 8).

2.2.3 World Education (WE)

The purpose of the visit was to introduce MK Cope to the World Education Team and to the Link 2007 program. In addition, the M&E Advisor was available to discuss M&E issues in preparation for the up-coming quarterly report. The advisor outlined the goals of the program and the activities undertaken to meet those goals. LINK 2007 is working with emerging SMMEs in the construction, transport, and, to some extent, mining sectors. (See Site Visit Report – Appendix 9)

2.2.4 Business Skills for South Africa (BSSA)

The visit served as an introduction to the BSSA program for MK Cope and an opportunity for the M&E Advisor to discuss any performance monitoring and reporting issues. The program overview included description of training to independent Business Development Service (BDS) providers to strengthen their competencies to provide services to SMMEs. The program is SAQA accredited at NQF 5.¹ Its aim is to develop higher quality and more appropriate services for businesses and, through this, increase demand for BDS. The long-range goal is to strengthen SMMEs through increased access to high-quality BDS. (See Site Visit Report – Appendix 10)

2.2.5 Milk Producers Organization.(MPO)

The purpose of the visit was to introduce MK Cope as the new COP of the VEGA SAAGA program and to discuss issues regarding MPO's Performance Monitoring Plan. MPO and Land O' Lakes (LOL) had presented a comprehensive written Performance Management Plan. However, the introduction section of the meeting took longer than planned, and it was not possible to deal with the M&E section. Plans were made to follow-up directly on the M&E at a different time. (See Site Visit Report – Appendix 11)

2.3 Training

2.3.1 Financial training to Subgrantees

Van Niekerk has done significant training and capacity building on financial reporting with MPO. During the quarter, a total of six visits were made to MPO offices to conduct informal training and provide assistance to MPO financial administrators on all aspects of financial reporting. During site visits to CRC and NB, Van Niekerk spent a total of 2 days at each subgrantee organization providing training and capacity building on financials reporting requirements.

2.3.2 TraiNet

During the quarter, all subgrantee organizations received training from USAID/South Africa on data input into TraiNet, a USAID training data management system. All subgrantees will now be responsible to capture their training data into TraiNet and additional training will be provided, as required.

2.3.4. Development of Scopes of Work for VE activities

Van Niekerk held individual training sessions with MPO, BSSA and CRC to assist these new subgrantees on identifying areas within their programs where volunteer assistance would add value to both organizations and their beneficiaries.

¹ SAQA is the South Africa Qualifications Authority which oversees the National Qualifications Framework (NQF) providing a standardized process for grading professional and vocational training as well as ensuring the quality of the training offered and the qualifications of trainers.

2.4 Volunteer Activities

2.4.1 South African Volunteer Experts (VEs)

No South African volunteer activities took place during the quarter. However, South African volunteer, Karin Aupiais, reported on her assignments at NB (March 2007) and MDA (February 2007). Aupiais provided training to NB- and MDA-assisted enterprises on Pastel, a bookkeeping software package, and she provided help in software installation and setup. Aupiais provided the assisted enterprises and project beneficiaries with basic bookkeeping theory and the software program has enabled them to keep more complete and accurate financial records for their organizations.

2.4.2 International Volunteer Experts (VEs)

A Canadian volunteer, Colette Bennett, was fielded to provide technical assistance to Natural Botanicals under the FY07 APS from May 2007 to June 2007. The focus areas of her assistance involved merchandising, packaging, and international marketing for small business, including identifying potential export markets. Her assignment received positive feedback from Natural Botanicals' assisted enterprise, Red Cedar. (See Final Report – Appendix 12)

Scopes of Work (SOW) for volunteer assistance were drawn up by Business Skills for South Africa (BSSA), the Milk Producers Association (MPO), and the Cape Regional Chamber (CRC). Two VEs, to be fielded from the US, have been accepted to provide technical assistance to BSSA for the development of and export module training. The VEs will also provide train-the-trainer assistance for the module. In addition, the two volunteers will provide technical assistance to MPO to develop a strategy for subsistence dairy farmers and provide training courses. Both volunteers will be fielded during the fourth quarter of fiscal year 2007. Sourcing for the project submitted by CRC is on going with the expectation of fielding a volunteer in the fourth quarter.

2.5 Monitoring and Evaluation

In this quarter, monitoring and evaluation efforts were focused on FY07 APS subgrantees, who received guidance on M & E Reporting and Quarterly Reporting from VEGA staff and Jan Rockliffe-King.

3.0 Summary of FY07 APS Subgrantee Third Quarter 2007 Reports

3.1 World Education Link 2007 (Subagreement 100872)

1. Program Summary: The LINK 2007 program seeks to improve the competitive edge of historically disadvantaged SMMEs, primarily in the construction, transport, and mining services sectors, providing information, skills, and knowledge in target locations in up to four provinces. The program will create or support at least 2,000 employment opportunities, improve SMME sales, and facilitate access to finance. LINK 2007:

- Promotes SMME competitiveness through training, mentoring, and firm-level upgrading;

- Facilitates availability of quality business support services, through capacity building and technology;
- Supports SMME access to finance;
- Advances best practice in public-private partnerships, inclusive black economic empowerment (BEE), and local economic development; and,
- Supports practical operationalisation of existing policies.

2. Program Implementation for Period April - June, 2007: The table below lists activities undertaken, and their relevance to each of the five key components.

LINK 2007 Program Activity/ Intervention	1. SMME Competi- tiveness	2. Business Support Services	3. Support Access to Finance	4. Public- Pvt Part- nerships	5. Policy Operation- alization
Basic Training workshops	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Advanced Training workshops	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Access to Information & Resources Seminar (Transport)	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Individual SMME advice and referrals to finance providers	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Individual SMME Advice and referrals to inputs suppliers	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>
Co-delivery of services with partners	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Initiating electronic database use for LINK SMMEs (sample group)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		
Sector/industry networking, introductions, referrals	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

2.1. Program Implementation: Workshops and Seminars: During the quarter, LINK 2007 delivered or participated in training and awareness events reaching more than 700 SMMEs, 40% of whom were women-owned. These included “Tendering for Success”, “Fleet Management”, “Advanced Costing and Pricing”, and “Access to Information and Resources”.

Individual SMME Support: Business Linkage Officers provided over 440 hours of support and advice to 225 emerging business people. Key areas of information related to tender opportunities, guidance on financial matters and resources, and advice on management or joint venture issues. Twenty percent of advice focused on the basics of start up. With the advent of the stringent National Credit Act in June, it has become apparent that most SMMEs will need considerable assistance and guidance to gain credit.

2.2. Partnerships and Cost Sharing: The issue of strategic partnerships and collaboration is critical to achieving greater outreach and capacity building. LINK works hard to cultivate relationships that are strategic, responsive, and relevant to project goals as well as to the needs of SMMEs. During this quarter, LINK built on and delivered services through partnerships with Ekurhuleni and Tshwane Municipalities, and identified and cultivated four new ones. The new partners include Imphophoma (a Gauteng Province initiative serving new and existing construction SMMEs), the South African Federation of Civil Engineering

Contractors (SAFCEC), Sasolburg Municipality's LED Division, and Women in Housing, an organization of aspiring women contractors focused on the affordable housing segment. For every LINK event, partners contributed to cost, including providing the staff time, venue, catering, training materials, invitations and publicity and speakers/trainers.

2.3. Structured SMME Mentorships: During the quarter, LINK 2007 planned to institute three mentorship programs wherein a small number of SMMEs (12 – 15) will be targeted for more extensive technical and on-site or on-the-job support over an extended period. The plan aims at two mentorships in construction and one in transport.

2.4. Program Networking and Exposure: In addition to targeted partnerships, LINK continued to network with SMME and sector stakeholders such as Concor, a division of Murray and Roberts, a lead partner on the Gautrain project. LINK has supplied Concor with names of good-performing contractors. LINK has also liaised with Oosthuiszen Transport, a large family-owned trucking business, to help support their effort to attain broad-based BEE status through subcontracting with HD SMMEs. In addition, two LINK participants were extensively profiled in "Building Women," a trade publication.

3. Program Progress: During this first quarter of the project, LINK has made substantial strides in achieving targets. LINK indicators have been defined, measured and reported, based on the VEGA-SAAGA Monitoring Guide of March 2007, World Education's original proposal, and its draft M&E plan, outlining its understanding of indicators, and experience with reporting and interpreting data for USAID.

3.1 Achievement of Targets: Analysis of the numbers shows that in just this quarter:

- a. Women constituted approximately 40% of the nearly 959 SMMEs assisted;
- b. The following **deliverables already exceed the LOP targets:**
 - *Value of sales contracts* – stands at 179% of the LOP target of R 30 million;
 - *Net change in Jobs (FTE)* – stands at 334% of the 200 FTE jobs proposed as a target; and,
 - *Duration of training* provided is also at almost 300% of the LOP target.
- c. The **deliverables for the following are well on track:**
 - *Number of sales contracts* (30) is at 60% and should exceed LOP targets by the end of next quarter.
 - *Number of SMMEs improving management practices* is at 38% of the target, with more than two quarters of the LOP remaining
- d. The deliverables for **SMMEs successfully accessing finance** are, as always, the most difficult to meet. Although they currently lag the rest of the indicators, given the quality and amount of outstanding finance applications, we fully expect to meet the LOP targets.

A summary of WE LINK 2007 indicators, targets, and achievements is attached. (See Performance Indicator Table – Appendix 1)

3.2. Planned Activities for Next Quarter: LINK 2007 plans 17 training activities in: Tendering for Success, Costing and Pricing, Joint Venture Management, Construction

Management, Workplace Health and Safety Compliance, Access to Resources, Owner-Driver Transport, Fleet Management and Construction Mentorship.

4. Constraints:

4.1. Contextual Constraints: LINK 2007 operates in a fluid economic and political context that may impact on delivery or the ability to move forward at speed. A key constraint is the ability of potential and existing partners to make timely decisions on planning of events. While LINK's partners to date have generally come through, the process has been fraught with delays and political complexities. Local government demands on LINK are often impractical, and services are often requested for constituents not best placed to benefit from them. Equally, businesses and communities often expect that opportunities, especially tender opportunities, be shared among all, regardless of capability of firms.

Perhaps the most difficult bottlenecks are in the provision of financing. Financial institutions "over sell" their readiness and/or ability to serve SMMEs. The National Credit Act adds more challenges, and SMMEs are becoming skeptical and vocal in their frustration with traditional banks. LINK 2007 continues to work to identify a range of specially targeted and created financial products, as well as a few non-traditional financial providers, but it will be incumbent on the formal financial sector to increase its capabilities to serve the SMME market.

5. Opportunities: The opportunities for the LINK 2007 approach to benefit emerging SMMEs are vast. In fact, the challenge is to remain selective and focused, given limited timeframes and small personnel complement in relation to the extensive demand for quality services and support. The World Education team remains on the look-out for opportunities to provide access and growth for target SMMEs, and pursues information channels and relationships. Opportunities surfaced so far include the potential for unlocking SMME contract opportunities via Concor, a major construction company; via Oosthuiszen transport; and via transport contracts being put out to tender by a major mining firm, Xstrata. Demand for additional work in the Ekurhuleni municipality area is also being considered. However, "potential" opportunities – given the general lack of capacity and skills in South Africa – often take much longer than anticipated to actualize within the short life of project.

3.2 Natural Botanicals: Red Cedar (Subagreement 10871)

1. Program Summary: The goal of this project is to take Red Cedar Cosmetics CC, in Wupperthal, to a higher technical and entrepreneurial level and to create employment for a minimum of four additional women through the introduction of weaving baskets as packaging for Red Cedar's soap and cosmetics.

Objective 1: Produce upmarket labeling and five new products; improve bookkeeping and stocktaking; and, create more media visibility and advertising.

Objective 2: Create business and employment opportunity for a further four to six women by introducing basket weaving.

Objective 3: Continue to monitor and train in modern manufacturing principles and quality control.

2. Program Implementation and Activities, April – June 2007: During the quarter Red Cedar continued to strengthen as an enterprise. In the field of product development, Red Cedar employees were trained in branding and developed new packaging. They also learned improved manufacturing processes and quality control techniques, introduced three new products to their range, and continued to develop basket making. The new line of products resulted in a larger than normal order from a regular customer of Red Cedar's in Germany. Infrastructure was improved with the upgrading of the factory area and building of storage space, and enhancing the attractiveness of the premises. Red Cedar staff trained in merchandizing, customer relations, and sales. In marketing, an article on the company appeared in a local newspaper.

3. Program Progress:

3.1. Status of Program Objectives: Infrastructure improvement – building storage, improving electrical supply, and, most importantly, enhancing showroom and building attractiveness were significant accomplishments during the quarter. The group was trained in merchandising techniques, attracting buyers and in improved customer service.

In addition, Red Cedar extended its product range and vastly improved the visual appeal of its products, creating a very “upmarket” brand. During the quarter, staff trained in the manufacture of the three new products and also received guidance in overall quality control. Work continued on basket making specific to the new branding.

Red Cedar's German client placed a very large order of Red Cedar products, and the company will now need to register as an exporter with SARS. The large order will be a new challenge for the Red Cedar staff, but they are confident they will meet the end of July deadline.

A summary of Natural Botanicals Red Cedar performance indicators, targets and achievements is attached. (See Performance Indicator Table – Appendix 1)

3.2. Volunteer Expert Activities: Colette Bennett, a Canadian expert, spent two and a half weeks in Wuppertal training the group in merchandising. Topics covered included: 1) making exhibition area and the outside of the building attractive to buyers; 2) techniques for merchandising products, including product display, displays for different seasons and occasions; and, 3) dealing with customers – providing world-class customer service. Ms. Bennett's rapport with the ladies was excellent and her training targeted and appropriate. Red Cedar staff are applying their newly acquired knowledge daily.

3.3. Planned Activities: During the next quarter Red Cedar will continue to market its three new products, and will work on design of baskets to compliment its new packaging. It hopes to get a volunteer expert to assist in basket development. Exchange visits, which are very important for these women living in a remote area, will be organized. The objectives of the

visits are to meet with suppliers, visit possible markets, and become more knowledgeable of the competition & the industry benchmarks. Red Cedar will also participate in the annual Indigenous Plant Use Forum (IPUF) at the University of Johannesburg, and will enter a competition for the best products developed from indigenous plants. Enquiries about courses in English and Pastel will be made and possibilities identified. Both areas have been highlighted by VE's as a major constraint to business operation.

At least three magazines will be approached to do stories on Red Cedar and its products. In addition, at least three Cape Town establishments will be approached to sell the products. Quality control training will continue. Attention will be given to implementing a batch system to track products.

4. Constraints and Issues

4.1. Program/Activity Constraints and Issues: The remoteness of Wupperthal makes running any program very challenging. With the implementation of the new products and new product labels, huge amounts of raw materials and bottles have to be transported to Wupperthal. The cost of transportation, which has increased significantly, has to be factored into production and sales costs.

Three of the basket weavers are not from Wupperthal, but from the substations. During every visit and training session, additional costs have to be incurred to get the weavers to Wupperthal. To date, training has only been for one day to accommodate these weavers but, in future, trainings, Red Cedar will pay the costs of room and board for these weavers enabling longer training sessions.

The large order from Germany needed a considerable outlay of raw material. The products will be shipped to Germany and shipping takes 6 weeks. In order to arrange for cash flow, Red Cedar negotiated a 50% deposit from the client.

4.2. Management/Administrative Constraints and Issues:

None experienced during the period.

5. Opportunities:

- An article on Red Cedar appeared in *Eish*, a local newspaper, giving them more media coverage.
- Two new distributors agreed to sell Red Cedar products.
- Participation at the IPUF, will be a further opportunity to exhibit products and for Red Cedar staff to have further exposure to markets and market opportunities. The Red Cedar presentation at IPUF will be submitted to the official magazine of the Botanical Society of South Africa.
- Three magazines will be targeted for article placement on Red Cedar and their products – *Weg (go!)*, *De Kat* and *O Magazine*.
- At least three high-end gift shops will be approached to stock Red Cedar products.

3.3 Milk Producers Organization: Dairy Enterprise Development and Employment Initiative (Subagreement 10873)

1. Program Summary: The objective of the program is to increase incomes and employment opportunities for more than 2000 historically disadvantaged dairy farmers and farm workers by providing training in all aspects of dairy farming to increase farm and animal productivity and to introduce a commercial farming approach to emerging dairy farming. Developing models for cooperative dairy farming will also be tested.

2. Program Activities:

- 24 formal training sessions. Progress was also made in collecting and writing learning material, and a new training module in Motivation and Work Ethics was completed. Popular courses include Productivity, Care for Farm Animals, Artificial Insemination, and Marketing and the Free Market System.
- Follow up farm visits to emerging farmers to evaluate prior training. These visits identified specific problem areas in training regarding care for farm animals.
- In addition MPO worked with Land O' Lakes to develop a working document as a plan for the two organizations to collaborate on the program.
- Potential clients for LOL were identified.
- MPO has begun negotiations with a Limpopo chief to make available tribal authority land and cattle for dairy production milk production. Households in the area will be designated to care for animals to increase milk production for the community.
- Training sessions were planned for a project for the Mine Workers Pension Fund, in Mpumalanga, which has land to establish a dairy farm.
- Three Northwest emerging farmers who have very low dairy production have been linked with an MPO mentor to assist them.

3. Program Progress

3.1. Status of Program Objectives: MPO training under the VEGA/SAAGA program continued. 21 of the projected 35 five-day intensive training courses have been completed. MPO and LOL engaged in discussions on their responsibilities under the program, and signed a sub-agreement.

A summary of MPO indicators, targets and achievements is attached. (See Performance Indicator Table – Appendix 1)

3.2. Volunteer Expert Activities: A volunteer expert has been identified to assist the program in the next quarter. William Eyman is an experienced cattle farmer and will assist MPO in animal husbandry, and on finance for emerging farmers and cooperatives. Mr. Eyman will also collaborate in the K-Rep program.

3.3. Planned Activities:

- A monitoring and evaluation specialist will be appointed.
- Invitations to get training for their farm workers will be extended to commercial farmers through the Dairy Mail, Ubisi Mail, etc.
- Eastern Cape farmers will be introduced to Share Milking Schemes and introduced to the LOL program component.
- Government extension officers will receive MPO training
- MPO will make efforts to establish stronger links with the Department of Agriculture.
- Assessment of 12 LOL clients will be completed.

4. Constraints and Issues:

4.1 Program/Activity Constraints and Issues: Efforts by VEGA to fast track the contracting process need to be commended, given the challenge in budget evaluations and approvals. Full implementation of the project by LOL is pending the signing of sub-grants.

The shorter period for program delivery poses challenges for MPO to fully implement the program as planned.

4.2. Management/Administrative Constraints and Issues: Given the shorter delivery period, MPO and LOL personnel are stretched to accomplish all that was originally planned. M&E efforts, in particular, pose difficulties.

5. Opportunities: MPO has discovered a number of structures for milk production in good working order previously owned/operated by homelands or government entities, and subsequently abandoned. There is considerable advantage to using these to build or improve milk production in neighbouring communities.

Parmalat may be positioning to pay a price premium to dairy producers who adhere to BEE guidelines.

3.4 Cape Regional Chamber: Integrated Small Business Development Program (iSBDP) (Subagreement 10870)

1. Program Objectives and Summary: The Integrated Small Business Development Programme (iSBDP) aims to assist SMMEs to consolidate their business, identify new opportunities and develop business growth plans. Through a structured mentoring process, iSBDP helps SMMEs to set up implementable plans for immediate action. The program plans to train and mentor 120 business owners, provide training and oversight to 30 mentors, and strengthen partnerships with other SMME development agencies.

2. Program Implementation for the Quarter April 1 – June 30, 2007:

2.1. Detailed Outputs and Program Activities: The major activities included:

- 1) Marketing and promotion of the program through interaction with key SMME development target groups and stakeholders from government, NGOs and corporate sectors in order to promote the program and recruit suitable participants for scheduled programs.
- 2) Stakeholder consultation and planning, including presenting the iSBPD program to various stakeholders, e.g., DTI, Small Enterprise Development Agency (Seda), Department of Economic Affairs, Construction Industry Development Board (CIDB), SwissContact, UCT Graduate School of Business, and many other non-governmental and community-based organizations.
- 3) Monitoring and evaluation planning using a contracted M&E specialist to develop a system that conforms to USAID requirements and is a tool Cape Chamber can use to assess its on-going effectiveness.
- 4) Selection and induction of mentors including interviewing applicants, signing agreements and mentor orientation.
- 5) Recruiting, training and mentoring of SMME owners including selection of applicants among SMMEs who have been in business more than one year, have an annual turnover of more than R300,000 and a complement of at least three staff. During the quarter, Month One and Two's training week for three programs with a total of 47 participants was completed. The SMME owners were requested to complete a form giving their expectations and evaluation of the program.

3. Program Progress:

3.1. Status of Program Objectives: the initial planning phase is complete and the initial implementation phase has just begun. It is too early to comment on overall program objectives.

A summary of iSBPD indicators, targets and achievements is attached. (See Performance Indicator Table – Appendix 1)

3.2. Planned Activities for Next Quarter:

- Monitoring and Evaluation (M&E): Cape Chamber will review data from interventions with SMME owners and draw up M&E reports.
- Mentor training and reviews: plan to assess mentor progress using monthly reports & SMME owner feedback, conduct training and review workshops with mentors, and use these to improve training and processes.
- Recruitment of SMME Owners: using applications received as a result of marketing iSBPD will recruit SMME owners for program 4, 5 and 6, and will assist mentors to gather baseline data for businesses and M&E purposes.

- Training of SMME Owners (courses 4, 5 and 6): iSBPD will prepare training venues, and train owners in: business planning; entrepreneurship; market research and marketing strategy; streamlining operations; organization and management; and, financial management.

4. Constraints and Issues:

4.1. Program/Activity Constraints and Issues: A major constraint has been the lack of adequate response from SMME owners in three outlying peri-urban areas to enroll in the program. As a result of too few applicants it has been necessary to push back the start dates for Programs 4, 5 and 6.

4.2. Management/Administrative Constraints and Issues: iSBPD has worked through some of the administrative hiccups on financial reporting experienced in the first quarter.

5. Opportunities: The program has the support of many stakeholders and SMME owners who are very impressed with its impact. The idea of making the program an annual feature in SMME development in Cape Town has been suggested.

3.5 Business Skills for South Africa Foundation: BSSA (Subagreement 10869)

1. Program Summary: BSSA's program provides training and mentoring to strengthen the competencies of business development service (BDS) providers in three provinces (Eastern Cape, Free State/Northern Cape and Mpumalanga). The project aims at building capacities for practical application with an emphasis on fieldwork. The course is aligned to the outcomes specified by SAQA for the Business adviser qualification (NQF level 5).

BSSA training programs have been developed in accordance with the national qualification standards established by the Government of South Africa, through the Department of Trade and Industry. In this way, trainers and learners generally follow a standardized curriculum that allows for the mobility of trained individuals to seek economic opportunity.

2. Program Implementation for Period April - June, 2007: Preparatory work in all three provinces was done in close collaboration with local stakeholders and support institutions, especially provincial and local branches of **seda**. Activities included:

- **Training needs assessment:** BSSA always asks prospective learners to assess their own competencies and then follows this with a structured technical training needs assessment (TNA). The TNA was done for all three provinces. Results indicated the low level of competency, even amongst existing BDS providers. The difference between learners' self assessment and the TNA results was also significant.
- **Build a Better Business (BBB) training:** Learners in the program mostly believe that they have business skills, but lack practical experience. They are thus exposed to the BBB program at the beginning. BBB gives the BDS providers a toolkit to assist the analysis of a business and help the client prioritize issues. They then return to the classroom and present the results of their field work.

- **Module 1 : Market assessment skills training:** The learners in Mpumalanga did this module at the end of June. The other two provinces will complete it the first week of July. The results of the interventions will be discussed in the next quarterly report.

3. Program Progress:

3.1. Status of Program Objectives: In support of USAID's new strategic framework, BSSA's programme hopes to support sustained and broad based economic growth by bolstering private sector competitiveness through increasing private sector productivity. Two private sector productivity indicators have been selected as being relevant – the number of firms receiving USG assistance to improve management practices, and the type and duration of training provided to SMMEs. For both, baseline data is being collected.

A summary of BSSA performance indicators, targets and achievements is attached. (See Performance Indicator Table – Appendix 1)

3.2. Volunteer expert activities: Plans for a volunteer expert with exim experience in South Africa, John Semida, were completed. Sustainable growth of SMMEs will only result with increased access to world markets – topics not dealt with in BSSA's PROCESS materials. Mr. Semida will evaluate BSSA's existing materials and build on them to include export and import components. He will then use the newly developed materials to train BSSA trainers so they are competent to convey the material to business owners.

3.3. Planned activities: From July 1 to October 1, the next three modules of the program will be offered in all three provinces, followed by fieldwork after each module. The first module, Market Assessment, was offered in Mpumalanga (June 25 - 29) and is planned for the other two provinces (July 2 -6). Following this, the next two modules, Financial Assessment & Enterprise Appraisal, will be presented at 3-week intervals.

4. CONSTRAINTS AND ISSUES:

4.1. Program activity constraints and results:

- **Numbers:** Experience to date is that the number of learners tends to drop significantly during long training sessions. For this reason, the number of participants was not limited for the TNA, and, in two provinces, more learners were assessed. Although the program envisaged 25 learners per province, fluctuations were expected and BSSA has dealt with them logistically. It is assumed that the number of learners that complete the Financial assessment module is likely to stay with the program. At the last moment learners from the Northern Cape withdrew, so learners are now only from the Free State.
- **Levels of Competency:** Although learners submitted CVs before the TNA took place, the end result of the assessment is that the learners vary greatly as regards levels of competency. While there is no significant difference in the skills profile of the three provinces, there are marked differences between self assessment and the TNA results, and between highest and lowest scores. BSSA trainers often have to deal with this

challenge; hence its training methodology and materials give a lot of scope for individual work in which learners go at their own pace. The fieldwork, too, allows this.

4.2. Management /Administrative Constraints and Issues: When allocating trainers to different groups of learners care is taken to match the trainers' talents and competencies with the profile of the learners. The somewhat lesser motivation and bigger volatility of the Eastern Cape group called for a re-allocation of trainers.

The only other administrative challenge has been capturing the data for USAID indicators. The data for learners (BDS providers) is not such a challenge, apart from the fluctuations in numbers. What is proving more difficult is the details on the clients of the BDS providers.

5. Opportunities: The interest shown in the program by other stakeholders has suggested possibilities of future expansion. In all three provinces the local **seda** branches have been involved and useful. In the Eastern Cape, the **seda** products and services manager has not only assisted with recruitment (as did **seda** in the other two provinces) but also helped to find clients for BDS providers who did not have any to work with. A number of other provinces have also enquired about the possibilities of sending learners.

4.0 VEGA Subgrantee Performance Data – Market Driven Employment Strategic Objective

With the assistance of the VEGA M&E advisor, subgrantee M & E plans have been finalized in the third quarter and performance data (baselines, targets and actuals) are attached (See Performance Indicator Table – Appendix 1):

5.0 VEGA Fourth Quarter FY07 Planned Activities

5.1 VEGA SAAGA Management

The VEGA SAAGA team will continue to oversee the current subgrants management process. Specific activities for the fourth quarter of fiscal year 2007 include:

5.1.1 Finalise the close-out of the FY06 APS program, with two subgrantees still outstanding in provision of final information.

5.1.2 Provide a final program report for the FY06 APS subgrantees.

5.1.3 Monitor subgrantee M&E systems to insure the capture of appropriate information. Develop a 'Results Review Report' to provide an updated 'snapshot' of subgrantee progress toward identified indicators as per the Results Framework.

5.1.4 Review subgrantee financial systems to maintain quality and transparency.

5.1.5 Provide technical support to subgrantees in an effort to improve the overall efficiency and timeliness of monthly/quarterly reporting systems.

5.1.6 Completion and submission of VEGA Monitoring and Evaluation Project Data Tables.

5.2 Subgrantee Program Implementation

VEGA staff will continue to provide assistance to new subgrantees on all issues related to their program implementation. Specific activities to be conducted in the quarter include:

5.2.1 Set introductions for new COP with all subgrantee organizations.

5.2.2 Undertake site visits to each subgrantee to observe activities, specifically training programs.

5.2.3 Identify and disseminate a key success story for each subgrantee.

5.2.4 Assess mid-term progress toward implementation/impact of subgrantee program objectives.

5.3 Volunteer Activities

It is anticipated that there will be several international VE projects implemented during this quarter. A brief description follows:

5.3.1 Business Skills for South Africa – Development of an Export Module for BDS Provider Training

5.3.2 Milk Producers Organization – Development of a Training of Trainers (TOT) program specifically geared to Emerging and Subsistence Dairy Farmers

5.3.3 Cape Regional Chamber – (a) Development of a training module for SMEs in Sales and Selling Techniques and (b) a module in Financial Management. In both instances, the strategy is to do a Training of Trainers activity, then mentor trainers in using the module.

5.4 Monitoring and Evaluation

The VEGA SAAGA M & E Advisor, Jan Rockliffe-King, will continue to work with the FY07 subgrantees to insure that information is verifiable and reflects the overall objectives of the APS. On-site training visits will serve to provide an overview of the implementation of subgrantee training programs.

5.5 USAID Interaction

VEGA SAAGA welcomes the continued support and interest of USAID/South Africa in the implementation of the Cooperative Agreement. Ongoing communication will continue with a focus on:

5.5.1 Informing USAID of special events or other opportunities to visit current and/or new subgrantee program sites.

5.5.2 Provision to USAID of a comprehensive calendar of subgrantee activities (subgrantees have indicated an interest in USAID visits to trainings and other activities on site).

6.0 Appendices

See attached information.

Performance Indicator Table

	World Education LINK 2007	Natural Botanicals Red Cedar	Milk Producers Organization	Cape Chamber iSBDP	Business Skills for South Africa Foundation	Grand Total
Performance Indicator	Ap-Jun 2007	Ap-Jun 2007	Ap-Jun 2007	Ap-Jun 2007	Ap-Jun 2007	Ap-Jun 2007
1. No. of firms receiving USG assistance to improve their management practices	959	1	671	45	105	1,781
2. No. of SMEs receiving USG assistance to access bank loans, private equity, supplier credit, bridging finance, etc	337	n/a	n/a	n/a	n/a	337
3. No. of SMEs successfully accessed bank loans, private equity, supplier credit, bridging finance, etc. as a result of USG assistance.	3	1	n/a	n/a	n/a	4
4. No. of finance agreements entered into by USG assisted firms.	2	1	n/a	n/a	n/a	3
5. Value of finance agreements entered into by USG assisted SMEs. (Rand)	1,703,568	33,200	n/a	n/a	n/a	1,736,768
6. No. of sales made by USG assisted SMEs.	30	67	n/a	n/a	n/a	97
7. Value of sales by USG assisted SMEs. (Rand)	53,700,000	15,026	n/a	n/a	n/a	53,715,026
8. Net change in private sector employment of USG assisted SMEs.	624	2	n/a	n/a	n/a	626
9. Type/duration of training/skills building provided to USG assisted SMEs *	8,807	645	21,368	555	840	32,215

* Individual and group training, mentoring, etc. in person hours

VE PRESENTATION TO USAID

VEGA SAAGA
VOLUNTEER EXPERTS

1

VE process

- Scope of work
- Various IESC forms – Transmittal Memorandum and Client Agreement
- Recruitment and fielding
- Logistical arrangements
- Assignment
- Verbal report back and written final reports

2

Sourcing volunteers

LOCAL

- Identify organisations with pool of business professionals
- Memorandum of Understanding

INTERNATIONAL

- IESC database

3

VE's 2006/2007

- Robert Kelley – Mineworkers Development Agency
- Karin Aupiais – Mineworkers Development Agency and Natural Botanicals
- Suzanne Burgess – Natural Botanicals
- Margaret Bishop – Mineworkers Development Agency and Natural Botanicals

4

VE PRESENTATION TO USAID

Areas of Expertise trained

- Board capacitation
- Bookkeeping and marketing
- Export marketing
- Basic business skills
- Business strategies

5

2007/2008

- Suzanne Burgess – Natural Botanicals
- Colette Bennett – Natural Botanicals

Areas of expertise

- Marketing
- Export marketing and display

6



VE PRESENTATION TO USAID



Current VE searches

- Sales training – Cape Chamber
- Financial management – Cape Chamber
- Export Module development – BSSA
- Basket weaving design – Natural Botanicals
- Subsistence dairy farmer development training strategy – MPO

9

Cost share

- Triple E Holdings
- Numeracy and literacy training

10

**Meeting Minutes ECI Africa/VEGA SAAGA
April 10, 2007**

Postal Address: Private Bag X127, Bryanston, 2021

Physical Address: Regus Bryanston, Twickenham Building
Bryanston, 2021

Contact Details: Telephone: (0)11 575 6211/Fax: (0)11 576 6000

Held at ECI offices, Woodmead.

1. **ATTENDEES**

- a) Lynette van Niekerk(LvN)VEGA SAAGA
- b) Juliana Rwelamira(JR)ECIAfrica
- c) Sydney Zharare(SZ)ECIAfrica

No apologies were made.

MINUTES

JR began by confirming that they are able to charge expenses to the project until 17 April 07, in order to complete their close out activities and prepare the final report. LVN responded that the extension was not possible and that this had been discussed at the meeting held on 19 February 2007 at VEGA SAAGA offices in Bryanston. JR stated that she had not understood this from the meeting and that she did not recall seeing the minutes of that meeting. LVN undertook to follow up on this.

LVN informed the meeting that to date no financial reports for February for ECIAfrica had been received and that March financial reports were now due. JR responded that the finance department is under extreme pressure due to staff shortages but that she would follow up on it.

SZ reported that from a transaction point of view for livestock ECI Africa were expecting to report sales of R2.5million as at the end of March 07. He had been through the final report template and wind up activities had begun.

LvN went through all final report templates including:

- Summary financial report
- In-kind Contributions report, it was noted that justifications would be required for in-kind contributions but as ECIAfrica had not made use of any volunteers that this would be an important aspect for them to report on
- Interest Received report
- VAT report
- Final report narrative. JR asked about the purchase of furniture/laptops etc. LvN responded that in terms of the subagreement, which JR and LvN undertook to confirm purchases would

become the possession of *ECIAfrica*. LvN suggested that *ECIAfrica* do an inventory list of all purchases with a covering letter confirming this and attach it to the final report.

The meeting then closed.

**Meeting Minutes ECI Africa/VEGA SAAGA
June 1, 2007**

Postal Address: Private Bag X127, Bryanston, 2021
Physical Address: Regus Bryanston, Twickenham Building
Bryanston, 2021
Contact Details: Telephone: (0)11 575 6211/Fax: (0)11 576 6000

Held at VEGA SAAGA offices, Bryanston on 1 June 2007

2. **ATTENDEES**

- d) Lynette van Niekerk(LvN)VEGA SAAGA
- e) Juliana Rwelamira(JR)ECIAfrica (ECI)
- f) Dana Mullins (DM) VEGA SAAGA

No apologies were made.

MINUTES

DM opened the meeting by stating that the objective was to discuss ECI's final financial position in relation to their subaward, which ended on 31 March 2007. DM outlined that we were operating from the position of the subagreement itself in which 75% of the total estimated budget had been obligated and that no modification to this had been requested.

DM recalled that VEGA SAAGA had had several meetings with JR and other ECI project staff over the past few months to get a budget and pipeline from them in order to estimate what funds would be required to complete project activities. It was understood during this process that ECI would work within the total obligated amount in order to complete activities. The amount obligated by IESC in the subagreement is R1,422,243.00. As at the end of March 2007 ECI reported unfinalised expenses of R1,477.754.00 which is over the obligated amount. (as per attached scheduled handed out and discussed at the meeting).

DM confirmed that the only modification to ECI's subagreement was a no-cost extension of the project end date (to 31 March 2007), and that all program activities were to end on this date and thus no expenses after 31 March 2007 could be reported. LvN confirmed that ECI expenses had been finalized to end January 2007, but February and March 2007 remained unfinalised.

All discussed, for the purpose of clarity, each query as per LvN e-mail dated 17 May 2007 sent to JR and Khanya (ECI's finance manager).

DM confirmed with JR that she was clear on what is allowed in terms of the subagreement and the schedule given. JR queried the reported expenses over the obligated amount and asked if

ECI would have to cover that. DM confirmed that this was the case and confirmed that only expenses up to 31 March 2007 could be included.

JR committed to trying to get the queries (as per LvN e-mail dated 17 May 2007) finalized with Khanya by 8 June 2007, thereafter JR, LvN and DM would hold another meeting.

DM and LvN committed to give JR any necessary information on the disposal of assets and fixed asset register for close out.

The meeting then closed.

**Site Visit Report – Cape Chamber
May 3, 2007**

Lynette van Niekerk arrived at Cape Chamber offices, on the Foreshore, Cape Town at 9am on 2 May 2007.

On arrival I sat in the first session of Mentor training (Mentorship Orientation) which was being held in Cape Chamber's training room and was being run by Brian Adams (Project Manager). I was introduced to the 17 mentors being trained by Brian Adams and also met Heinz Bohle who is the training contractor involved in Cape Chamber's project as funded by USAID. I was given an opportunity to outline to the mentors the objectives of USAID's 2007/2008 APS, summarize the projects of the 5 subgrantees (of which Cape Chamber is one) and outline the role of VEGA SAAGA.

Cape Chamber's project involves the training and capacity building of 17 mentors and the training of approximately (not clarified) SME's. Some of the SME training will be classroom training and a portion will be fieldwork, during which a mentors will be assigned to SME's . Heinz Bohle has worked with Cape Chamber since 2001 on developing and running iSBDP (integrated Small Business Development Program). iSBDP was run in 2005 (funded by Western Cape) and again in 2006 (funded by SEDA).

The training of mentors was held in a very interactive way and discussions took place around getting SME commitment to the program and strategies of getting SME's from Point A (at the start of the program) successfully to Point B (at the end) and ways of determining what Point A and setting a realistic Point B.

During the first break of the mentorship training I met Albert Schuitmaaker(AS) - Cape Chambers Executive Director). During this meeting the following issues were discussed:

- General financial and M&E reporting and USAID compliance requirements
- Concerns which had been identified by VEGA SAAGA on financial reporting to date including quality of financial reporting and lack of supporting documentation

AS voiced a concern that the reporting seemed to be very onerous and was taking a lot more admin time than had been budgeted for. I responded that one of the functions of the field office (VEGA SAAGA) was to assist subgrantees with easy to follow guidelines on reporting requirements and that this was one of the reasons for my site visit.

AS enquired as to when Cape Chamber would receive either a reimbursement of their program expenses to date or the advance as authorized in the subagreement. I responded that I was working with Alexia Leetz (AL) on getting the supporting documentation for February and March 2007 finalised and that a Sole Source Justification was required for Heinz Bohle Management Consultants Contract, which forms a substantial part of Cape Chamber's overall project; I have been assisting Brian Adams in doing the Sole Source Justification. As soon as all were complete the documentation could be forwarded to Washington for reimbursement.

After the meeting with AS I was taken around the Cape Chamber building by Mary-Jean Johnson and introduced to various members of Cape Chamber staff.

Following this I met with AL and Tracey Ellman (TE) (Cape Chamber Financial Manager) to discuss February and March financials and supporting documentation as well as timesheet requirements and reporting program income. Cape Chamber will be charging SME's R500 to attend iSBDP and this income should go back into Cape Chambers program and be reported on the Attach 5's.

I went to lunch with AL and TE and on return met with Brian Adams to discuss the following program issues:

- Sole source justification requirement
- TraiNet training. It was agreed that AL and another admin assistant from Cape Chamber would attend this training and be responsible for updating the TraiNet system. TraiNet is a USAID data capturing system.
- Cape Chambers first quarterly report. This report was of good quality and informative.

The meeting with Brian Adams ended at 4.30pm after which I left Cape Chamber's offices. The site visit was positive and informative and a very useful interaction between VEGA SAAGA office and project members from Cape Chamber.

SITE VISIT REPORT

CAPE REGIONAL CHAMBER (CRC)

15 June 2007

Lynette van Niekerk (LvN) and Jan Rockliffe-king (JR-k) arrived at Cape Chamber offices, on the Foreshore, Cape Town at 9am on 2 May 2007.

On arrival we met with Albert Schuitmaaker (AS) – Cape Chamber Executive Director. JR-k and AS were introduced and had a general and broad discussion on Monitoring and Evaluation issues for CRC. LvN and AS held follow on discussions from the previous site visit there (2 May 07) and both agreed that there is significant progress in CRC's financial reporting and general communications between VEGA SAAGA and CRC. The meeting was very positive and JR-k and LvN undertook to continue to provide support as necessary to CRC, for which AS expressed gratitude.

LvN then met with Alexia Leetz (AL) to discuss financial reporting issues and review CRC May financial supporting documents. There were no problems with these. In June CRC shall report program income for the first time, LvN undertook to revise the Attach 5 Financial form that CRC may include this in their reporting. LvN also discussed TraiNet (a USAID training data capturing system) with AL and the need for AL to receive training (which is supplied by USAID) on using the TraiNet system. LvN undertook to arrange this on return to Johannesburg.

JR-k met with Hanns Bohle (CRC Consultant Trainer for the VEGA SAAGA project) and Don Shay (CRC Monitoring and Evaluation Consultant for the VEGA SAAGA project) to discuss CRC Monitoring and Evaluation plan and specifically Indicator Tables and decisions were made on which indicators CRC should report on. The meeting was successful and all parties reported having “covered significant ground”.

Hanns Bohle and Don Shay then took LvN and JR-k to lunch. Lunch was held at a small Moslem restaurant in Cape Town, which was being run by one of the participants on the Integrated Small Business Development Program (iSBDP). We were able to meet the participant.

The lunch ended at 14h30pm after which LvN was taken to the airport and JR-k to her hotel. The site visit was positive and informative and a very useful interaction between VEGA SAAGA office and project members from CRC.

Site Visit Report – Natural Botanicals
May 3, 2007

Lynette van Niekerk (LvN) was collected by Marianna Smith (MS) project manager at 09h00 on 3 May 2007. We then went to a nursery/coffee shop in Stellenbosch to discuss various program and financial issues on NB's first subgrant (SG Number: 10778). NB received an overpayment of R47,100 on this grant which resulted from financial reporting errors. New procedures were discussed to avoid the potential for this under the management of NB's follow up subgrant (SG Number: 10871). Close out requirements for SG 10778 were discussed. The compilation of the final program report was in progress by MS and LvN and MS discussed the final financial forms and reports. The reason for this was to ensure clarity on close out requirements and no issues or concerns were discussed.

Lindsay Grier – LG (Fragrance and Product development Consultant for NB under the VEGA SAAGA project). LG has given significant amounts of in-kind time to the NB project and is also responsible for training members of NB assisted enterprise, Red Cedar on making the various rooibos based soap products which are developed by her. LG has also assisted NB in marketing and obtaining appropriate media exposure for Red Cedar. Discussions took place around the two products which NB had planned to develop, Rooibos Body Butter and Rooibos Lip Balm but have been unable to develop due to a separation in the process of rooibos extract and the base product used. It was decided that the two products would not be added to Red Cedar's product range. However, the development of a rooibos room spray and rooibos/aloe vera hand gel were going well and training on the making of these new products was to begin shortly.

At the time of LvN site visit NB were awaiting printing and delivery of the new packaging labels for Red Cedar Products.

Following the meeting with LG, MS and LvN returned to NB offices in Stellenbosch where LvN took photographs of sample baskets which had been the first made by the basket weavers who were new to the NB project as well as some sample rooibos products with new labels. LvN also reviewed NB bookkeeping system and gave MS advise in terms of expense reporting and ideas to tighten the bookkeeping system – further and more detailed discussions on this were scheduled for a follow up site visit.

LG was then taken to the airport to return to Johannesburg.

**Site Visit Report – Natural Botanicals
June 14, 2007**

Lynette van Niekerk (LvN) was collected from Cape Town International Airport by Marianna Smith (MS), Natural Botanicals (NB) project manager at 09h00 on 14 June 2007. We went to NB offices where MS and LvN spent the day reviewing NB financial bookkeeping and record keeping as well as other financial and programmatic issues as detailed below.

LvN reviewed NB financial record keeping system and recommended to NB that a separate bank account be opened specifically for VEGA SAAGA project funds. NB is a consultancy and the NB account is used to consultancy expenses and income as well as project expenses and income, although the project expenses and income are recorded separately on an excel spreadsheet. NB were meeting with a bookkeeper and it was suggested that the bookkeeper do a bank reconciliation on a monthly basis for this project, which could then be balanced to the Attach 5 and other project financial reports. This has since been implemented by NB.

LvN further reviewed expenses in relation to NB's approved budget and activities which had been completed or were in progress by NB. LvN observed from this that there had been under-budgeting in certain areas specifically, the: marketing and advertising; training and travel line items. Some examples follow:

- MS had received quotations from suitable magazines in which to place an advertisement for Red Cedar (NB's assisted enterprise) products. The quotations were more than double what had been budgeted for. Although it is possible for NB to advertise within the approved budget the choice of media would not be as effective or reach the "target" market Red Cedar needed.
- NB has purchased a bookkeeping and financial management software package, called Pastel, on which the members of Red Cedar had received basic training on a volunteer basis. Although this was successful and Red Cedar members have done very well in applying what they were taught, it has now been recommended and is preferable for at least two members of Red Cedar to receive formal Pastel training, for which they would also receive certificates. This has not been budgeted for by NB.
- Red Cedar were invited to display and present their products at a small business growth conference called iPUF (Indigenous Plant Use Forum), to be held in Johannesburg on 3 July 2007. Attendance at the forum would provide excellent experience for members of Red Cedar as well as exposure for their products. NB recommended that MS attend with two members of Red Cedar. This was an additional expense of three flights as well as three nights accommodation in Johannesburg for the three travelers, which had not been budgeted for but would have significant advantages for the NB project.

MS enquired as to the possibility of obtaining additional funds for the current subgrant. LvN recommended that MS submit a formal request with a detailed justification on where and why underbudgeting had occurred and what the impact of an increased budget would be on the overall success of the project. The reasonability of this as well as the financial status of the VEGA SAAGA program overall and availability of funds would determine if this was likely to be considered by IESC HQ in Washington.

The meeting ended at 17h00.

**Site Visit Report – World Education
June 27, 2007**

Visitor(s): Jan Rockliffe-King (M&E); Dana Mullins (outgoing COP); Mary Kathryn Cope (COP)

Site Visited: 20 De Korte Street
Braamfontein, Johannesburg

Persons Met: Armin Sethna, Director; David Mashilwane, Judy Blom, and Riscillia Rittles, Business Linkage Officers.

Purpose of Visit: The purpose of the visit was to introduce M. K. Cope to the World Education Team and to the Link 2007 program. In addition, the M&E Advisor was available to discuss M&E issues in preparation for the up-coming quarterly report.

Discussion: Armin raised a few points regarding the finalizing of the subaward. She and the World Ed team then gave a presentation describing a bit of the history of LINK 2007. The presentation then outlined the rationale of the program, and, broadly, the activities it is undertaking. LINK 2007 will work with emerging SMMEs in the construction, transport, and, to some extent, mining sectors.

It will enhance clients' competitiveness through basic and advanced business training, mentoring, firm-level upgrading, and through support to business linkages. It aims to improve availability and quality of business support services, building capacity of service providers and government agencies. LINK 2007 will promote best practice in public-private partnerships by engaging large companies, small firms and public sector agencies, and support operationalisation of BEE and local economic development (LED) policies. LINK 2007 also will support SMME access to finance by introductions and improved interactions with financial institutions. LINK 2007 has a range of corporate, financial and public sector partners including Anglo Plats, ABSA bank, Nissan Diesel, local Chambers of Commerce & Industry, and local government entities such as the Ekurhuleni Municipality.

M&E Issues and Resolution: Through its history with LINK programs, World Education has developed sound systems for data collection and analysis and for tracking program progress and impact. LINK 2007 will track all 9 of the USAID indicators. There are, however a few issues related to most of these.

1. Number of firms receiving USG assistance to improve management practices: LINK will target 2500 firms and is able to keep accurate records of contacts. Contacts may range from one off walk-ins and call-ins for information, attendance at basic and advanced courses and workshops, extended mentoring, etc. Since World Ed records contacts (calls, walk-ins, training, etc.) with firms it has no difficulties data quality on this indicators.
2. Numbers and type of training and numbers trained: Again, World Ed has no data collection or quality issues with this indicator. However, since World Ed has to enter training data into USAID's Trainet, it was agreed that data on training (including mentoring) be collected and

reported consistent with TraiNet requirements. That is, if TraiNet requires reporting on days of training (including mentoring) for (male/female) individuals, this is how training should be reported in quarterly reports. World Ed also, of course, tracks the numbers of entrepreneurs receiving training, and businesses that benefit.

3. Problem Indicators: Sales, Finance and Employment: As with several of the SAAGA/VEGA subawardees, World Ed has problems with data coverage, collection and quality on the indicators related to sales, finance and employment. Overall, its funding is limited and the program is of relatively short duration, World Ed is not able to collect information meeting USAID data quality guidelines from all 2500 of its clients. It has chosen, rather to do intensive monitoring of its program with 40 clients and extrapolate. This is a relatively small sample size and there are definitely data issues with extrapolating results from it. World Ed will need to be careful that the sample fairly accurately reflects its range of clients and the degree to which assistance is provided. That is, the sample should not be made up 100% of clients with which it has intensive and extensive dealings, but should also include those it works with “once off” – one seminar, one walk-in, one call-in. Further it should be reflective of the program’s geographic and industry coverage

With respect to the indicators on number and value of sales, World Ed has found it difficult to meet data precision standards based on USAID’s very detailed definitions and data back-up requirements. Many business owners are reluctant to give information – particularly copies of invoices, accounts statements, etc. And some simply do not keep these records. The same problem applies to the number and value of finance transactions indicators. To some extent, using a sample of firms it works with has resolved the problem. However, it may have created the problem of using an unrepresentative sample in that the tendency is to use firms with whom it has closely worked, and who thus may have received more benefits from the program may distort results.

World Education does track “net change in employment”. However, it does not use USAID’s very precise and complex definition of employment. While it does track FTE positions, it includes “employment sustained” through the program. That is, it counts jobs that firms are able to retain as a result of getting more business through the LINK program. World Ed need to write up an exact definition of what it is measuring regarding employment and retain it in its M&E files.

4. M&E Responsibilities: LINK also needs to ensure that its M&E plan with details of staff M&E responsibilities is on file.

5. “Telling the Story”: Indicators and their numbers are important. However, the M&E Advisor emphasized that given the short length of the subaward, big numbers are not likely to be generated. Of equal, if not more importance, is the need for LINK reporting to describe how it’s program is helping small businesses to grow. Also, very important is the need for reports to describe lessons learned -- where and why the program has had great success or where it has failed or been less successful, and where external factors negatively have impacted on it.

**Site Visit Report – Business Skills for South Africa Foundation
June 28, 2007**

Visitor(s): Jan Rockliffe-King (M&E); Mary Kathryn Cope (COP)

Site Visited: Plantech, 17 Quintin Brand Street
Persequor Park
Pretoria

Person(s) Met: Elize Bezuidenhout, Deputy CEO

Purpose of Visit: The visit served as an introduction to the BSSA program for M. K. Cope and an opportunity for the M&E Advisor to discuss any performance monitoring and reporting issues.

Discussion: During the first part of the meeting Ms. Bezuidenhout outlined BSSA's background and the nature of the training program being provided under the SAAGA/VEGA subgrant. The program provides training to independent Business Development Service providers to strengthen their competencies to provide services to SMMEs. The program is SAQA accredited at NQF 5. Its aim is to develop higher quality and more appropriate BDS, and, thus increase demand for BDS and sustainable BDS providers. The long-range goal is to strengthen SMMEs through increased access to high-quality BDS.

Under the subagreement BSSA plans to train 75 BDS providers in the Eastern Cape, Mpumalanga and the Free State. Initially learners undergo a training needs assessment, and a self-assessment where they estimate their own competencies in various areas of business. BSSA generally finds that learners greatly over-estimate their competencies. The BSSA "Build a Better Business" toolkit is then applied. It is designed to assist BDS providers to determine the strengths, weaknesses, opportunities and threats of a business. This is followed by training in selected elements from BSSA's training program for business advisers, "PROCESS". In between training modules, learners also do practical work with clients and report back on field experience.

BSSA's partners include seda, InWent, GTZ and others who will contribute in-kind, conceptually and in other ways to the rogram.

M&E Issues: 1. Performance Indicators: The BSSA program's direct objective is to train BDS providers so that, in turn, they are able to provide better services to their clients. Both the BDS providers and their clients are, for the most part, SMMEs, and it can be hypothesized that BSSA's training will have an impact on strengthening these businesses. (It could be further presumed that these stronger businesses will generate more sales and employ more people.) However, given the short period of the program and the limited resources available, it will not be possible for BSSA to test these assumptions through its performance monitoring system.

Because its program is short and of indirect impact, BSSA will track only two of the USAID performance indicators: 1) the number of firms receiving assistance to improve management practices; and 2) the type and duration of training provided.

BSSA will have no difficulty tracking these indicators, and collects adequate data through training registration forms, etc. to do so at a high level of accuracy.

It was suggested to BSSA (as to all subawardees) that they report the measures of training they report on in TraiNet for SAAGA/VEGA.

2. Program Impact and “Telling the Story”: The hypothesis that SMME development can be enhanced and expedited by provision of high-quality BDS is one that SA and USAID are very interested in testing. For this reason BSSA should consider ways to track and report on the impact of the training on BDS providers (and possibly on their clients). It may be difficult to do this given the short period of the subaward. However, where possible BSSA should capture and report anecdotal evidence of BDS provider development and impact on clients in quarterly report narratives and/or success stories.

3. Volunteers and Partners: BSSA should be sure to include information on contributions of international and local volunteers, and on in-kind contributions and local partnerships that bolster the program.

**Site Visit Report – Milk Producers Organization
June 29, 2007**

Visitor(s): Jan Rockliffe-King (M&E); Mary Kathryn Cope (COP)

Site Visited: Milk Producers Organization Office
86 Watermeyer Street
Pretoria

Persons Met: Dr. Jan du Preez
Wicus Lourens

Purpose of Visit: The purpose of the visit was to introduce M. K. Cope as the new COP of the SAAGA/VEGA program and to go discuss issues regarding MPO's Performance Monitoring Plan. MPO and Land O' Lakes (LOL) had presented a comprehensive written Performance Management Plan. However, the introduction section of the meeting took longer than planned, and it was not possible to deal with the M&E section.

Discussion: The MPO team described the program to M. K. and introduced us to a number of MPO employees involved in the SAAGA/VEGA funded program. There was considerable discussion of the value of the various MPO approaches (training, mentoring, fostering milk sharing schemes, dairy cattle husbandry, etc.) to emerging dairy farmers, farm workers and to the dairy industry in general. There was a very brief discussion of the role of LOL role in the program, and of how LOL's program on cooperative development and MPO's efforts in Dairy Management would be integrated.

As noted above issues and their resolution with respect to M&E were not discussed. The following is my analysis of and comments on the "Performance Management Plan". In general, the plan is sound, but some areas need attention. These comments and analyses were sent to MPO via email. I expect this will be the start of a dialog with MPO (and possibly LOL) on M&E.

M& E Issues and Suggestions for Resolutions: 1. Results Framework: The Results Framework was an excellent way to start the M&E plan. However the RF would be a better monitoring and management tool if the first box reflected the overall objective/goal of the program, rather than just the program title. In that connection, it would be useful to determine one or more indicators that would be good measures of program progress toward the overarching goal. A "higher level" indicators from those already identified, for example "net change in employment" would be the best choice, as it reflects on program results rather than outputs.

At the next level (the 3 lower boxes), statements of objectives that MPO think reflects the aims of the programs – Dairy Management, Cooperative Development and Financial Services should be developed. Having a clear objective for each activity group will help MPO/LOL to tailor efforts towards achieving the objective. A sample objective might be something like "emerging dairy farmers and farm workers increase productivity" for the Dairy Management box.

2. Indicators: The output-level indicators (all the indicators except employment) are good for measuring the sub objectives, and where appropriate, the same indicator can be used for each sub objective. However targets should be desegregate among the sub-objectives. For example, if it is expected that the entire program (dairy mgt, coops, finance) in total will benefit 108 firms, targets should be divided among each sub-objective. So, for example, Dairy Mgt's target is 98, while Coops is 10. MPO needn't be concerned that it may exceed targets in one program and do less in another. It should make an educated guess as to targets for each aspect of the program.
3. Baseline: MPO and LOL need to establish baseline for each of the indicators as soon as possible.
4. The "employment" indicator: This is a really difficult indicator and is likely to be MPO's highest level indicator stated as "jobs sustained in created" and very clearly defined. Employment should not, however, be the main focus indicator, given the short time frame of the program. Rather MPO should focus on the "lower" indicators that track business strengthening, and thus, job creation and income generation.

Presently MPO has a definition for "net change in pvt. sector employment" that is not consistent with USAID's definition. MPO's definition states that the "net change" comes from the number of people currently employed who receive training and whose job security is thus strengthened. The definition doesn't allow for jobs added because a business has been improved, or for the negative – where people leave the work. MPO (with LOL) should develop a statement of the employment indicator that distinguishes between new jobs created and existing ones sustained as soon as possible.

A few program documents state that MPO will create 400 jobs, while it actually plans to make approximately 400 existing jobs more sustainable. This needs to be clearly brought out in all documents. (MPO's program may actually create some new jobs, and that should be captured also.)

Finally, there is the issue of who will collect the employment information and how. MPO and the M&E Advisor need to discuss further such things as sample size and the training of the various technicians who will collect employment data.

5. Business strengthening indicator: MPO plans to measure business strengthening by an increase (15%) in the value and volume of commodities sold. While this is a useful indicator, it is also complex. MPO will quickly need to define its commodities and establish baselines.
6. Target Tables: MPO needs to review the targets listed in Appendix A and D that currently do not reconcile with those in Appendix C. It may be easier to interpret the table if MPO shows the actual target for the time frame rather than use cumulative targets. Targets and actuals should be desegregated by gender.

MPO should not get too bogged down in meeting targets to satisfy the funder, remembering that objectives are just that – objectives. And targets for those objectives are primarily management tools to tell when there are problems in some areas, and when there are outstanding (and sometimes unexpected) successes that may be built on.

7. M&E Responsibilities: Since the program is being implemented by two organizations it is important -- for each of the three program areas -- to identify who (by name) is going to be responsible for:

- establishing baseline
- collecting and collating data
- ensuring data and other info is incorporated into program reports

In general it is important that MPO and LOL are very clear about who will determine baseline, collect and report data and who will be responsible for overall reporting to the funder (VEGA), and the timeframes for these actions.

8. MPO/LOL Program Synergies: The program is divided into 3 operational areas managed by two separate entities, but there are a number of important links and synergies among them. The M&E plan should give space and opportunity to capture the synergies (as well as any complications arising from having two organizations managing separate programs.)

9. Other partners: MPO has a raft of private companies (ABSA, Alltech, K2, Ecolab, Intervet, etc.) who will contribute up to R700,000 in kind. The M&E system should have a place where these contributions can be easily tracked. These contributions should be mentioned in each quarterly report. In-kind and other assistance from commercial farmers – venues, equipment use, catering, ad hoc training and assistance – should also be included in reporting.

Final Report

Volunteer Consultancy

Business Skills Development

And

Visual Display Skills

For

RED CEDAR

Wupperthal, South Africa

May – June 2007

By Colette Bennett

Volunteer Expert

Project No.: 36612

Country: South Africa

Client: Natural Botanicals

Date: June, 2007

Volunteer Expert: Colette Bennett

A. Statement of Purpose of Project

Objective outlined in agreement:

Provide the project participants with the necessary skills and workforce development to optimize their business (sales) and markets.

Scope of Work:

- Audit of training needed for staff development in their industry
- Trade barriers for export
- Packaging and labelling requirements for export
- Assessment of packaging differentiation need for local and export markets
- Explore trade fair opportunities
- Redesign and implement current display area
- Training on merchandising skills

B. Review of Findings and Work Performed

Learning objectives were outlined with the team. The consensus was to focus on the following areas of significance for their business:

1. Increase Sales and Attract More Customers
2. Create an Attractive Showroom
3. Effective Communication Skills with Customers
4. Determination of Price Points

These four areas were covered and the scope of work was slotted into each learning objective. Presented are the findings and work done in each.

1. Increase Sales/Attract More Customers

A review was done of their current customer base. It was determined there were four categories:

local community, tourism, wholesale customers within South Africa and export.

A discussion was held on how to ensure they are capitalising the local tourism industry. Action steps were identified. A team member was chosen to visit the Clanwilliam information office. The goal was to ensure they had information about Red Cedar for tourist enquires. Another team member attended the Wupperthal information centre meeting to discuss placing product in the local guest houses in Wupperthal. The team had identified this as a marketing strategy.

While I spent the weekend at Bushman's Kloof, a nearby game reserve, I spoke with the shop manager. The initial discussion was to supply product to their shop. The shop manager indicated their guests often ask what to do in the area. The factory could be a destination for their guests staying at the lodge. The shop manager is now on leave and follow up will be required near the end of June. The shop manager's business card was left with the Red Cedar team for follow up.

The location of Wupperthal is a barrier for the group to proceed with attracting and increasing their wholesale market within South Africa. They are currently relying on media exposure, internet and Marianna Smith's market development. With more small business development skills training, methods of reaching potential customers could be explored. This process could then be the responsibility of the team located in Wupperthal.

With their current wholesale clients, an overview and suggestions were made on how to retain their current client base through customer service. For example, a phone call advising the customer of new product, new packaging or follow up enquiring about stock levels.

The area of market development will play a key role in the sustainability of the business. Development of market strategies and marketing materials will also play a key role.

ATTRACTIVE SHOWROOM

Comprehensive training was provided on "In store visual display and merchandising". First the subject matter was presented verbally. To reinforce the learning, the next exercise was to use local design magazines and find examples of the principles of display that were discussed. Once this was completed, the group split into teams and practised merchandising skills within the display units in their showroom.

A benchmark was established to track the progress of their work in visual display using the formula AIDA.

- A – Attract Attention
- I – Stimulate Interest
- D – Create Desire
- A – Action to Buy

There were two units in the showroom and on a scale of 1 to 5 they ranked each category with 5 being the best. Below is the outcome of the measurements.

	UNIT 1	UNIT 2
Original	75	87
25 May	84	99
28 May	97	107
5 June	115	119

Additional topics covered were principles of design and design elements. Activities were also implemented in creating visual displays to reinforce the learning. From the results above, the team's application of merchandising skills was remarkable. They transformed the showroom into a display area that they are to be proud of.

Visual display creates the shop's image. A shop's image is its personality. Stores with strong personalities attract customers and provide a shopping experience that is enjoyable and memorable. An image is mainly based on the visual impact of the business. The customer's experience involves all five senses and emotions. When a customer comes through the door and experiences the Red Cedar Business Owners Story, this is an opportunity to continue to develop future sales through referrals and repeat orders. In order to capture repeat sales, the development of marketing materials would be a way to advise tourists on how to contact them for future orders. For example: a list of South African shops that carry the product and website information. This would be an opportunity to increase their sales. With enhanced customer service training, methods could be identified to capture repeat orders.

COMMUNICATION WITH CUSTOMERS

"The amount of time a shopper spends in a store is perhaps the single most important factor when determining how much she or he will buy." This is a quote from Paco Underhill, retail anthropologist and author of the book, *Why We Buy: The Science of Shopping*. How long they stay depends on how comfortable they feel.

Presently, Red Cedar has two ways they communicate with customers. One is the shop experience and the second is via telephone.

Firstly, the shop experience. The teams' goal was to provide a warm friendly experience when a potential customer comes through the door. A number of ways were discussed on how they can communicate with the customer.

- Signs (Silent Salespeople)
 - Merchandise Signs
 - Information Signs
- Engaging the Customer
 - Greeting
 - Sharing the Red Cedar Story
 - Provide Product Features and Benefits
 - Asking questions
 - Through the customer's senses

Visual
Smell – use of testers
Sound – low background music
Feel – using testers
Taste – chose not to incorporate this one

The comfort level of speaking English is a barrier for some of the owners when communicating with English speaking customers. Consideration does need to be given to this area when their wholesale stream of business grows. In selling skills, one must make it easy as possible for the customer to buy. One easy way to start working on this could be implementing two days of the week as English speaking days only.

I have no doubt all, that the team members are capable of providing excellent customer service with enhanced training. With more training, I am confident their comfort and confidence level will increase. With additional guidance and mentorship, the result would have an impact on their customer base and repeat orders.

DETERMINATION OF PRICE POINTS

An example of a wholesale pricelist from a local company, African Extracts, was provided. From this information an informal assessment of price points was done. A review of market position was discussed. Where does Red Cedar want to be positioned in the market? They see themselves in the mid to upper level price positioning. The importance of packaging in a market niche is equally as important as good product. The decision to upgrade the packaging was a good choice.

A wholesale price list was developed with the team. Terms and Conditions were also reviewed and implemented. This list can now easily be incorporated into their marketing package when moving forward with the wholesale stream of business.

OTHER TOPICS COVERED

A brief review of the feasibility of participating in an international trade show was presented. Due to the large investment of time, money and effort, I recommend other options be explored at this time for entry into international markets.

A review was done with the team regarding the influence of packaging the product and the impact this will have on the buyer. Examples of gift baskets were prepared incorporating the local baskets. The two together created a much stronger presentation of each. I recommend more market research reviewing what similar product lines are doing. For example: the soaps could have raffia added with a bead or a stem of rooibos on it to give it a more organic look.

The team does need more exposure to the local markets to review the display areas in local boutiques. While researching local shops, attention can also be given to the packaging and product ranges offered.

RECOMMENDATIONS

Areas of Opportunity for Enhanced Business Development:

- Language Training
- Exposure to Marketplace
Review of other merchandise in stores, with review of packaging and labelling
- Mentorship/Job Shadowing
- Market Research/Market Intelligence
Establish brand position in market. For example: continue to develop on the idea of rooibos being good inside and out.
- Marketing Materials
Co-ordinated look
- Enhanced Business Management Skills
Problem Solving
Decision Making Skills
Analytical Skills
- Location/Logistics
- Access to the Internet
- Organizational Structure

CONCLUSIONS

Red Cedar team is at the cusp of moving forward in the next phase of their business. Once the team determines the vision for the business, an action plan can be developed. They will need to make an informed decision what level they will want to take their business to. If they chose to grow the business in terms of sales, the recommendations outlined above will be necessary not only to implement their vision, but for sustainability.

The commitment of the team has helped them achieve the level of success they are at now. I believe if they decide to move forward with a goal of increasing sales they can do it. If they believe it, they can achieve it! It has been a pleasure and a rewarding experience working with the TEAM at Red Cedar.