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**Mid-Term Evaluation of  
Task Order No. 1 -  
Support for Accelerated  
Growth and Increased  
Competitiveness IQC  
FINAL REPORT**

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**Prepared for USAID/Senegal  
by IOS Partners under  
Contract EEM-I-02-07-00003-03  
issued to Sibley International**

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The IOS Partners Team wishes to extend special appreciation and thanks for the time of Regina Brown, Chief of Party of the International Resources Group (IRG) Team and Business Development Services head Dr. Patrick Nugawela who provided the Team with insights on the challenges encountered at the start-up of the SAGIC Program and the approach taken to overcome them. Many issues cited in the evaluation are incorporated in the Work Plan being developed concurrently by IRG to meet the deliverables schedule of the SAGIC task order. The Team hopes that its observations and recommendations will be of additional assistance to SAGIC and add to its already effective performance.

## LIST OF ACRONYMS

<b>ANCAR</b>	Agence Nationale du Conseil Agricole et Rural
<b>APIX</b>	Agence nationale de Promotion des Investissements privés et des Grands Travaux
<b>ASNAPP</b>	Agribusiness in Sustainable Natural African Plant Products
<b>ATA</b>	Aid to Artisans
<b>BCE</b>	Bureau d'Appui à la Création de l'Entrepris, (Office to Assist new Businesses),
<b>BDS</b>	Business Development Services
<b>CEPOD</b>	Center for Developmental Policy Studies (Centre d'Etudes de Politiques pour le Développement)
<b>COOPROFEL</b>	Coopérative de Fruits et Légumes
<b>DASP</b>	Direction d'Appui au Secteur Privé
<b>DPV</b>	Direction Protection Végétale (Ministry of Agriculture)
<b>FP2A</b>	Fédération Professionnelle des Acteurs de l'Agro-alimentaire
<b>GOS</b>	Government of Senegal
<b>IRG</b>	International Resources Group
<b>ONAPES</b>	Organisation Nationale des Producteurs et Exportateurs de Fruits et Légumes du Sénégal
<b>MEF</b>	Ministry of Economy and Finance
<b>PDMAS</b>	Programme de Développement des Marchés Agricoles du Sénégal
<b>PNDL</b>	Programme Nationale de la Décentralisation Locale
<b>RTS</b>	Radio diffusion Télévision Sénégalaise
<b>SAGIC</b>	Support for Accelerated Growth and Increased Competitiveness (IQC)
<b>SCA</b>	Stratégie de Croissance Accélérée (Government of Senegal's Economic Growth Strategy)
<b>SOW</b>	Scope of Work
<b>SDE</b>	Sénégalaise Des Eaux (Private potable water utility)

Key institutions and functions referred to in the text:

- *Conseil des infrastructures* (Infrastructure Council); created by GOS; empowered to control the general coherence of PPP programs and supervise bidding procedures. It is under the direction of the Head of State.
- *Stratégie de Croissance Accélérée (SCA)*: A strategy that is presently guided through Permanent Secretary attached to Office of the Prime Minister.

## EXECUTIVE SUMMARY and RECOMMENDATIONS

This document presents the findings of a mid-term program evaluation conducted of the Support for Accelerated Growth and Increased Competitiveness (SAGIC) IQC implemented by the International Resource Group (IRG) in support of the USAID/Senegal Economic Growth Program. The evaluation was performed in mid-January through mid-February 2009 under Task Order No. 3 of the Global Business and Trade and Investment IQC issued to Sibley International and implemented by IOS Partners under its sub-contract to Sibley International.

The Scope of Work in Task Order No. 3 (See Annex I) lists the specific topics and questions that are of interest to USAID/Senegal as it prepares to direct and oversee the performance of IRG in implementing another phase of SAGIC program activities. The main body of the Evaluation Report is organized in the same order as the issues and questions listed in the T.O. No. 3 Scope of Work. The findings and recommendations of the Team are drawn from its review of Program documents and reports, interviews with Mission personnel, SAGIC staff, USAID and SAGIC partners, and Government of Senegal officials. The Team also traveled in the field (Thiès region and Ziguinchor) to interview clients and beneficiaries of SAGIC services.

### **Assessment of SAGIC Activities to Date**

The IRG Team has made considerable progress in the first three years of implementing Task Order No. 1 of the SAGIC program, both in quantitative and qualitative terms. Nonetheless, a number of areas for improvement have been identified and recommendations made for addressing them.

Component 1: Business Development Services (BDS). The BDS component initially was not provided with activity funds but, despite this constraint, was able to assist businesses and producers. BDS introduced a method of analyzing value chain relationships that is sound and that correctly identifies leverage and entry points. The IRG Team working under the BDS component has proven to be adept in working with the various leaders and actors in the value chains. As a result, it has been effective in getting stakeholders on board and implementing successful action plans centered on value-chain based approaches. Through the Team efforts, the concepts associated with product quality, productivity, market knowledge and market linkage, and investment are better understood and are beginning to be applied by more businesses to their advantage.

Between March 2006 and December 2008, the BDS unit assisted eleven value chains, carried out eight extensive value chain analyses and conducted nearly 200 events (workshops, training and meetings), attended by about 12,000 people and 5,000 firms. The Unit produced eight best-practice manuals (some in dual language), an interactive rural radio show during the cashew harvest season, and established pilot programs in three different sub-sectors. The value chain approach shows that there is a clear relationship between value chain and competitiveness; it provides a sound business model that can be replicated. It also shows that skills transfer works, especially between and among actors in a value chain.

The main concern identified with this Component is that of sustainability. In part because of time constraint, IRG has tended to work directly with value chain participants rather than collaborating with and training local BDS providers. Consequently, not enough local capacity is being built for provision of BDS after the end of the Program.

Component 2: Public-Private Partnerships. IRG efforts under this component have had less impact than BDS activities over the same period. The IRG unit responsible for implementing the Public-Private

Partnership component of the SAGIC program has been hobbled by staff losses and a tendency of the Senegal Government to avoid outside help in selecting and structuring PPPs at the national level. The Unit has not been able to gain sufficient support of a “champion” in the business or government communities willing to move the PPP process to conclusion. Moreover, staff losses have left it without any expertise or capabilities that make it attractive to an organization looking for advice or assistance in negotiating a PPP.

When it was staffed adequately, however, the unit did advise personnel from various GOS departments on applying PPP concepts and identifying opportunities. In addition to exploring several potential Partnerships, the PPP unit assisted in due diligence reviews of proposed PPPs, provided training and helped launch a PPP awareness and public information campaign. The unit provided nine consultancies, and, although none of the prospective PPPs came to closure, it did achieve a certain educational effect through the 12 diagnostic and summary-of-events reports produced in the process of reviewing the opportunities.

Component 3: Policy Reforms. IRG efforts under this component of the Program has had impact on improving Senegal’s business enabling environment and reducing barriers to business expansion by: a) supporting APIX to establish a one stop window, and b) providing the Ministry of Labor support to modernize its labor laws and code. The former facilitated the setting up of businesses thereby improving Senegal’s ranking in the World Bank “Doing Business” reports and the latter reduced one of the most often cited constraints facing local and international investors. Under this component, technical support was also provided to the GOS to assist the national *Stratégie de Croissance Accélérée* (SCA, Senegal’s Economic Growth Strategy) to become operational and to define the institutional framework within which SCA would operate. The component also helped develop a strategy for communicating to a broad audience the GOS’ Economic Growth Strategy and helped reinforce the institutional capacity of two specific bodies: a policy formulation body, the CEPOD (*Centre d’Etudes de Politiques pour le Développement*); and a new business support center, the BCE (*Bureau d’Appui à l’Entreprise*).

Interviews and other anecdotal information suggest that public agencies and businesses are more aware now than previously of how much having a dynamic private sector depends upon national policies and government support for growth and expansion of enterprises. This increased awareness can be attributed to the effectiveness of the SAGIC Policy Reform unit in working, often with other development assistance partners, quietly and effectively behind the scenes in encouraging APIX to simplify the business registration and related start-up processes.

## **Overarching Issues**

In evaluating the accomplishments of IRG in the first three years and assessing what it might accomplish over the next two years, the Team focused on two important issues underlying many of the questions raised by the SOW covering this Mid-term evaluation (USAID/Senegal in Task Order No. 3)

### ***Issue No. 1 – Are the Objectives and Division of Resources of the SAGIC Components Appropriate?***

This issue is whether or not SAGIC components are being effective, individually and collectively, in helping Senegal’s national *Stratégie de Croissance Accélérée* (SCA) achieve rational economic growth objectives. The SCA strategy is notable in that it was formulated entirely by Senegalese in dialogue and concert with public/private forums and consultations, and took nearly two years to refine. The strategy that emerged from these exchanges is one that focuses on the development of five sector “grappes” in line with competitiveness principles. The model developed by the SAGIC Business Development Service unit uses value chains analysis and VC-based implementation approaches. These have provided a tangible approach to building competitiveness (in at least two of the “grappes” identified in the SCA) and a practical entry point to working with clusters.

SAGIC resources are applied in an approximate ratio of 3:1:1 to the BDS, PPP and Policy Reform components, respectively. This ratio is consistent with the ratio of success that has been achieved by the components but is not consistent with the need to step up the level of effort and intensity of activities in the PPP and Policy Reform components. If USAID/Senegal continues to regard as important the assistance provided under the PPP and Policy Reform components of the SAGIC program then IRG must increase the number of professional staff with relevant experience working in both these components. Little can be accomplished without staff.

### ***Issue No. 2 – Are SAGIC Activities Achieving a Reasonable Degree of Sustainability?***

In addressing this issue the Evaluation Team attempted to determine the outcome, if the SAGIC program ended in the near future, of the efforts to date of the three components. In other words:

- Would value chain analysis and strategies continue to be applied in assessing business opportunities and competitive positions?
- Would traditional public services and facilities continue to be considered for, and result in delivery and management by the Senegalese private sector on a more cost effective basis?
- Would there be continued understanding and positive actions taken to create a favorable climate for private sector development and its positive impact on economic growth?

While value chain analysis has made the most progress in being accepted as a useful business management tool, it has not been applied widely enough by Senegalese organizations to be considered a standard. In the case of PPP and PR, some degree of favorable opinion of the contribution of these activities to economic growth might have been created by promotional campaigns and publicity. However, it is unrealistic to think that this modest level of positive opinion can lead to continued or even any attention to carrying on PPP or PR activities if SAGIC were to end today. It is the view of the Evaluation Team that SAGIC has achieved significant, but probably not yet lasting, progress in applying sound economic policies and value-chain approaches to private sector development. More time and positive experiences with these mechanisms are required before the stakeholders in Senegal can be expected to understand more completely and regard as intuitive many of the basics of economic growth that have been promulgated by SAGIC. This is more likely to happen if SAGIC is continued than if it is not.

### **Recommendations**

#### **Component 1: Business Development Services**

##### ***Recommendation 1: Work Closely with SCA in Implementing its “grappes” Development Strategy***

The Team sees the outcome of the effort to develop the sector “grappes” as important in meeting Senegal’s economic growth strategy and in verifying the assistance and approach supported by SAGIC to date. SCA strategy for developing the “grappes” is still in the “development” phase, but it is based on competitiveness analysis and principles, and is seeking effective implementation vehicles and approaches. No single implementation approach is necessarily the “correct” one; and indeed SCA has been eager to consider and apply various approaches. The SAGIC approaches in the agricultural sector and in textiles have provided a workable methodology that is worth continuing and expanding. SAGIC is about to extend the methodology, combined with strong policy elements, to an approach based on Geographical Economic Development Centers. The SCA (and others) has been enthusiastic in its support of SAGIC’s initiatives, which includes evolving towards a cluster-based methodology. Establishing direct and sustainable relationships between SAGIC’s three units and SCA’s Permanent Secretary will advance both the Government of Senegal and SAGIC’s competitiveness agendas and increase the chances for a sustainable program. We recommend that SAGIC take advantage of SCA interest in SAGIC’s cluster

development initiative to work more closely with the Permanent Secretary of the SCA and in doing so, look for opportunities to engage in capacity building and training that will increase the likely sustainability of its analytical techniques and methodologies.

***Recommendation 2: Expand Efforts to Promote Knowledge and Skills in Value Chain Methodology among Other BDS Providers***

Rather than directly providing BDS, SAGIC should apply more resources to helping existing BDS providers improve their capacity to provide services. The Program should choose BDS providers that already have demonstrated institutional and budget viability –institutions that have at least some track record and an ongoing funding base (from international or domestic donors, from fees, or from some other source). Working through local business associations, for example, the BDS and other SAGIC personnel could conduct workshops and seminars directed at developing value chain skills in local consulting firms and familiarizing GOS officials with the methodology. This approach would greatly increase the likelihood that value chain concepts will “sustain” beyond the end of the SAGIC program.

***Recommendation 3: Expand promoting the Practice of Buyer Firms Assisting Their Suppliers***

The IRG Team should pay more attention to “embedded BDS” by which larger buyer firms spend their own resources (for instance staff time) to help their suppliers improve the technology and business practices instead of relying on third-party BDS providers. Embedded BDS practices may be more sustainable since both parties have a clear commercial interest in the success of the BDS provision.

Component 2: Public-Private Partnerships

***Recommendation 4: Sharpen the Approach to Identifying and Achieving PPPs***

USAID and IRG should explore the possibility (with agreement from the GOS) of creating a unit akin to a “one-stop-shop” for the development and promotion of PPPs. The facility’s role would not necessarily be to “approve” PPPs; rather it would focus on working with line ministries and municipalities as well as other government entities to identify services that are appropriate for delivery by the private sector. Once these services are identified, the unit would assist in attracting private sector interest, serve as a source of information, advise on the formation of private providers, and, perhaps, manage the tender and selection process. The Office might also collaborate with the Government Decentralization and Municipality Development project (PNDL) for the provision of municipal services. As a consideration, the activity might be organized as a “center of excellence” for PPPs as opposed to setting it up as a more traditional service organization.

***Recommendation 5: Consider Developing this PPP Unit within (or piggy-backed on) the Office of the President and APIX***

It has been made abundantly clear that the GOS would prefer that the PPP Unit be “housed” under the Office of the President and its investment promotion agency APIX – rather than with the Ministry of Finance. The establishment of this Unit at APIX makes sense as APIX is already promoting a number of PPPs and has both credibility worldwide as well as greater capacity (than the other government agencies) to take on this role. There is the possibility of creating the PPP Unit directly as part of APIX or creating a separate Unit and house it (piggy-backed) within APIX’s facilities.

***Recommendation 6: Create within the PPP Unit a capability to work on “sub-national” PPPs***

There should be a focus of some resources at the local and municipal level – and not only on the large projects, which are usually more difficult to bring to fruition. There is significant need for PPPs at the

local and municipal levels for the provision of various services; and such PPPs generally are not as politically sensitive as national-level PPPs. This sub-national “unit within the PPP Unit” should be prioritized during discussions with the GOS for the establishment of the PPP Unit. The advantage of this approach is that it provides opportunities for smaller local firms to get involved in delivering services or operating facilities that are of a more appropriate scale than the typical PPP arrangement. BDS could be a source of assistance to these local firms, as could be the Policy Reform unit as there might be a need for local ordinances or amendment of national laws to permit the arrangements. Some focus at the municipal level might create a beneficial “bottom-up” on national policy reform efforts.

***Recommendation 7: Find and Develop PPP Champions***

More attention needs to be paid to the politics of PPPs and the identification and support of “PPP Champions”. These “Champions” exist both within the private and public sectors – and there are officials at both the national and sub-national levels interested in the development of PPPs who should be sought out and cultivated. Failing to identify potential champions for PPP opportunities has been one of the impediments to progress by this Component.

***Recommendation 8: Provide Training and Capacity Building***

SAGIC needs to continue building capacity of a cadre of experts across the Government and local governments (collectivités locales) in disciplines related to designing and implementing PPPs. While it would be preferable for line ministries to have more authority in executing PPPs, the political reality has been that the Office of the President is directly involved in the “Grand” PPP processes. It is important to work with key staff across the line ministries as well as APIX in order to train a number of experts in various agencies, recognizing that people will move around over time and that the locus of PPP activity also will shift. Training needs to be provided in many areas:

- Financial analysis (Programming market demand and revenues and expenditures for potential Programs).
- Economic analysis (Programming benefits and costs to society of potential Programs).
- Master planning—planning of the PPP process and planning of PPP sites.
- Legal, regulatory and institutional design, to put in place laws, regulations and institutions needed to facilitate and run PPPs effectively and transparently.
- Management skills, to oversee PPP implementation.
- Financial management skills, to supervise the finances of PPP implementation and identify financial risks before they cause problems.
- Policy skills in the areas of labor code, regulatory environment, land use, and taxation, to ensure the appropriate overall environment. (See Component 3.)
- Investment promotion, to bring private investors into the PPP process.

***Recommendation 9: Dedicate the Necessary Human Resources to be Successful***

Currently (similar to the Policy Reform Component), there are no dedicated human resources (either international or local) working directly on the PPP Component. In order for this initiative to be successful, substantial dedicated full time technical assistance will be required – to develop further to institutionalization of the PPP Unit as well as provide guidance and support of the Unit in its formative years. This technical assistance should include local expertise as well as experienced experts with an understanding of the complexities of PPP development in Africa.

**Component 3: Policy Reform**

***Recommendation 10: Enable New Financial Institutions, Products, and Services***

Current financial-sector law and regulation are inadequate, in several respects. First, the “middle” of the financial sector is missing. That is, there are commercial banks, which tend to serve large firms, and there are micro-finance institutions, which serve smaller SMEs, but there are few institutions to serve businesses that have outgrown the micro-finance size but are not yet large enough to qualify for regular commercial lending products. Second, Senegal’s financial sector does not offer a sufficiently broad range of products and services. For instance, there is no law on leasing, debt financing or venture capital which can be important means of financing for “middle” firms. To the extent Program resources permit, attention should be paid to enabling new financial institutions that would serve the “middle” market and to facilitating new financing products and services.

***Recommendation 11: Expand Policy Reform initiatives in areas of strategic importance that will also impact competitiveness***

Water policy reform: develop a policy to better reflect the scarcity value of water and the ways to achieve more efficient and effective management of water usage in urban, rural, industrial and agricultural sectors as a way to identify further PPP opportunities in the water delivery sector. Regarding SME-level reforms, the multiplicity of new agencies established to provide support to SMEs continues to be confusing to the small business owner. Part of the reform agenda will need to push for a more comprehensive and cohesive bundling of the services provided by these public agencies, and those that can be provided by private service providers.

***Recommendation 12: Support the Ministry of Labor in an Awareness Campaign of the New Modernizing Labor Code***

Assist the Ministry of Labor to implement a national awareness campaign of the new texts through the media and in-company sessions; support participatory sessions of the Ministry with their social partners so as to instill a continuous “review and improve” process of modernizing and keeping Senegal’s Labor Code and Laws at the cutting edge of competitiveness. In addition, SAGIC should focus on reviewing and alleviating the more egregious aspects of the Labor Code that are most impeding PPPs.

Cross-Cutting Issues

***Recommendation No. 13: Recruit a Manager and Staff for the PPP and Policy Reform Units***

Little can be accomplished under either the PPP or the PR components in the absence of qualified staff under full-time management. Both components are consistent with the growth strategy being followed by the GOS and are potential sources of welcome assistance to the Government. Assisting national level PPPs requires expertise that is expensive and will only be available in short-term assignments. As an alternative to the PPP component putting all its efforts into PPPs at the national level, the Evaluation Team recommends that the PPP unit be staffed with a procurement specialist, and one or two municipal services specialists (one of whom might be the Unit Manager) to work at developing PPPs at the local level. In addition, at least two macro economists, one of whom might be the PR Unit Manager, should be recruited to provide basic capability in policy reform. Short-term specialists should be relied upon to address particular issues and policies that are adversely affecting economic growth in Senegal. Topics that come to mind include: labor law, regulations affecting equipment leasing, and loan collateral, international disputes and similar commercial laws, regulations and arbitration/conciliation facilities. The PR unit should be expected to be far more effective in its relationships with GOS and in supporting policy reforms if it offers well-qualified and competent talent. Working in concert, the PPP unit and the PR unit should be able to get attention focused on PPP opportunities in transportation facilities, rural power and other services, and be in a position to encourage reconsideration of operating the Niokolo Koba National

Park through a PPP. Without adequate staff working in the two components, it is not possible to accomplish any of this.

***Recommendation No. 14: Increase Coordination of Component Activities***

The objectives and the activities of each of the three components of the SAGIC program are closely related and should be mutually supportive. At present, they are not. While not much can be coordinated until the PPP and PR units are staffed adequately, once they are, all three units should develop and implement work plans that have overlapping objectives and closely coordinated task activities. Policy reform is an obvious example. BDS and PPP are much more likely to achieve their performance targets if the Policy Reform unit is successful in precipitating changes in labor laws, banking regulations, leasing regulations and other commercial laws that are barriers to economic growth and increased competitiveness. The restrictions on credit to SMEs have a particularly negative impact on agricultural and other rural enterprises and threaten the successes achieved through the work of the BDS unit in developing effective value chains in the food product industries.

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## 1. INTRODUCTION

This Mid-term Evaluation covers the first three-year period of USAID/Senegal's Economic Growth Program (SAGIC), a five year Indefinite Quantity Contract (IQC) focusing on strategies that support accelerated growth and increased competitiveness in Senegal. The evaluation was conducted between mid-January and mid-February 2009 and covered the contract performance period from late December 2005 to December 2008 under the SAGIC's Task Order No. 1.

The work was conducted under Global Business and Trade and Investment IQC Task Order No 3 (EEM-I-00-07-0000-03) issued to Sibley International. The Evaluation Field Team was managed by IOS Partners under its subcontract with Sibley International. The four-person team included specialists with experiences in business development services, policy reform, micro-finance, economics and value chain analysis. The Team focused its evaluation on the progress achieved by the SAGIC's after three years of operation. Consistent with the intent expressed by USAID/Senegal in the Task Order No.3 Scope of Work, the Evaluation Team sought to identify opportunities for increasing the positive impact of the SAGIC program rather than dwelling on any fault-finding in performance to date.

## 2. BACKGROUND

### Accelerated Economic Growth Engine

The current strategy being followed by the Government of Senegal (GOS) to accelerate economic growth has its origins in President Wade's initial Poverty Reduction Strategy Paper (PRSP). The PRSP shaped national economic policies in the early 2000's. In 2005, President Wade set a target annual economic growth rate of 7%, in what has become Senegal's *Stratégie de Croissance Accélérée*, or simply the "SCA." The SCA calls for promoting dynamic private and public sectors that respond appropriately to the challenges of global competitiveness and that can rely on national policies and institutional capacities to maintain Senegal's competitiveness.

The design of USAID/Senegal's economic growth strategy drew from its previous experience on competitiveness, the potential of the \$200 million African Global Competitiveness Initiative, the experience of the USAID/West African Trade Hubs (WATH) in Dakar and Ghana, the Agricultural and Natural Resources Management Program in Senegal (*Wula Nafaa*), the Digital Freedom Initiative and the framework of AGOA, and the GOS' own program on accelerated economic growth. In 2005, USAID/Senegal granted a single award Indefinite Quantity Contract (IQC) to Support Accelerated Growth and Increased Competitiveness (SAGIC) to the International Resources Group (IRG). IRG heads a consortium of firms and institutions that provide expertise in a wide range of skill sets related to economic growth and competitiveness. The IQC defined four areas of possible support by the IRG consortium: Business Development Services, Public and Private Partnership, Policy Reform and Fiduciary services/management services, including building GOS capacity. To date four task orders have been issued to IRG under the IQC. Task Order No. 1, SAGIC or "USAID/Senegal's Program on Economic Growth" is referred to as "USAID EG" for short.

This evaluation addresses only the work performed by IRG under Task Order No. 1 and covers the three-year period from December 2005 through December 2008. Task Order No. 1 requires IRG to support three activities or components of the IQC: Business Development Services (BDS), Policy Reform, and Public Private Partnership. In addition, the Scope of Work (SOW) includes supporting capacity building of GOS organizations with responsibilities for implementing SCA-related actions. The SOW also provides for IRG support in strengthening GOS institutional capacities related to these areas, which are also key to Senegal's *Stratégie de Croissance Accélérée*.

During Year One (2006), SAGIC's BDS unit identified and began work on seven value chains. In 2007, Task Order No. 1 was modified to provide additional funding to support a cotton initiative and to increase the number of value chains it focused on from eight to eleven. The amendment enabled SAGIC to expand geographically which led to the opening of a regional office in the eastern crossroad town of Tambacounda. Business Development Services received approval and funding to hire additional staff to handle the additional work load of value chain analyses.

### 3. PURPOSE AND METHODOLOGY OF MID-TERM EVALUATION

#### **Purpose of the Evaluation**

In addition to evaluating the progress achieved by SAGIC activities, the Team was also tasked with assessing the overall implementation of Task Order No. 1, providing recommendations for new or revised approaches that would leverage the successes of the first three years of the task order and “providing general and specific conclusions and recommendations on ways to keep the momentum, boost the program, and/or make the most suitable modifications to the program.”

**Methodology of the Evaluation:** The evaluation had four phases:

**Phase I – Orientation and Initial Information Gathering:** At the outset of the evaluation, the Team Leader, Criss Juliard, met with personnel at the USAID/W Bureau for Africa, who provided additional detail on the expectations of the mid-term evaluation. The IRG Washington office hosted a presentation by JE Austin outlining its role in program implementation. Phase I closed in Dakar with an introductory meeting with USAID/Senegal’s Economic Growth team and technical support staff who made themselves available to help facilitate contacts with GOS officials.

**Phase II - Document review.** The Team Leader and local technical specialists reviewed the various Program materials prepared by IRG and subcontractor staff. These materials included work plans, annual reports, training material, local consulting contracts, value chain analysis, success stories, technical manuals and monitoring, and evaluations manuals and data;

**Phase III – Interviews and Fact Gathering.** The Team met with 44 individuals and institution representatives of GOS agencies, private sector organizations/enterprises and 13 individual producers or staff personnel (See Annex 3 for contact list and Annex 4, 5 and 6 for interview guides). Questions for the formal interviews focused on the perception of SAGIC actions, program impact on the institutions they represented and ideas on ways to improve SAGIC’s future performance and expand its reach. The Team held one focus group session, which was with 5 members of the COOPRAFEL cooperative in the Niayes region.

**Phase IV - Analysis:** Upon completion of Phase III, the Team gathered to analyze the findings that emerged from the interviews and documents reviews. These findings were discussed in terms of their implications on the effectiveness of the performance of each component in the SAGIC task order activity. Subsequently, the Team conducted a multi-level analysis of each component based on: “perception and present situation; approach used; lessons learned/best practices; missed opportunities; and improving performance going forward.” From this analysis, the Team developed the conclusions and recommendations that are included in the mid-term evaluation report.

## 4. FINDINGS

The Executive Summary provided general findings of the evaluation and overall recommendations. This section provides the Evaluation Team's responses to the 27 questions raised in the GBTI Task Order Scope of Work concerning the performances and outcomes achieved within the SAGIC's components by IRG.

### 4.1 COMPONENT 1: BUSINESS DEVELOPMENT SERVICES (BDS)

#### Introduction

The BDS unit is the most active of the units set up by IRG to achieve the objectives of the four components defined in the SAGIC's Task Order No. 1 Scope of Work. It is often referred to as "the vanguard of SAGIC's strategy" and has surpassed expectations and performance indicators. Interviews with the target population confirm that various best practices promoted by the BDS unit have yielded positive results.

The BDS staff is organized along technical lines, each responsible for specific sub-sectors under the supervision of Dr. Patrick Nugawela, Senior Technical Advisor. The Team resources consist of specialists under subcontract to IRG (Aid to Artisans, Land O'Lakes), consultants and regional facilitators. Facilitators perform the tasks of relaying information, providing extension services and follow-up to training sessions. They have considerable knowledge and experience in the local setting and maintain an extensive network of local contacts.

In the first three years of implementation, the BDS unit intervened in 11 value chains, conducted eight extensive value chain analysis and reached, through close to 200 events (workshops, training and meetings), more than 12,000 participants and nearly 5,000 firms. In addition, the unit produced eight training manuals (some in dual language), a highly successful interactive rural radio show during the cashew harvest season, and established pilot programs in three different sub-sectors.

BDS' Value Chain approach and intervention consists of eight steps:

- Develop clear definition of value chain selection criteria
- Conduct a professional, in-depth value chain analysis
- Identify the critical points to improve competitiveness
- Determine the intervention strategy
- Organize events (workshops, reporting out-days) that promote stakeholder buy-in to the value chain process (increasing sustainability factor)
- Work with actors throughout the value chain
- Strengthen links and synergies among other Program components, other projects, public and private entities
- Strengthen sub-sector organizations.

The BDS component of SAGIC accomplished these significant results through a combination of:

- Training at several levels
- Developing and disseminating appropriate technologies
- Linking producers to markets
- Distributing practical information via different media (printed, films, CDs, visuals)
- Providing best practice training material
- Conducting pilot programs

BDS conducts in-depth value chain analyses which identify critical points that can produce systemic changes in chains and alter performance among actors in the chains. Program intervention at those critical points focuses on making the chain more competitive in accessing markets.

Value chain analysis and the targeted intervention derived from them meet the target groups' needs and expectations. SAGIC's level of intervention among the selected value chains is categorized as:

- Very involved (mango, bissap, cashew nuts, sesame, fonio, textile)
- Moderately involved (milk, banana, cotton handicraft)
- Less involved (neem, Arabic gum)

#### **4.1.1 Question 1: Has the Program been able to complete the planned activities within the stipulated times?**

Work under the BDS component follows an action plan that is tracked by performance indicators. The results of performance indicators show planned activities generally exceeded targets jointly set by USAID and the contractor.

#### **4.1.2 Question 2: Did the services and inputs provided reach the target population in the expected numbers?**

The quantitative and qualitative performance indicators show impressive results achieved in a record time and with limited resources. SAGIC's 2008 annual report (pages 47 and 48) gives comparative figures for 11 categories of service provided by SAGIC; the average exceeded the "reaching target population" category by 310%.

For the Mango value chain, the BDS unit carried out the following:

- Conducted the value chain analysis with strategic partners' approval;
- Identified strategic interventions;
- Disseminated information increasing the private and public partners' awareness about the fruit fly problem;
- Trained producers and those who would take over from them;
- Involved universities, research centers and training schools in the scientific research relating to the fruit fly problem.

SAGIC's strategy and participatory interventions are credited with helping catalyze public and private sector awareness that have led to a broad involvement in resolving value chain constraints points.

For the cashew value chain, technical know-how, market prices and international quality standards were transmitted to a target population in the Casamance through the use of visual aids (including simple and broadly distributed posters) with financial and staff support from buyers and through interactive radio programs.

The combination of these factors had a significant impact on doubling cashew exports (going from 15,000 tons to 30,000 tons over the past two years). The interactive RTS radio shows were particularly innovative during the cashew harvest season. The half-hour weekly show utilized "call-ins" from listeners to answer technical questions; it provided market information in the middle of the show and it rebroadcasted interviews from specific producers in their fields via small local radio stations. Hearing the names of a large number of people and places mentioned during the broadcasts had a catalytic effect on people in the regions who realized they belonged to a large collection of value chain actors they never knew existed. This effect was communicated live on the radio program which encouraged people to group themselves into associations as the best way to develop contacts and to collaborate not only among producers/gatherers, but also to

"SAGIC helped reduce our loss of mangoes due to the fruit fly disease from 60% to 15% which improved our household food security. We still need additional support and training although we have already benefited from an important experience with SAGIC."

*Source: Comment from an Association President*

increase vertical cooperation among different level of actors in the value chain. The experiences confirmed the importance of using informational and participatory communication tools.

**4.1.3 Question 3: To what extent did the Target Groups use the service and inputs provided? Were any formal or informal mechanisms established for involving key stakeholders?**

For the subsectors that SAGIC has had the greatest involvement in to date (bissap, cashew, cotton handicraft, fonio and sesame), the target groups are applying techniques and best practices promoted by the Program. For sub-sectors in which SAGIC is less involved, the Evaluation Team was not able to assess the degree of use of services and inputs. If “formal” mechanism is understood to be planned events, BDS held organized stakeholder meetings for five value chains with increasing frequency over the 3 year period; they included technical sessions, management/capacity building training sessions, and reporting-out sessions of value chain analyses. One platform used frequently was to organize stakeholder meetings through emerging associations. Of equal impact was BDS’ ability to involve public sector agencies and institutions to work closely with them on a broad array of issues, from the Ministry of Agriculture’s Plant Protection Directorate to the *Bureau de Mise à Niveau* of the Agency for the Development of the SME.

The approach reflects the will of governmental institution to support private sector activities.

- 1. Bissap:** The bissap value chain provides a suitable example. The production of bissap involves the production of flowers on a small bush. The sub-sector has been trying to take off for years, particularly for export markets, but due to insufficient quantities and lack of meeting international health standards, bissap has remained a major constraint. BDS saw an expanding market demand and was determined to focus on positioning Senegal as the leader in the production of high quality bissap and organic bissap. Interventions to meet the objective meant modifications at all levels of production to meet national and international market demands; the latter required higher volumes, better packaging, and safety and sanitary standards (US, Germany, France, Russia and Hungary). BDS organized stakeholder meetings to vent the strategy, disseminate information and obtain buy-in to the strategy that included three intervention points: improved input supplies, improved cultivation practices (both traditional and organic), and improved processing quality. SAGIC tapped strategic partners to assist in multiplying certified high quality bissap seeds, to develop a cultivation protocol to maximize field production and to provide information and training for organic production. Within one season, women, who mostly work in the bissap sector rapidly adopted the purchase of improved bissap seeds, improved cultivation practices, and improved processing standards and labeling.
- 2. A proxy indicator** of the extent to which target groups use the services and inputs provided is in the growth and expansion of employment in the sub-sector. The bissap value chain has created 36,770 jobs of which 80% or 29,585 are women. Women are present mainly in the production and post-harvest operations.
- 3.** While not as dramatic, similar experiences of target population adopting up-grades techniques in production, processing and marketing via the value chain approach and supported by BDS services, were identified in the cashew and mango sub-sector. The Evaluation Team was not able to explore the sesame, fonio and handicraft textile industry.
- 4.** The BDS unit relies on informal, frequent field visits with clients by the BDS director and all staff members to review progress in applying new technologies and to determine what additional interventions might be needed.

**4.1.4 Question 4: Has the approach proven to be effective?**

The value chain focus has been successful in achieving more effective functioning of value chains. BDS has developed a working synergy among value chain actors (vertical and horizontal) through networking and participation in organized events that fosters interaction and knowledge sharing among different levels of the chain.

The manner in which SAGIC has implemented value chains emphasizes its focus on end markets, its broad and participatory nature which is inclusive rather than exclusive, and its readily understood nature. The VC approach is predicated on the basis that the more people feel part of the value chain, the more responsible they feel towards its success. The more they feel responsible and involved the more satisfied they are, and more willing they are to form or join associations.

Through promoting simple innovations, SAGIC has been a catalyst in precipitating increased competitiveness and profitability in the mango (simple traps), cashew (simple crackers, dryers), and bissap (seed capture tool) sector. All of these innovations can be replicated and produced in Senegal as derived businesses from the technical innovation.

The evaluation process confirmed that the “Value Chain Analysis” approach is not only considered an important innovation in Senegal, but that it fits the concept of the national *Stratégie de Croissance Accélérée*.

One identified weakness of the approach is that assistance at times has been provided directly to value chain participants and not relying enough on collaboration with private BDS providers. As a result, the Program is not doing enough to build sustainability through increasing capacity of local BDS providers. To the contrary, by directly providing BDS to value chains, the Program can even be seen as crowding out other BDS providers.

**BDS Best Practices**

- A strategic focus is important; development of value chains coupled with value chain service providers and value chain professional associations is an effective integrated focus.
- Mobilize public and private stakeholders in initiating implementation at the strategic intervention points identified in the sub-sector’s VC analysis.
- Limit two VC competitiveness upgrading programs per staff for the first two years of program intervention
- Strengthen each sub-sector intervention through designing and implementing a BDS-based pilot program.
- Promote innovative technologies through professional associations, training, manuals, visuals, workshops, other thematic events and BDS providers.
- Use rural radios and interactive programs to disseminate value chain best practices.

**4.1.5 Question 5: Are the planned results achievable in the present Private Sector organizational environment?**

From the perspective of the BDS component, the answer is “yes” as there are no indications to the contrary that the component’s present approach will not continue to be refined. Its impact and results should continue to meet and probably exceed expectations in successive years. The wild card is the global economic downturn that will possibly reduce: a) the strength of export markets b) the number of potential “strategic partners” that have the resources to assist value chain development, and c) the level of investments needed for value chains actors to continue to up-grade their facilities and means of production, processing, transporting, warehousing and the like.

<b>KEY TAKEAWAYS</b>	<ul style="list-style-type: none"> <li>• The value chain approach works, has been successful and has the merit to be shared with others.</li> <li>• In-depth value chain analyses that identify systemic constraint points are the triggers that launch a series of interventions often selected by stakeholders to make the value chain competitive.</li> <li>• A sub-sector’s value chain analysis is not a one-time event but must be</li> </ul>
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## 4.2 COMPONENT 2: PUBLIC-PRIVATE PARTNERSHIPS

### Introduction

The second component of SAGIC Task Order No. 1 provides support in promoting and developing public/private partnerships (PPPs). At present, the unit set up by IRG to provide support to PPPs has no staff. The Chief of Party has assumed responsibility for the activities of the unit and is fulfilling a similar role in the Policy Reform unit.

During the 1990 structural adjustment period, Senegal concluded several PPP contracts to privatize public enterprises. A successful PPP concession led to the creation of the *Sénégalaise des Eaux* (SDE), responsible for water distribution, which is still functioning today. On the other hand, SENELEC, the electricity distribution monopoly was sold to a Canadian company and, through a series of bad management and internal conflicts, was terminated in 2000 by the incoming President Wade.

From 2004 onward, the President determined that the principal development axis of his administration was to put in place large infrastructure projects that were strategic to enhance the country's competitive position. To mobilize private financing, particularly from overseas, the government announced its intention to promote public-private partnerships. To that end, the government passed a series of laws and established agencies to facilitate PPPs. These included the "CET law" (*Construire, Exploiter, Transférer*; which is the equivalent in French to a BOT: Build, Operate, Transfer) and the establishment of the Infrastructure Advisory Board (*Conseil des Infrastructures*), which led to the creation of the National Infrastructure Agency. Prior to these actions, APIX had been created as an autonomous investment promotion agency, but after the passage of these laws, APIX was made responsible by the President for overseeing the construction his priority "large infrastructure projects." The policies initiated by the President were indicative of the desire to reduce his dependency on line Ministries to carry out his accelerated growth agenda.

On the other hand, the CET law defined public-private partnership contracts and provided a judicial framework for private provision of public services:

The law defines a PPP as:

*"a means by which the State, a local community, a public institution, or a public utility with majority government ownership, which is the Conceding Authority, can confer to a third party, called the Project Operator, parts or all of the following assignments: finance the substructure of a public service, its conception, construction, operation, and maintenance. These contracts can also anticipate retransferring the substructures by the Project Operations Director back to the Conceding Authority during or at the end of the contract".*

It is against the background of Presidential policies and the content of the CET law that the Evaluation Team appraised SAGIC's PPP activities to date.

The PPP component's approach for the first three years was two pronged:

1. To assist the government in creating a suitably located PPP unit that would provide assistance to other Ministries, and
2. To develop one or more major public-private partnerships

To support the first approach, SAGIC's PPP unit initiated discussions and established working level relations with a series of institutions and programs (Public-Private Infrastructure Advisory Facility-PPIAF), the two principal business associations (CNES and CNP), the Dakar Chamber of Commerce, and APIX. SAGIC concluded Memoranda of Understanding with the private sector organizations, but not with APIX. In early 2007, the Ministry of Finance created the DASP, the *Direction d'Appui au Secteur Privé*, intended to be a private sector support division within the Ministry. It was anticipated that the DASP would be the ideal place to house a Senegalese PPP unit. Although a SAGIC funded DAPS' strategic plan, the President ordered to cancel a public tender prepared for a feasibility study that would have housed the PPP support unit within the DSAP. To date, SAGIC has not been able to make further headway in assisting the creation of a PPP unit.

The second approach, consisting of analyzing several proposed PPPs and focusing on two in particular - the private management of Dakar airport's Cold Storage Freight Facility and the Sangalkam Packaging Facility, and the private management Niokolo Koba National Park - is detailed in the following section. Neither effort resulted in a signed PPP.

#### **4.2.1 Question 1: Has the Program been able to complete the planned activities within the stipulated time?**

The planned activities for the PPP component to assist the government in creating a suitably located PPP support unit and to develop one or more signed PPPs have not been realized. However, the answer requires a brief historical perspective to reach this conclusion since SAGIC conducted a series of tasks that moved part of the agenda forward.

##### **a) Creating a suitably located PPP support unit**

When the program began in 2005/2006, management designed an excellent work plan showing a good understanding of PPPs' role in public investment financing. It included background information needed and it identified the players that were to be implicated. It also stressed the importance of conducting a public information and awareness campaign for any PPP proposed as a way to facilitate the development process. However, progress on setting up a central point of contact for prospective PPPs was made difficult by:

- Absence of an administrative framework within the government that had the capacity to become a point structure for such a unit;
- A political environment that gave ministries a dominant role in identifying PPP opportunities and discouraged initiatives by the private sector; and
- A confusion of regulations governing PPP transactions and activities

At the outset, the PPP unit was staffed with full-time Senegalese nationals. They were selected for their competency and experience in dealing with the complexity of public sector relations in Senegal, especially relationships with the private sector and development partners. Unfortunately, the recruits were not replaced when they ended their assignments in 2006 and 2007. The IRG COP has assumed responsibility for managing the PPP unit but one person cannot be expected to serve as manager and staff of the PPP unit while serving as COP and managing the Policy Reform unit as well.

##### **b) Develop one or more signed major PPP**

SAGIC initiated an awareness and public informational campaign to present SAGIC and the PPP unit and to encourage the participation from technical Ministries (ex. Energy and Mines, Infrastructure, Land and Internal Maritime Transportation, Postal service, Telecommunication and ICT, Tourism, Livestock, Environment), development agencies and a range of private sector actors to propose innovative PPPs. A series of PPPs were identified following the campaign, which can be traced to SAGIC's encouragement of public officials to request technical support to pursue potential PPPs. Two specific PPP programs emerged as feasible and bankable: the Cold Storage Freight Facility at the Leopold Sédar Senghor airport and Sangalkam's packing facilities not far from there; and the Niokolo Koba National Park. Both received considerable attention during 2007 from SAGIC and its partners though the provision of technical assistance, studies, financial expertise and networking. By the end of the year signatures seem imminent. However, by the end of 2008, in part because of a loss of momentum, there was little movement with both projects. The PPP component had to state in the third annual report that, due to external issues, it was not able to complete its planned activities concerning the implementation and monitoring of PPPs. To date, there is a general freeze at the GOS level of all matters dealing with PPPs, with the exception of APIX and their role to develop the "large projects" such as the new International airport in Diass, Senegal's first toll road, and a major African Business Hub and Service Center to be created at the site of Dakar's present international airport that will close when the Diass airport is completed.

#### Public Private Partnership Best Practices

##### Four basic steps toward PPP implementation

- Define the PPP Objective: is it to enlarge existing facility, develop a basic service, or other?
- Define the PPP structure; could be a State owned company looking for a BOT; could be a Ministry looking for a partner, or other;
- Prepare the framework for public dialogue; verify existing laws, if public institution has the structure to start the PPP process; prepare professionals to start a dialogue with the private sector and with the population affected;
- Find the Right Private partner: it should be in accordance with the Objective and have the required structure; establish requirements the partner must fulfill to establish performance excellence; identify the right partner through a competitive process; a prequalification process is important as it gives an idea of the number of competitors; maintain transparency among interested parties throughout the process; provide full disclosure to keep citizens informed.

#### 4.2.2. Question 2: Are the planned results achievable with the lack of a broad range of financing instruments or other institutional factors?

A review of PPP activities that went to completion and those that did not indicated that only one failed due to an absence of funds, but not necessarily due to a lack of financing instruments. The PPP proposed by Senegal's Institute for Transportation and Development Policy was not able to obtain funds required to evaluate the proposed project.

Regarding institutional factors that derailed planned results was the internal turf battle among government entities over which one was to house a PPP support unit that SAGIC was eager to facilitate. SAGIC showed preference to the Ministry of Economy and Finance (MEF), in part because the first PPP study tour organized by SAGIC was to South Africa, where successful PPPs were coordinated within the Treasury Department (equivalent to MEF). In addition, international PPP best practices suggest that since PPPs have an impact on national budgets, the Ministry of Economy and Finance is the more logical body to house a PPP unit and it is "neutral" in comparison to technical Ministries that are sponsors to PPP. Within the Ministry of Economy and Finance there are internal debates about the wisdom of a young structure such as the CEPOD to be the best office to house a PPP unit that has to work on complex technical, financial, political, legal and practical issues.

As noted previously, the Presidency wanted to exercise control over large investments to ensure close government follow-up of projects. However, APIX was the body mandated to promote and guide

investments. When it was apparent that placing a PPP unit within the Ministry of Economy and Finance was strongly supported by the IMF, the President perceived this as an attempt by the IMF to plant itself within a government office and felt that it might block his “large projects”. The President thus issued a strong warning to the Ministry to drop the idea of a PPP support unit altogether.

At the level of the two most promising PPPs developed by SAGIC, there were no “other institutional factors” that prevented achieving the planned results; neither for the Airport cold storage and packaging facilities (it was the investors that cooled), nor for the Niokolo Koba National Park (where the reason for a last minute blocking is a personal decision at the level of National Park service that could not even be overturned by the Minister of Environment, who is the technical Minister).<sup>1</sup>

#### **4.2.3 Questions 3 & 4: What does the experience suggest about the future potential of PPPs in Senegal? What needs to be changed to speed up the PPP process?**

Senegal, with its tradition of PPP contracts, possesses a regulatory platform for signing PPPs and has amended it without outside intervention by voting the CET law and establishing the Infrastructures Counsel. In addition, the willingness of the government to sign PPPs is clear when one looks at the contracts that have been recently signed; ex. a new terminal at the Dakar port with Arab private partners and Diaminiado economic zone. The reality is that the government – through the President and APIX – chooses to maintain control of high-profile PPP initiatives in strategic sectors. Notwithstanding, they have been open to bringing in technical assistance as required, including the recent tender for advisors to develop the site of the Dakar airport into a “Cité des Affaires,” the Business and Services Center.

Even though the Senegalese government has indicated its willingness to promote PPPs, there are several barriers to overcome:

- There is insufficient delegation of decision-making authority; the result is that virtually all PPPs must be approved and managed from the highest levels of government;
- There are still an insufficient number of experts trained in the many legal, regulatory, financial, and investment promotion areas needed to provide professional support to a robust, national PPP process.
- Rent-seeking is almost always a factor in the PPP review and approval process;
- Factor in the planning of a PPP time to establish a dialogue with populations to be affected by a new ownership or modified system;
- Public opinion and freedom of expression are important in Senegal; if given the wrong spin, signing a large PPP can be interpreted as a decrease in national sovereignty;

In terms of what needs to be changed to speed up the process:

- Within the context of continually changing government institutions and their personnel, the closer the ties PPP sponsoring institutions have with the President, the greater the chances that large PPPs will be approved; conversely, the further the administrative institutions are from the President, the less likely they are to come to closure with a signed contract
- Smaller-type PPP projects are possible in partnership with Senegal-based as well as foreign-based enterprises. The latter will more likely be successful if the foreign ones evolve within the context of decentralized international cooperation between Northern cities and Senegal cities;

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<sup>1</sup> According to discussions with an individual in the National Park service knowledgeable of the project, the difficulty arose due to SAGIC’s principal interlocutor who was the Inspector of Administrative and Financial affairs, while the true decision person was Director of National Parks. Another point raised was the lack of adequate consideration of the local population’s ancestral connection to the park. In the 1970’s a dozen villages had been displaced from the park. Some chose suicide rather than leave the park. They and their descendents represent pressure groups that the authorities cannot ignore, especially by putting them in *fait accompli* of a private management of their homeland.

- When dealing with government services that are part of the Offices of the President, it is important to ensure that actions undertaken and the precautions taken will not be perceived as interfering with projects initiated by the President of the Republic;
- Municipalities are usually autonomous and can make their own decisions when it comes to investments and PPPs. Their needs and requirements can be found in their development agendas, which often were produced through a broad participatory manner. Because the municipalities lack financial resources, they have difficulties attracting a skilled work force. Capacity building in these cases is mandatory to ensure technical knowledge and to train elected decision-makers. More and more, mayors and presidents of local municipal councils tend to have younger, more educated leadership that is more likely to welcome an innovative PPP.
- The possibility of an approach that would allow for value added collaboration on large high-profile PPP opportunities with agencies such as APIX as well as working closely together with municipalities, providing technical assistance and capacity building on smaller sub-national PPPs, could be a new approach worth exploring.
- Furthermore, the possibility of creating an “outside of the government” independent PPP unit (especially in view of the difficulty to date of getting the government to define and support the governmental PPP unit) should also be considered. This PPP unit which could be partially staffed and managed by SAGIC (assuming available resources) would not “approve” PPPs per se, but rather focus on their development and promotion as well as providing training and technical assistance as required. It is envisaged that within this independent PPP unit (which could also bring in representatives of Senegalese private sector institutions), representatives of concerned government units (APIX, DASP, Infrastructure Council, etc.) would be provided space and a privileged role.

#### **SUMMARY**

##### **Critical Issues and Requirements for Successful PPPs in SENEGAL**

- Strong National Backing;
- Rigorous pre-procurement analysis of project feasibility:
  - A good business case (based upon clear outputs) and a public sector comparator or benchmark exercise to ensure the Government can afford the required PPP unitary payments;
- Detailed risk identification & analysis:
  - Of the project technical & commercial risks as well as political risks;
  - Defined and implemented dialogue with the population affected (critical for environmentally sensitive PPPs)
- A well-structured, transparent and competitive procurement process;
- Willingness of the Public Client to accept innovative solutions:
  - From competing private bidders;
- A detailed contract:
  - Which can also accommodate certain changes in the requirements of a project overtime;
- Professional and effective monitoring of the private contractor by the public client:
  - Of the entire operational phase of the contract with the spirit of Making the overall Partnership work;
- Selection of appropriate project candidates:
  - Not too small, should be replicable, with clear private sector interest;
- Good detailed preparation:
  - Clear business cases established (feasibility analyses), clear output specifications, and a committed, well-resourced, and experienced PPP project procurement team;
- Proper advisory support:
  - Experience PPP legal, technical and financial specialists;
- Well structured, transparent, competitive PPP procurement process;
- A clear and consistent methodology for evaluating value for money:
  - Based on clear models, templates, and Standard Operating Procedures (SOPs);
- Proper monitoring of the entire (15-20 years) operational phase;
- A determination by all parties and stakeholders to make the PPP work for all the stakeholders:
  - Government, private investors, private lenders, and public users & consumers.

## KEY TAKEAWAYS

- To advance the PPP agenda, SAGIC and USAID need to obtain a clearer picture from the President's Office regarding the nature of assistance Senegal seeks to "reboot" the PPP process.
- Getting a few small PPPs under their belt will restore SAGIC's credibility and improve their experience level for larger-type contracts later on.
- Municipal councils are more autonomous, approachable and more likely to make their own decisions. Their development agenda's are usually produced in a participatory way, paving an easier entry point for municipal level PPPs.
- Perhaps models other than South Africa's should be explored if housing a PPP support unit in the MEF is not acceptable.

### 4.3 COMPONENT 3: POLICY REFORM

#### Introduction

In determining the international competitiveness of a country, its enabling environment (which can be assessed from how it is continuously reviewed and updated) and how it performs in its policy reform agenda are as crucial competitive indicators as the country's published production costs and price figures.

Policy reform is usually a slow process, and Senegal is no exception. The more complex the issue, the longer it takes to capture the forces of change due to the large number of stakeholders involved. For instance, the national *Stratégie de Croissance Accélérée* addressed a complex set of issues that took almost two years to be officially approved because the formulation and consensual process involved a large number of stakeholders in the public, private and civil society. SAGIC's decision to target reforms that were tied to Senegal's international reputation among donors was sound as people could relate between what exists in Senegal and what exists in competing countries. In 2006, the PR unit planned to work with the government to improve the investment enabling environment with the objective of fostering investment opportunities and encouraging productive investments.

During the first three years of implementation, SAGIC's approach to policy reform activities included:

- Analyzing and proposing reforms suggested by the GOS and international assistance partners funding studies needed to develop options for policy reform initiatives;
- Participating in selection of consultants and facilitators (often co-financed with the UNIDO);
- Funding exchange programs and other events (Assistance to ASEPEX to attend AGOA Forum in the US, Assistance to APIX visit Ghana to review its experience in promoting investment incentives)
- Providing Policy Reform related information

In the past year, SAGIC recognized the need to focus on "smaller" reforms and especially reforms that emerge from the work done on value chains by the BDS component. This additional policy focus is well reflected in the current year's work plan.

#### **4.3.1. Question 1: Have forecasted activities in the political reform spectrum been achieved?**

Between 2007 and 2008, political reform activities were based on a strategy to improve the business enabling environment by reducing barriers that constrained business creation and business expansion. The priority areas identified were:

- Provide the necessary assistance for the national *Stratégie de Croissance Accélérée* (SCA) to become operational;
- Define the institutional framework within which SCA would operate;

- Support APIX to establish a one stop window to facilitate establish a business;
- Improve Senegal’s ranking in the World Bank “Doing Business” reports;
- Support the Ministry of Labor efforts to modernize labor laws and code.

Reviewing SAGIC’s action plans indicated that three key partners were the main structures that would need support as they were directly implicated in the above priority areas: SCA’s Permanent Secretary, APIX, and Ministry of Labor. During action plan implementation, three other institutions had to be added to the list of key partners: CEPOD, ASEPEX and the Ministry of Mines, Industry and SMEs.

SAGIC’s actions can be viewed on two levels: those from the perspective of the World Bank “Doing Business” indicators and those from the perspective of programmatic and institutional support.

### **Progress in the “Doing Business” Indicators**

Within the context of “Doing Business,” APIX and the Ministry of Labor were the designated contacts to improve Senegal’s ranking position among other countries. APIX’s involvement in “Doing Business” indicators centered on tasks that would: reduce the time it takes to create an enterprise, help to obtain construction permits, property titles transfers, information on business fiscal policy and judicial systems, and to improve cross-border trade. Tasks that required reform of administrative procedures included reducing steps to set-up a business and eliminate obstacles to cross border trade. On the first count, APIX supported creating a one-stop investment window under its authority. To assist in that effort, SAGIC provided in early 2007 an international consultant to prepare the action plan and road map for the implementing unit, the *Bureau d’Appui à la Création de l’Entreprise (BCE)*. The plan proposed ten steps required to start as business. The plan was adopted by the Ministry of Finance. With Ministerial approval along with additional facilitation from SAGIC, the BCE is now fully operational. When an investor prepares its business plan along with a request to establish a new business with the one-stop BCE facility, the number of days to create the enterprise is now reduced from 58 days to a short week, marking it as a significant success.

Of the three “Doing Business” reform axes that Senegal worked on, there were significant improvements in: starting a business, cross-border trade, and property title transfer. According to its action plan, SAGIC elected to focus its support on facilitating enterprise creation, which explains its non-involvement in the two other reforms.

It should be mentioned that this was successful and that SAGIC provided a road map and incited action to finally get the one-stop shop established.

### **Ministry of Labor**

In addition to helping speed the process to set up a business, SAGIC’s other major contribution to improving Senegal’s competitiveness and investment environment was its focus on working with the Ministry of Labor to modernize and harmonize the country’s outdated Labor Code. The codes, dating back to 1997, placed restrictions on hiring people, laying people off and required Ministry of Labor involvement in resolving labor/management issues. USAID/Senegal and SAGIC provided support at a time when the Ministry of Labor was perceived by the GOS as an institution that had outlived its usefulness; labor unions had lost their importance in the context of the new work force, labor inspectors were no longer called in to arbitrate conflicts between labor and management and it had its budget cut significantly. However, in 2006 SAGIC saw an opportunity to work with the Ministry to help modernize its outdated Labor Code that had been identified as an obstacle to new investors. A process was initiated to prepare decrees to be signed as part of the package to fully implement a new Labor Code. In 2007 and 2008, SAGIC provided support for the preparation of additional texts for the examination by the labor and social security

national advisory committee. The latest texts to be adopted are essential to reinforcing human resources and employment opportunities, central to business investment decisions.

Despite time delays beyond SAGIC's control, the Policy Reform program met the requests and expectations of the Ministry of Labor. The importance and appreciation of SAGIC role was emphasized during the course of an interview with the responsible Ministry agent.

### **Support to partner institutions**

**SCA:** Given the role granted to *Stratégie de Croissance Accélérée* to find diverse paths to accelerated growth, SAGIC saw SCA as a partner with open communication channels, an interest in exchanging experiences and information, and one with whom it could plan and co-sponsor interventions. The decree that made SCA operational was delayed for almost two years. During this time it was not possible for SAGIC to recognize it as a credible interlocutor. An interlocutor was needed to participate in decision-making processes and in decisions to centralize data and information among others. SAGIC was able to support to SCA with short-term technical assistance in areas that included: drawing up a communication strategy, facilitating policy dialogue involving GOS, private sector and donors, sponsoring meetings and road-shows promoting SCA to the civil society. More generally, and working directly with the Permanent Secretariat for Implementation and Monitoring of the SCA, SAGIC helped in developing its role, priorities and outreach strategies.

**CEPOD:** SAGIC funded a study for CEPOD, carried out by *Centre de Recherche d'Économie Appliquée* (CREA - a Cheikh Anta Diop University think-tank in Dakar), on Senegal's international competitiveness, present and projected. The study was presented at the growth and competitiveness forum in Senegal and provided the base to help put into place a National Competitiveness Advisory Board.

**ASEPEX:** SAGIC provided institutional capacity, technical assistance and support for the association's participation in AGOA forums in Ghana and the USA.

**DASP:** A request for assistance to help develop its strategic and organizational development plan could not be fulfilled due to an administrative constraint.

**Ministry of Mines, Industry and SME:** SAGIC funded the study and technical assistance to improve the delivery of its SME support structure.

Of the five priority areas identified since 2006 of the policy reform spectrum, on the whole SAGIC has succeeded in realizing what was planned. In addition, SAGIC also branched into other areas that contributed to increased competitiveness and promote foreign investment:

- SAGIC worked with the BDS component and UNIDO to define policies for the new textile cluster;
- For the Ministry of Mines, Industry and Small and Medium Enterprises, SAGIC assisted it to clarify and strengthen the SME division's within the Ministry's mandate;
- SAGIC sent an APIX representative to Ghana in 2007 to review that country's investment incentives and to draft a report comparing Ghana's incentives to those of Senegal;
- For the *Centre de Recherches Economiques Appliquées* (CREA), SAGIC provided support for the analysis of Senegal's international competitiveness position.

#### **4.3.2 Question 2: Were the reforms challenging enough?**

The Evaluation Team judged that the Policy Reform unit did an impressive job of getting involved in a number of highly challenging reforms. It is always difficult to quantify how much reform can be attributed to technical assistance and how much to external factors, but the component's efforts have been impressive.

The reforms capturing the most limelight addressed the following issues:

- **Improving the investment climate:** This was achieved through tax cuts for enterprises (25% to 30%), and annulment of the 2007 egalitarian tax.
- **Business creation:** In 2007, Senegal dropped the regulation forcing enterprises to be registered in the official commerce Journal and established a one-stop window for registration. The actions lowered the cost and hassle of creating a business, reduced the time required to register a business from 58 days down to less than a work week. The reform removed barriers to formal business registration, and precipitated a significant rise in the number of enterprises formally created<sup>2</sup>.
- **Labor Code:** Fourteen additional texts were added to the existing ordinances and bills. According to experts from the Ministry in charge "positive results will be seen once these are adopted and owned by the business community and public servants."
- **Cross-border trade:** Senegal is among the most innovative countries and has simplified administrative paperwork with regard to cross-border trade by introducing and enhancing electronic data exchange, communications, risk management techniques, reduced the number of commercial documents, and improved its customs services.
- **The time-frame for property title transfers:** Mandatory time frames for handling property affairs: specific time frames were imposed on the Land Registration Office in order to speed up the issuance of certificates and the record transfers of property titles.

Thus, significant progress has been made in policy reforms over the past three years and it has contributed to improving Senegal's rank among the reforming countries (Senegal was among the top 10 reforming countries in 2007-2008). However, additional reforms are required if the goal of 7% annual growth is to be realized.

#### 4.3.3 Question 3: Is the methodology used to implement the reforms efficient?

The question allows for an interpretation at two levels: Either "the methodology used to implement the reforms" is the approach used to translate a selected reform into a policy reform process and it is either efficient or not because it either succeeds or fails; or the "implementation approach" is the process by which a policy reform, once approved and at the execution stage, is disseminated and applied among concerned parties. The interpretation of the question by the Evaluation Team was on the former since document review and evaluation interviews focused on planned policy reform activities of the program's first three years if it produced the results defined in the two Policy Reform indicators of the M & E plan.

By depending on local expertise and resources to develop and implement local policy reform, the methodology applied from the beginning by the Policy Reform component was to implicate directly the institution concerned by the reform agenda as well as its staff. The methodology called on SAGIC to make available, when needed, qualified professionals to offer differentiated insight and diligence to the policy reform process. In addition, SAGIC provided grants for staff of the institutions concerned to attend seminars, meetings and exchange visits that contributed significantly according to interviews to capacity building. While the level of grant activity has been modest, the gains that have been achieved through policy reform can be attributed in large part to the exposure to policy and competitiveness topics in seminars and workshops supported by the SAGIC.

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<sup>2</sup> Between July 2007 and December 2008 (18 months), 5,589 enterprises were created (*Bureau d'Appui à la Création d'Entreprise*).

In light of the policy reform agenda, the component coordinated its activities with a reasonably wide spectrum of donors and other US agencies: the German aid agency (GTZ), the International Monetary Fund, UNIDO, Eximbank, OPIC and the US Trade Development Agency (USTDA). These appeared to be sufficient to date as the component met and surpassed its M & E targets.

#### 4.3.4 Question 4: Which legal, regulatory, and administrative barriers should be reduced to better attract investments and make the private sector more competitive?

From an institutional perspective, certain constraints in Senegal are due to ministerial instability; however, more coherence is needed within the reform apparatus to sustain reform initiatives. While there has been progress towards becoming more competitive and attracting investments, there are a significant number of constraints that slow Senegal's advancement in these two fields. They can be classified into policy reforms that can be attained in the short and in the longer term. Both are included in the list below since the tendency is to pick first the "low hanging fruits" while the longer range reforms tend to get put off until "later." The "long-term" ones are as important to initiate over the next two years as the short term ones since they can set the stage for a continuous "policy reform" process after SAGIC. Competitiveness is a "continuous process" of evaluation and adjustments of policies and value chain upgrading to sustain economic growth and private sector expansion.

Long-range policy reforms need to consider:

- Improving the effectiveness and efficiency of consumer protection policies to be aligned with international standards to attract agribusiness-related investments;
- Establish a "Competitive Commission" that reviews and filters legislation, regulations and administrative barriers tending to improve Senegal's competitiveness to assure a continuous policy reform process;
- Water policy reform: develop a policy to better reflect the scarcity value of water and the ways to achieve more efficient and effective management of water usage in urban, rural, industrial and agricultural sectors as a way to identify further PPPs opportunities in the water delivery sector;
- With the appropriate Ministry, build on recent and current initiatives to improve the quality and responsiveness of primary, secondary and tertiary education and how to interface with vocational education and training areas to better prepare a broad public understanding of accelerated economic growth.

#### Policy Reform Best Practices

- Clearly define objective and reform principles;
- Preparatory work includes detailing the benefits of reform in particular sectors and specific changes required to meet the benefits;
- If the reform is complex seek strategic partners; clarify roles of each
- Allow for some flexibility for jurisdictions to determine how to implement the reforms, desired outcome and priorities;
- Incorporate a public interest test and provide opportunities for stakeholders to give/provide inputs;
- Public reporting of progress by the government and explanation of reform content to the parties directly affected by the reform.

Short-term policy reform needs to consider are:

- **Financial policy:** Reform of financial policies, particularly policies affecting banking sector regulation (debt financing, leasing, loan guarantees, venture capital) are necessary to make credit more readily available to entrepreneurs and exporters;
- **Commercial laws:** Reforms are needed in the areas of policies and laws affecting commercial transactions to provide adequate legal protection and consistency with international arbitration and settlement of disputes;
- **Labor policies:** Reforms are needed to provide greater flexibility to employers in the hiring and employing of staff and to provide consistent and fair treatment of full-time and temporary workers when discharged or laid off.

## KEY TAKEAWAYS

- Contrary to PPP, Policy Reform worked effectively with government agencies and a Ministry when the agenda was driven by request from the institutions, the scope was shared with and had the support of other donors, international competitiveness was a motivating factor.
- There is inadequate awareness of the “one stop” window at APIX to facilitate setting up a business. Such a change requires a targeted communication strategy that is broad and repetitive.
- In light of decreasing overseas remittance, the financial crisis and an increase in the number of small enterprises participating in value chain development, focusing on financial reform is an appropriate next step going forward for Policy Reform component.

## 4.4 CROSS CUTTING THEMES

This sub-section addresses an additional 12 questions included in the Task Order Statement of Work. The answers in some cases overlap with answers provided in the previous sub-section. However, they are repeated here in the interest of providing a stand-alone question and response.

### 4.4.1 Question 1: How well have the activities been coordinated and efficiencies established?

Efforts may have been made at the outset of the Program to ensure coordination between the IRG home and the Dakar program office, but at the time of the evaluation, the Team heard of specific instances where coordination could have been far better both within the local office and between the head and field offices. The problems stem from a perceived lack of understanding of the importance staff placed on issues close to their office’s interest, on the management style of key staff and on the uneven communications between and within offices and consortium members. These problems, which have not always been treated in the open, have had a negative impact on program efficiency, progress of activities and employee morale:

#### Policy Reform has had two key indicators:

- Number of significant USAID approved policy reforms that impact on accelerated growth, increased competitiveness and/or trade, and
- Originally: Number of barriers to trade and investment removed. This was changed in 2007 to: Number of fully implemented policy reforms.

- The home office neglected to recognize the importance of local office needs to know budget allocation for the program in Senegal, and particularly concerning BDS, whose responsible person is not an employee of the lead contractor. During planning and implementation there were significant time inefficiencies wasted because of inadequate flow of information on annual and longer range budgets. For two years it was near impossible to produce reliable work plans on a timely basis in the absence of resources available for the planning period. From 2006 to 2008, activities related to performance indicators increased in number and intensity. During that time, delays associated with the recruitment of new personnel, negotiating contracts and subcontracts, and in the accountability of activities through the M & E system were severely impacted.
- Insufficient support in data processing and lack of a reliable internal server-based network at the Dakar office (other than a shared printer). For efficiency and reliability, it is usually advised to use a LAN network when there are more than 4-5 computers in a company or a Program. An internal network facilitates communication, coordination and posting of activities, and ensures security and coherent document exchange and filing as well as uniform protection of computers against viruses. The SAGIC Team has been using emails carrying the addresses of various ISPs

(hotmail, yahoo), which do not project an image of professionalism or unity of origins of program emails.

- Inter-component coordination: For the first two years, each component focused on the action plan and on their individualized monitoring and evaluation indicators (See text box). The indicators did not necessarily encourage or discourage inter-component coordination, but there was little to no discerned crosscutting action among Program units. However, during year three, as BDS' extended its actions into new sub-sectors, the unit ran into policy reform issues that required interacting not only policy reform but also with an extended partner (UNIDO) with whom it shared funding a consultant to define policies for the textile and the artisanal textile value chain.
- Since the start of the Program, there was a lack of support and administrative follow-up from the IRG home office concerning the field office financial management and accounting section. The absence of support and follow-up hindered and delayed resolving administrative and financial issues due to the lack of access to budgets at the outset of Program-financed consultancies and activities needed so that accounting could track expenses and assure efficiency. Headquarters did send one mission to conduct an accounting audit, but the report was never sent or shared with the accountant, the very person an accounting audit is addressed to. An evaluation conducted at the SAGIC office in Dakar found an appreciation of the technical skill of the Management of the Program, but also a need for better coordination and more open communication involving the staff, including information sharing staff meetings, and increased information flow of technical matters and breakthroughs in areas of interest to the staff.
- SAGIC provides a good example of including the participation of other donors in its activities. For the PPP component, references are made to it working with the World Bank, GTZ, the EU, the French Development Agency, the Public-Private Infrastructure Advisory Facility (PPIAF), ADB and IMF. The Policy Reform unit worked with the multi-donor Private Sector Working Group (PSWG), UNIDO, GTZ, IMF and World Bank officials; the BDS component coordinated one its principle action, the fight against the fruit fly with a large array of donors. Among the components, there is an increasing interest in better coordination among components than in the past.

#### **4.4.2 Question 2: Are the components relevant?**

The three technical components encompassed by the SAGIC IQC dealing with business support services, PPPs and policy reforms correspond closely to the emphases in development strategy set by the GOS in its SCA policy. This compatibility with the strategic options, following an audit by the country's authorities, confirms that the components are relevant and consistent with the GOS allocation of development resources.

#### **4.4.3 Question 3: In what ways are the components relevant?**

The components are relevant because 1) they align well with the SCA approach to achieving economic growth, and 2) they provide support to a reasonable range of conditions and actions that contribute to economic growth. For example, appropriate policy reforms can help to create local (and global) markets or, for another example, reduce transaction costs. These conditions might be attractive enough to encourage business startups or increased production, all of which can be supported by assistance from the SAGIC BDS component. Similarly, demand for increased or improved services and infrastructure create opportunities for private sector provision of public services. The PPP unit of SAGIC can be helpful in identifying and structuring this form of private-public partnership.

#### **4.4.4 Question 4: Are the targets set realistically?**

Targets were established jointly by USAID and SAGIC in 2007 and updated in 2008. For BDS, performance target indicators were significantly increased between the two years. Yet BDS continued to meet or exceed 17 out of 17 targets in 2008 with an average of exceeding targets by 525%, versus meeting or exceeding 9 out of 10 targets in 2007, hitting an average of 399% over targets. This type of performance would suggest that targets are unrealistically low for BDS. However, after careful review of each indicators' risk and opportunities as the component moved into unfamiliar quantifiable territory, the sense was that the targets were realistic for both years, and that the achievements quantified in dollar figures (Dollar ratio of USAID investment to new sales; increased value of non AGOA exports; amount in CFA of increased investments, and total value of sales of USAID assisted firms) went from achieving an average of 550% over target figures in 2007 to achieving 978% in 2008, giving credibility to the outstanding work done by the BDS component during year 2 and 3 of program implementation. With hindsight, we can conclude that the two years were periods of serendipity performance of mango and cashew sub-sectors exports. With the downturn hitting exports worldwide, there are signs that achieving the same over-exceed record will be difficult.

In the PPP component, the unrealistic target is the one related to the number of PPPs to be signed. The final signature of a PPP does not depend on SAGIC alone but rather on the will of two signatory parties. SAGIC could work tirelessly to bring partners together to negotiate, to reduce legal constraints, reinforce capacity and still have no signature at the end of the process. From our reading, the Policy Reform component reached the two targets set for 2008 since it met both "Doing Business" and of modernizing parts of the Labor Code targets.

#### **4.4.5 Question 5: Are the intervention approaches still valid in light of 30 months of implementation?**

Yes. The path to the level of economic growth that the GOS has set for itself depends heavily on creating local and global markets. Government investment in infrastructure and services will certainly help to make conditions more attractive to local and foreign investors, but creating a large government structure in the process will not help meet the economic growth target. The view of the Evaluation Team is that efforts in BDS and Policy Reform should continue apace because these services are the "market makers". It should be recognized that demand for PPP services is likely to lag behind because it depends on increased demand for better services or facilities resulting from market growth but a reduced investor interest.

#### **4.4.6 Question 6: Are the intervention approaches conducive to sustainability?**

Combined, SAGIC's overall approach consists of:

- Soliciting interest from concerned parties
- Encouraging the concerned parties to act
- Providing information and training, based on studies and analysis conducted either by consultants or by the SAGIC Team
- Soliciting interaction of the concerned parties, institutions and organizations

The continuity/sustainability element of the program is through transferring responsibility to the concerned parties. This constitutes the system's strength. A weakness of the system is the fragile scope of capacity building activities.

Sustainability will be reinforced if SAGIC, while maintaining the personal development activities, puts more emphasis on institutional strengthening, transfer of value chains analysis skills and diversifying BDS by providing support to the banking and financing sector. As indicated in response to a previous question, SAGIC, based on its achievements to date particularly in developing the value chain concept and its policy reform agenda s goods fit to the SCA, gained acceptance in the GOS and business

community. Additional time and training are required to imprint the basics of value-chain logic, the importance of a favorable business environment, and the role of PPP in providing efficient services.

#### **4.4.7 Question 7: Is the program being implemented as planned?**

Each annual report contains a section describing what was planned and what has been achieved during the year. According to document review and formal interviews, the program generally follows its planned activities in a satisfactory manner, although the PPP component has had the most difficulty in meeting its plans. Private-public partnerships require a reasonable degree of economic stability and obvious market demand to attract would-be partners. In Senegal, the need is certainly there, but more and larger markets will have to develop before there will be any large-scale opportunities for PPP. More doable, modest scale, opportunities for private provision of public services are likely to emerge at the municipal level.

#### **4.4.8 Question 8: Did the program managers establish necessary linkages with governmental agencies and private organizations?**

SAGIC established credible links with a broad array of public and private concerned parties. People interviewed reported moderate to good relations. Several interviewed parties indicated that while they had been invited to participate in a program activity, their opinions were not taken into consideration in the choice of strategic orientations. This response was heard often enough that the Team was convinced in leading discussions and public forums, SAGIC personnel need to give more attention to Q&A, panel or focus group venues.

#### **4.4.9 Question 9: To what extent public and private institutions were developed or strengthened?**

Representatives of public and private sector organizations have benefited from participation in workshops and experience/discovery tours. The support and “below the radar” assistance provided to SCA in the early days of the SAGIC program certainly qualifies as capacity building. However, over the next two years, SAGIC will need to put more emphasis on capacity building if the various concepts and mechanisms that SAGIC has brought to Senegal are to be sustainable.

#### **4.4.10 Question 10: Was the supply of the services and inputs to be provided adequate?**

BDS component facilitates services related to training, value chain studies and information dissemination to increase Senegalese firms’ competitiveness. BDS provides services that have been identified as lacking in the value chain analysis process. These services are then delivered via individual consultants, radio programs, facilitators and SAGIC subcontractors who are present in rural and isolated areas where much of BDS’ production activity takes place. These same areas are often beyond the reach of consulting firms and professional associations, who could, if they were present provide what would be called “adequate provision” of services and inputs. For BDS, it is reasonable to say that to date, BDS provided adequate supply of services and inputs that would not have been delivered without SAGIC’s presence. SAGIC could continue to provide services until a critical mass of demand will attract government, association or local consulting firms to the decentralized zones.

On the other hand, the supply of services by PPP and Policy Reform were inadequate. Both were staffed at the beginning of the Program, but by year two, their full-time staff left but were not refilled, hampering the effectiveness of units.

#### **4.4.11 Question 11: To what extent IRG EG has made progress in identifying, developing and implementing capacity building activities within GOS and the private sector?**

The public sector parties have benefited from the participation in workshops, the availability of consultants specialized in the specific agencies or departments and in several overseas travels to observe and collect experience from other countries. These capacity building activities certainly impacted individuals but it is more difficult to gauge the impact on the institutions they represent.

During the first three years, governmental structures have benefited from seven actions that could be considered as having an institutional capacity building objective. Within the PPP component, the DASP has benefited from support to develop its strategic plan, which is considered a capacity building activity.

Within the BDS component, the majority of interventions in training - connecting producers to markets, workshops and meetings of value chains actors, and DPV's field involvement (Direction, Plant Protection, Ministry of Agriculture) in the fight against the fruit fly - have all been carried out through firms and associations as a way to reinforce private sector capacities.

As has been pointed out elsewhere, the next two years of SAGIC should include an increased effort in capacity building to assure sustainability many of the products of the SAGIC implementation.

#### **4.4.12 Question 12: To what extent the program monitoring system can meet the reporting requirements?**

The monitoring system is presented in the "Manual of Monitoring-Evaluation." USAID/Senegal and SAGIC developed a wide range of indicators both programmatic and for each component:

- 18 for Business Development Services
- 3 for Public Private Partnership
- 3 for Policy Reform

The program has three levels of indicators:

- The first level measures USAID's Economic Growth progress towards contract milestones;
- The second level measure USAID – SAGIC indicators, developed internally bases on SAGIC activities;
- The third level comprises of Operational and Plan indicators, which become part of USAID/Senegal's annual report to Washington.

All these levels have been defined to help the program monitor its progress, both in terms of process (activities) and impact (targets) and provide substance for report preparation. At the outset of making the M & E system operational, a base-line data was established for each indicator.

The program monitoring system is certainly adequate to meet the program reporting requirements, but implementing such a system involves a large number of people and runs the risk of potential errors in data collection and data reporting. For the BDS component where viable reporting data is critical, the program recruits each year, an outside firm charged with collecting the raw data in the field. SAGIC has only one part time consultant to coordinate the M & E system and verify the data, and to date, the individual and the process has permitted the production of quality reports, but not without taking valuable time from management and technical supervision.

## 5. CONCLUSIONS, LESSONS LEARNED, and BEST PRACTICES

This section contains lessons learned and best practices by component. It combines the Team's conclusions based on observations, discussions, documents and analysis, some of which have been presented in Section 4 of this report.

### 5.1 BUSINESS DEVELOPMENT SERVICES

#### 5.1.1 Conclusions, Lessons Learned, and Best Practices

The following are practices that have been put into place by the BDS Unit, which have been effective in promoting the value chain concept and expanding knowledge to actors in the chain.

- Provide leadership and training in conducting value chains analysis, identifying critical points of intervention and facilitating the creation of a wide range of associations and cooperatives associated with targeted value chains.
- Mobilize and obtain public and private sector stakeholder participation in determining and initiating the implementation phases at the intervention points identified in the sub-sector's VC analysis.
- While a planned activity in 2006-2007 for the PPP component to "work with the BDS component", and a similar plan in 2007-2008 for Policy Reform, there are now better chances for the two, PPP and Policy Reform, to interact with value chain strategies. A number of sub-sector/value chain associations promoted by BDS are reaching "critical mass," which means these associations will soon be able to transmit operational constraints to the structures responsible for policy reform and public-private partnerships. Public campaigns to increase public awareness and knowledge of what BDS is accomplishing will also help create another form public-private dialogue.
- Selecting specialty products such as bissap led not only to the identification and promotion of entirely new export markets, but also to piloting product-specific "Development Models" that stimulate research, new farming practices, search for private investors, training modules, expansion of specialized BDS providers and the production of "derived" or additionally processed product.
- For a value chain under threat, as was the case with the mango fruit fly infestation, BDS turned the emergency into an opportunity to consolidate the mango sub sector and greater national visibility through focusing on one issue that not only touched all actors in the chain, but also led to the creation of a task force, specialized committees, national workshop and training, which mobilized parties into a consultative solution process. These included the Ministry of Agriculture, research institutions, universities, trade associations, donors, and quality assurance institutions. The focus also produced a low-cost, make-at-home, eco-friendly fly trap that reduces fly infestation by 60%.
- Collaboration with USAID projects such as Wula Naafa and WATH/Ghana, and broad representation of buyers, India importers, Gambian exporters, producers, and processors to kick off a Cashew stakeholders meeting proved to be the catalyst that within two years dramatically improved quality, quantity and sales of cashews, growing from 15,000 tons to 30,000 tons.

- The use of Success Stories to provide information and expand knowledge is an effective communication tool. To date BDS produced 13 success stories that form a tool box full of BDS best practices.
- Senegalese have become more risk averse to new techniques and approaches introduced through development projects. However, pilot programs that promote new techniques through collaborating local businesses and institutions create a dynamic with significant adaptation impact (e.g. bissap with SODEFITEX, and Fonio with ENDA-Promat, IRA).
- Interactive radio shows dedicated to a value chain during harvest season that provide price information, tips and in-the-field interviews have a catalytic effect on forming associations and increasing intra-chain collaboration.
- Establishing momentum through a strategy that reinforces continuous contacts and knowledge sharing opportunities among value chain stakeholders, professional associations and support markets reinforces competitiveness and sustainability.
- Innovative technologies can be promoted through professional associations, training, training manuals, workshops and other thematic events.

## **5.2 PUBLIC-PRIVATE PARTNERSHIP**

### **5.2.1 Conclusions, Lessons Learned, and Best Practices**

- SAGIC can provide significant support to PPPs relating to large infrastructure projects. USAID must continue to facilitate dialogue with the higher authorities.
- The final signature on PPP contracts is more likely if the PPP is part of a national, government-conceived program or strategy (i.e.; the SCA, Privatization guidelines, Decentralization). Unless there is some government backing to the topic of the PPP, there is little chance that individuals in the bureaucracy will sign off on it, fearing negative political consequences.
- The Government needs to keep the initiative to make PPP decisions respective to the bureaucratic organizational chart. It is the one at the top who is the approved decision-maker. To determine who is the decision maker; it is the one who designates which government entity is responsible for managing the PPP under consideration prior to the signature of the PPP contract.
- Each specific PPP has political and power aspects as well as financial and individual interests at stake, and these create confrontations (either in the open or hidden) that can paralyze the efforts to conclude a PPP by outsiders to the present Administration.
- There is a need to restore confidence among stakeholders in the PPP process in such a way as to remove misunderstandings that could have arisen from a misinterpretation of intentions by some parties.
- Results expected from the PPP component require recruitment of a full-time specialist who can establish cooperative relations at different levels of the Senegalese administration, in the private sector (national and international), universities and local authorities.
- A PPP contract is not an end in itself but a means that can provide a more efficient provision of public goods and services.

## **5.3 POLICY REFORM**

### **5.3.1 Conclusions, Lessons Learned, and Best Practices**

- “No change is not an option” for a country that adopts accelerated growth and competitiveness strategies. Policy reform is a continuous process that requires reviewing one’s competitive business environment on a regular basis.
- There is inadequate awareness of the improvements made through SAGIC’s “Doing Business” intervention among other partners, particularly in facilitating establishing a business. Such breakthroughs require a targeted communication strategy that is broad and repetitive.
- A policy agenda reform requires time and much work. It is clear one person cannot take care of two technical units and assume management and representation duties of a COP at the same time; one of the responsibilities will suffer.
- Frequent institutional and Ministerial changes have caused delays and missed opportunities as planning, negotiations have to restart from zero.
- Regarding SME-level reforms, the multiplicity of new agencies established to provide support to SMEs continues to be confusing to the small business owner. Part of the reform agenda will need to push for a more comprehensive and cohesive bundling of the services provided by these public agencies, and those that can be provided by private service providers.
- The two Policy Reforms achieved in 2008 were excellent in helping improve Senegal’s competitiveness. However, broadening the potential scope of Policy Reforms to include issues that will take more than a year to accomplish should be encouraged as long range reforms are often ignored because of Program performance indicators are geared to annual successes.

## 6. RECOMMENDATIONS AND STRATEGIC OPTIONS

### 6.1 BUSINESS DEVELOPMENT SERVICES

#### 6.1.1 General Recommendations

##### **Recommendation 1: Work Closely with SCA in Implementing its “grappes” Development Strategy**

The Team sees the outcome of the effort to develop the sector “grappes” as important in meeting Senegal’s economic growth strategy and in verifying the assistance and approach supported by SAGIC to date. SCA strategy for developing the “grappes” is still in the “development” phase, but it is based on competitiveness analysis and principles, and is seeking effective implementation vehicles and approaches. No single implementation approach is necessarily the “correct” one; and indeed SCA has been eager to consider and apply various approaches. The SAGIC approaches in the agricultural sector and in textiles have provided a workable methodology that is worth continuing and expanding. SAGIC is about to extend the methodology, combined with strong policy elements, to an approach based on Geographical Economic Development Centers. The SCA (and others) has been enthusiastic in its support of SAGIC’s initiatives, which includes evolving towards a cluster-based methodology. Establishing direct and sustainable relationships between SAGIC’s three units and SCA’s Permanent Secretary will advance both the Government of Senegal and SAGIC’s competitiveness agendas and increase the chances for a sustainable program. We recommend that SAGIC take advantage of SCA interest in SAGIC’s cluster development initiative to work more closely with the Permanent Secretary of the SCA and in doing so look for opportunities to engage in capacity building and training that will increase the likely sustainability of its analytical techniques and methodologies.

##### **Recommendation 2: Expand Efforts to Promote Knowledge and Skills in Value Chain Methodology among Other BDS Providers**

Rather than directly providing BDS, SAGIC should apply more resources to helping existing BDS providers improve their capacity to provide services. The Program should choose BDS providers that already have demonstrated institutional and budget viability –institutions that have at least some track record and an ongoing funding base (from international or domestic donors, from fees, or from some other source). Working through local business associations, for example, the BDS and other SAGIC personnel could conduct workshops and seminars directed at developing value chain skills in local consulting firms and familiarizing GOS officials with the methodology. This approach would greatly increase the likelihood that value chain concepts will “sustain” beyond the end of the SAGIC program.

##### **Recommendation 3: Expand the Practice of Buyer Firms Assisting Their Suppliers**

The IRG Team should pay more attention to “embedded BDS” by which larger buyer firms spend their own resources (for instance staff time) to help their suppliers improve the technology and business practices instead of relying on third-party BDS providers. Embedded BDS practices may be more sustainable since both parties have a clear commercial interest in the success of the BDS provision.

#### 6.1.2 Strategic Options

**Strengthening new value chain associations:** As value chains spawn new associations in areas where few or none existed before, SAGIC needs to lead an institutional capacity building initiative geared

toward value chain associations, whose general “mandate” is much broader than traditional rural “groupements.”

### **Development and support of the publication of "An Enriched Agenda of the Rural Entrepreneur":**

Access to economic information constitutes a major constraint for rural enterprises despite the existence of a range of economic information sources. Reference is made to information such as agricultural planting/ harvesting/ treatment calendars, financial and non-financial services, tax obligations, accounting and planning tips, existence of public and private support institutions and the like. The general goal of the Agenda of the Rural Entrepreneur is to put in the hands of entrepreneurs in decentralized zones a daily tool that allows planning, recording, learning about value chains and specific advice and tricks related to what is already available in SAGIC best practice manuals. This agenda will be more than a generic agenda but a directory of simple and useful advice for the rural user. It will be an advertising medium for businesses that provide inputs to the target groups. By helping to produce an annual “Rural SMEs Agenda”, which will have to be contracted out to a private firm, SAGIC will have a format in which it can insert up dates of its manuals, increase the breadth of its coverage and provide a “one book” annual archive of rural activities for its SME owner. The objective is to make the rural agenda a sustainable product. It will require having one person on the staff to follow the process over a two year period.

## **6.2 PUBLIC-PRIVATE PARTNERSHIP**

### **6.2.1 General Recommendations**

#### **Recommendation 1: Sharpen the Approach to Identifying and Achieving PPPs**

USAID and IRG should explore the possibility (with agreement from the GOS) of creating a unit akin to a “one-stop-shop” for the development and promotion of PPPs. The facility’s role would not necessarily be to “approve” PPPs; rather it would focus on working with line ministries and municipalities as well as other government entities to identify services that are appropriate for delivery by the private sector. Once these services are identified, the unit would assist in attracting private sector interest, serve as a source of information, advise on the formation of private providers, and, perhaps, manage the tender and selection process. The Office might also collaborate with the Luxembourg Decentralization and Municipality Development Project (PNDL) for the provision of municipal services. As a consideration, the activity might be organized as a “center of excellence” for PPPs as opposed to setting it up as a more traditional service organization.

#### **Recommendation 2: Consider Developing this PPP Unit within (or piggy-backed on) the Office of the President and APIX**

It has been made abundantly clear that the GOS would prefer that the PPP Unit be “housed” under the Office of the President and its investment promotion agency APIX – rather than with the Ministry of Finance. The establishment of this Unit at APIX makes sense as APIX is already promoting a number of PPPs and has both credibility worldwide as well as greater capacity (than the other government agencies) to take on this role. There is the possibility of creating the PPP Unit directly as part of APIX or creating a separate Unit and house it (piggy-backed) within APIX’s facilities.

#### **Recommendation 3: Create within the PPP Unit a capability to work on “sub-national” PPPs**

There should be a focus of some resources at the local and municipal level – and not only on the large projects, which are usually more difficult to bring to fruition. There is significant need for PPPs at the local and municipal levels for the provision of various services; and such PPPs generally are not as politically sensitive as national-level PPPs. This sub-national “unit within the PPP Unit” should be figure predominately during discussions with the GOS for the establishment of the PPP Unit. The advantage of this approach is that it provides opportunities for smaller local firms to get involved in delivering services

or operating facilities that are of a more appropriate scale than the typical PPP arrangement. BDS could be a source of assistance to these local firms, as could be the Policy Reform unit as there might be a need for local ordinances or amendment of national laws to permit the arrangements. Including some focus at the municipal level might create a beneficial “bottom-up” on national policy reform efforts.

#### **Recommendation 4: Find and Develop PPP Champions**

More attention needs to be paid to the politics of PPPs and the identification and support of PPP Champions. These “Champions” exist both within the private and public sectors – and there are officials at both the national and sub-national levels interested in the development of PPPs who should be sought out and cultivated. The lack of the identification of such champions so far has been an impediment to forward progress with this Component.

#### **Recommendation 5: Provide Training and Capacity Building**

SAGIC needs to continue building capacity of a cadre of experts across the Government in disciplines related to designing and implementing PPPs. While it would be preferable for line ministries to have more authority in executing PPPs, the political reality has been that the Office of the President is directly involved in the “Grand” PPP processes. It is important to work with key staff across the line ministries as well as APIX in order to train a number of experts in various agencies, recognizing that people will move around over time and that the locus of PPP activity also will shift. Training needs to be provided in many areas:

- Financial analysis (projecting market demand and revenues and expenditures for potential projects).
- Economic analysis (projecting benefits and costs to society of potential projects).
- Master planning—planning of the PPP process and planning of PPP sites.
- Legal, regulatory and institutional design, to put in place laws, regulations and institutions needed to facilitate and run PPPs effectively and transparently.
- Management skills, to oversee PPP implementation.
- Financial management skills, to supervise the finances of PPP implementation and identify financial risks before they cause problems.
- Policy skills in the areas of labor code, regulatory environment, land use, and taxation, to ensure the appropriate overall environment. (See Component 3.)
- Investment promotion, to bring private investors into the PPP process.

#### **Recommendation 6: Dedicate the Necessary Human Resources to be Successful**

Currently (similar to the Policy Reform Component), there are no dedicated human resources (either international or local) working directly on the PPP Component. In order for this initiative to be successful, substantial dedicated full time technical assistance will be required – to develop further to institutionalization of the PPP Unit as well as provide guidance and support of the Unit in its formative years. This technical assistance should include local expertise as well as experienced international experts with an understanding for the complexities of PPP development in Africa.

### **6.2.2 Strategic Options**

Strategic options are as follows:

- Focus program action more on capacity building activities related to: information and increasing awareness, training, institutional support to public and private institutions, negotiate with the

*École Nationale d'Administration* and universities to integrate PPP modules in the training of lawyers, economists and managers.

- Start with the SCA, its objectives and strategic axis, then define, with the government, the support actions SAGIC can provide;
- In the different sectors of economic activity, choose a focal point, main beneficiary of skills to be transferred or strengthened; e.g. SCA, DASP, ANCAR, APDA, DPV, Horticulture Department, CNP, CNES, UNACOIS or others.
- Achieve some successes at municipal level and provide them to Policy Reform to use to promote reform at the national level.
- The role and success rate of the PPP unit can be increased by focusing parts of its efforts (50%) to work with municipalities to identify opportunities for private provision of public services. The advantage of this approach is that it provides opportunities for smaller local firms to get involved in delivering services or operating facilities that are of a more appropriate scale than the typical PPP arrangement. BDS could be a source of assistance to these local firms, as could be the Policy Reform unit as there might be a need for local ordinances or amendment of national laws to permit the arrangements. Including some focus at the municipal level might create a beneficial “bottom-up” on national policy reform efforts.

## **6.3 POLICY REFORM**

### **6.3.1 General Recommendations**

#### **Recommendation 1: Enable New Financial Institutions, Products, and Services**

Current financial-sector law and regulation are inadequate, in several respects. First, the “middle” of the financial sector is missing. That is, there are commercial banks, which tend to serve large firms, and there are micro-finance institutions, generally not-for-profit, which serve smaller SMEs, but there are few institutions to serve businesses that have outgrown the micro-finance size but are not yet large enough to qualify for regular commercial lending products. Second, Senegal’s financial sector does not offer a sufficiently broad range of products and services. For instance, there is no law on leasing, debt financing, or venture capital which can be important means of finance for “middle” firms. To the extent Program resources permit, attention should be paid to enabling new financial institutions that would serve the “middle” market and to facilitating new financing products and services.

#### **Recommendation 2: Expand Policy Reform initiatives in areas of strategic importance that will also impact competitiveness**

Water policy reform: develop a policy to better reflect the scarcity value of water and the ways to achieve more efficient and effective management of water usage in urban, rural, industrial and agricultural sectors as a way to identify further PPPs opportunities in the water delivery sector.

#### **Recommendation 3: Support the Ministry of Labor in an Awareness Campaign of the New Modernizing Labor Code**

Assist the Ministry of Labor to implement a national awareness campaign of the new texts through the media and in-company sessions; support participatory sessions of the Ministry with their social partners so as instil a continuous “review and improve” process of modernizing and keeping Senegal’s Labor

Code and Laws at cutting edge of competitiveness. In addition, SAGIC should focus on reviewing and alleviating the more egregious aspects of the Labor Code that are most impeding PPPs.

### **6.3.2 Strategic Options**

To put into place a framework for promoting alternative financing:

- To do so, alternative financing must become part of a “SMEs Sector Policy Letter” with its principle action being: a) an evaluation into the causes of failed financing institutions that previously existed in Senegal; b) support for drafting tests that will develop the statutes of new financing mechanism (e.g.; leasing, venture capital, debt financing, Islamic finance) and c) organize discussions with potential stakeholders (banks, leasing operators, institutional investors).
- Other financial sector reforms include: putting into place laws on security of deposits and central credit register. Both will allow the banks to be more apt to extend loans. Loans can also be facilitated via laws that permit different types of collateral as loan guarantee; Senegal also needs to establish a unified registry of granted guarantees. Additionally, legal protection of creditors and the existence of records on credit will also have an impact on increasing the volume of loans granted to the private sector.

## **6.4 CROSS-CUTTING THEMES**

### **Recommendation 1: Recruit a Manager and Staff for the PPP and Policy Reform Units**

Little can be accomplished under either the PPP or the PR components in the absence of qualified staff under full-time management. Both components are consistent with the growth strategy being followed by the GOS and are potential sources of welcome assistance to the Government. Assisting national level PPPs requires expertise that is expensive and will only be available in short-term assignments. As an alternative to the PPP component putting all its efforts into PPPs at the national level, the Evaluation Team recommends that the PPP unit be staffed with a procurement specialist, and one or two municipal services specialists (one of whom might be the Unit Manager) to work at developing PPPs at the local level. In addition, at least two macro economists, one of whom might be the PR Unit Manager, should be recruited to provide basic capability in policy reform. Short-term specialists should be relied upon to address particular issues and policies that are adversely affecting economic growth in Senegal. Topics that come to mind include: labor law, regulations affecting equipment leasing, and loan collateral, international disputes and similar commercial laws, regulations and arbitration/conciliation facilities. The PR unit should be expected to be far more effective in its relationships with GOS and in supporting policy reforms if it offers well-qualified and competent talent. Working in concert, the PPP unit and the PR unit should be able to get attention focused on PPP opportunities in transportation facilities, rural power and other services, and be in a position to encourage reconsideration of operating the Niokolo Koba National Park through a PPP. Without adequate staff working in the two components, it is not possible to accomplish any of this.

### **Recommendation 2: Increase Coordination of Component Activities**

The objectives and the activities of each of the three components of the SAGIC program are closely related and should be mutually supportive. At present, they are not. While not much can be coordinated until the PPP and PR units are staffed adequately, once they are all three units should develop and implement work plans that have overlapping objectives and closely coordinated task activities. Policy reform is an obvious example. BDS and PPP are much more likely to achieve their performance targets if the Policy Reform unit is successful in precipitating changes in labor laws, banking regulations, leasing

regulations and other commercial laws that are barriers to economic growth and increased competitiveness. The restrictions on credit to SMEs have a particularly negative impact on agricultural and other rural enterprises and threaten the successes achieved through the work of the BDS unit in developing effective value chains in the food product industries.

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- 2007 USAID-EG Annual report final
- SAGIC ANNUAL Report 2008 Final
- Work Plan 2006 - 9 mois
- Work Plan 2007
- Work plan 2009 Strengthening Value Chains
- Monitoring and Evaluation Manuals, Original and Revised

### Specific component documents

- Séminaire sur les PPP 2- 3, Novembre 2006 à Dakar Rapport Final et liste des participants
- Note de synthèse des consultants de SAGIC sur la proposition du MEPN du Sénégal et African Parks d'un PPP pour la gestion du PNNK
- Le Droit sénégalais du partenariat Public-Privé  
Rapports sur le cadre juridique et règlementaire pour le partenariat public-privé  
Par Abdoulaye sakho agrégé des facultés de droit. UCAD Dakar décembre 2007
- Conférence débat sur les « opportunités d'investissements ou de participation du secteur privé pour la réalisation d'infrastructures et la fourniture de biens et services par les PPP » Dakar 17 et 18 juillet 2007
- PDMAS Rapport final Mise en exploitation d'une gare de fret attenante à l'aéroport Léopold sédar Senghor et du Centre de conditionnement de Sangalkam 20 février 2008
- Compte-rendu : Réunion Groupe ad hoc PPP 24 juillet 2008
- Cashew Value Chain Support Program, Field Visit Notes, Sokone, Training of Regional Cashew Value Chain Working Group of Sokone (CVCWGS) to promote 2009 sub sector growth initiatives, 13 February 2009.
- Consultant Trip Report, Assistance to the cotton processing Value Chain, Aid to Artisan, June 17-30, 2008, Docey Lewis.

### Other Documents

- Review of National Competitive Policy Reform, Australian Government Productivity Commission, Inquiry report, 2005.
- USAID/Ulaanbaatar, Incentives, Structure and Regulation of Public Private Partnerships in Middle Income Countries, Patricio Mansilla, Jan 2009.

## ANNEXES

### ANNEX I – Scope of Work

#### **Work Statement for Mid-Term Evaluation of the IRG (International Resources Group) – Economic Growth Program**

##### **Purpose of the proposed evaluation**

The purpose of this mid-term evaluation is to assess progress to date and identify areas for improvements that will facilitate the attainment of the planned results. The evaluation will focus on Task Order # 1 under USAID's Program on Economic Growth (USAID EG). Specifically, the components of Task Order # 1 to be evaluated include Business Development Services (BDS), Public-Private Partnerships (PPPs), and Policy Reforms (PR). After about 30 months (December 2005 -June 2008) of implementation, this comprehensive look at those components will help to identify needed corrective actions relating to the intervention approaches, nature of services and inputs. The external consultants conducting this evaluation will gather a wide range of background information from USAID/Senegal and IRG-EG staff to ensure that the findings and recommendations are based on an accurate understanding of the program.

##### **Background**

As part of its current strategic plan for Senegal, USAID supports the efforts of the Government of Senegal (GOS) to attract private investment and promote a vibrant and competitive private sector. The GOS has implemented an Accelerated Growth Strategy USAID/Senegal has built on. Furthermore, USAID/Senegal, while tapping into resources from the African Global Competitiveness Initiative, learned from programs such as the West Africa Trade Hubs in Dakar and Accra, the "Wula Nafaa" project, and the Digital Freedom Initiative.

On December 12, 2005, USAID/Senegal awarded International Resources Group (IRG) a single award IQC to provide technical expertise and management in areas related to accelerated growth, increased competitiveness, and trade. The IQC has the following four components:

- Development of strategic sub-sectors using a Business Development Services (BDS) model or other state-of-the-art intervention to promote increased trade, especially AGOA-related trade.
- Development of public-private partnerships (PPPs) that attract investment for efficient delivery of public goods or services.
- Policy reforms for improved business environment.
- Fiduciary services/management services and building Government of Senegal (GOS) capacity.

Task Order # 1 under the IOC known as USAID's Program on Economic Growth (USAID EG) covers the first three components. It requires IRG to use local expertise in all aspects of the implementation of the scope of work, and to help build the capacity of firms in Senegal to provide advisory services, particularly related to trade, BDS and PPPs. In addition,

USAID/Senegal wishes to support the desire of the GOS to strengthen its own capacity in these areas. Therefore IRG may be required to place experts in GOS entities to address various technical areas of the scope of work.

The sub-sectors originally targeted by Task Order # 1 include cashews, mangoes, bissap, gum arabic, neem, banana and woven textiles. On January 8, 2008, Task Order # 1 was amended to include the West African Cotton Improvement Program (WACIP), which adds value to cotton and diversifies the agricultural economy in cotton growing regions. This expanded the subsectors supported by the project to include cotton, organic cotton, sesame seeds, fonio and dairy products.

Moreover, this USAID EG IOC has included other Task Orders. For instance, Task Order # 2, intended to build on progress made and lessons learned from the first phase of the Digital Freedom Initiatives (DFI) dwindled to a feasibility study of municipality wireless network.

To date, USAID EG program has earned respect among the GOS, the private sector, donors, partners and other stakeholders. Other major achievements include the following:

1. Seven value chain studies (Bissap, Cashew, Fonio, Mango, Neem, Sesame, and Woven textiles) completed.
2. All the consultants and staff working on value chains gained the skills to use the guidelines for value chain analyses.
3. The bissap value chain introduced new farm practices such as pure/certified seed production and market study for value added products for the US market.
4. The cashew value chain led to increased export earnings in 2007 over 2006.
5. IRG helped to develop a program to fight against fruit flies which had strong participation from mango producers and helped to decrease loss in mango production in 2007.
6. Technical Assistance to the woven textiles sub-sector provided a range of services to build and/or strengthen the capacities.
7. The PPP component collaborated with selected key stakeholders to move forward the processes for the (a) cold storage freight facility at the Dakar airport, and (b) management of the Niokolo Koba National Park.
8. USAID approved the contractual policy reform milestone relating to the reduction of the (a) costs of starting business; and (b) number of days and procedures to start a business.

### **Information Sources**

The Evaluation Team shall familiarize itself with USAID and project documentation.

USAID/Senegal will ensure that all relevant documents are available to the Team prior to the field work. The documents will include, but not limited to:

- IRG-EG annual work plans, annual and semi-annual reports;
- Task Order milestones;
- Performance Monitoring Plans prepared by USAID;
- Monitoring and Evaluation manual prepared by IRG-EG
- Monitoring and Evaluation data sheets prepared by IRG-EG;
- Baseline data for selected value chain sectors;
- Sectoral action plans;
- Training manuals;
- Sectoral value chain analysis reports;
- Other sectoral (PPP and PR) reports; and
- Field trip reports; and
- Other documents, as required.

### **Scope of Work**

Required tasks and timeframe

The tasks in this SOW will be implemented over the period of about seven weeks, starting on or about January 12th, 2009 to about February 27th, 2009. The schedule below is illustrative and will be discussed and revised, as required.

## **TIMEFRAME TASKS**

**Jan. 10 2009** Travel Casablanca-DC

**Jan. 12-13 2009** Meetings in Washington DC with USAID and IRG

**Jan. 15 2009** Travel to Dakar

**Jan. 16 2009 (morning)** Meetings with USAID to (a) discuss the draft work plan; (b) review and confirm planned dates of submission of deliverables; and (c) brainstorm on key accomplishments, weaknesses, opportunities, and threats.

**Jan. 16 2009 (afternoon)**

Meetings with IRG EG to (a) review the information sources and contact list; (b) discuss appointment dates and times; and (c) brainstorm on key accomplishments, weaknesses, opportunities, and threats.

**Jan. 19 2009** Inbriefing with GOS representatives

**Jan. 10–19 2009** Literature Review

**Jan. 20 2009** Final Work Plan, Methodology and Tools submitted for approval

**Jan. 21-23 2009** USAID Review of Work Plan, including Data Collection Methods and Tools

**Jan. 26-28 2009** Meeting with Dakar-based Key Informants

**Jan. 28 – Feb. 4 2009** Field Travel and Data Collection

**Feb. 5 – 9 2009** Drafting

**Feb. 10 2009** USAID/Dakar Debriefing

**Feb. 11 2009** First Draft Revision Based on Comments

**Feb. 12 2009** Debriefing with GOS Representatives

**Feb. 13 2009** Full Draft Submission

**Feb. 14 2009** Travel back to Country of Residence Casablanca, Morocco

**Feb. 16-18 2009** Feedback from USAID/Senegal and IRG EG

**Feb. 18-25 2009** Possible Revisions to Report

**Feb 26-27 2009** Translation of documents and Submission of final report

## **Methodology**

The team conducting this mid-term evaluation shall review all the relevant documents pertaining to USAID EG program, including those listed in the background section. In Dakar and in a sample of targeted localities, the team will also meet and interview representatives from Government of Senegal, donors, partners and other stakeholders.

The evaluation team shall propose its own methodology but it is expected that the evaluation will be implemented through document review, key informant interviews, and focus group meetings. USAID/Senegal expects that the analysis will consider gender issues such as the constraints to effective participation by men and women, and the opportunities to maximize effective participation of men and women in future program activities.

**Issues to be investigated:** The primary focus of this evaluation is on the BDS, PPPs, and PR components of Task Order # 1 under USAID EG program. The evaluation shall provide general and specific conclusions and recommendations on ways to keep the momentum, boost the program, or make the most suitable modifications in the program. USAID/Senegal is interested in knowing about the adequacy of the components, the soundness of the approaches, the quality of Task Order overall management, the adequacy of the supply of the services and inputs to be provided, the beneficiary coverage and response, and the overall chance of sustaining the program.

Specific questions (among others) that are of interest to this Mid-Term evaluation are:

### ***Component 1: Business Development Services***

- Has the program been able to complete the planned activities within the stipulated times?
- Did the services and inputs provided reach the target population in the expected numbers?
- To what extent did the target groups use the services and inputs provided? Were any formal or informal mechanisms established for involving key stakeholders?
- Has the BDS approach proven to be effective?
- Are the planned results achievable in the present private sector organizational environment?

### ***Component 2: Public-Private Partnerships***

- Has the program been able to complete the planned activities within the stipulated times?
- Are the planned results achievable with the lack of a broad range of financing instruments or other institutional factors?
- What does this experience suggest about the future potential for PPPs in Senegal?
- What needs to be changed to speed-up the PPP process?

### ***Component 3: Policy Reforms***

- Has the program been able to complete the planned activities within the stipulated times?
- Have the policy reforms identified been sufficiently ambitious?
- Has the approach for accomplishing policy reform been effective?
- Are the planned results achievable in the present "doing business" environment?
- What legal, regulatory, or administrative barriers are to be lifted for attracting investments and making the private sector more competitive?

### ***Cross-cutting themes***

- How well have the activities been coordinated and efficiencies established?
- Are the components relevant (the right mix)?
- What way are the components relevant? Are the targets set realistic?
- Are the intervention approaches still valid in light of 30 months of implementation?
- Are the intervention approaches conducive to sustainability?
- Is the program being implemented as planned?
- Did the program managers establish necessary linkages with governmental agencies and private organizations?
- To what extent public and private institutions were developed or strengthened?
- Was the supply of the services and inputs to be provided adequate?
- To what extent IRG EG has made progress in identifying, developing and implementing capacity building activities within GOS and private sector?
- To what extent the program monitoring system can meet the reporting requirements?

### **Deliverables**

The Evaluation Team shall provide the USAID/Senegal Cognizant Technical Officer of this contract with:

1. a work plan including data collection methodology and tools;
2. a draft evaluation report; and
3. a final evaluation report.

The evaluation team shall propose its own evaluation report outline but it is expected that the main body (sections INTRODUCTION through LESSONS LEARNED) of the final assessment report will not exceed **40 pages**. It is also expected that the report will include the following sections:

1. Acknowledgement
2. Acronyms list
3. Executive Summary

4. Table of contents
5. Introduction
6. Background
7. Purpose and Methodology of the Assessment
8. Findings (re performance, management system, etc.)
9. Conclusions
10. Recommendations and strategic options
11. Lessons learned
12. Bibliography
13. Annexes (terms of reference/scope of work; organizations contacted; a discussion of the methodology and data collection tools, etc.)

The evaluation team leader shall submit all draft documents to the Cognizant Technical Officer at USAID/Senegal. USAID will provide comments on the work plan within three working days of receipt. USAID will provide comments to the Evaluation Team Leader within three working days of receiving the draft evaluation report. The evaluation team leader shall incorporate USAID's comments and submit final report to USAID in electronic format (Microsoft Word) as well as printed and bound copies (five copies in English and 15 copies in French) no later than six working days of receipt of the comments. **IOS Partners** will be responsible for translating the final report into French. The evaluation team leader shall submit one either electronic or hard copy to Development Experience Clearinghouse at <http://dec.usaid.gov> or M/CIO/KM, RRB M01, USAID, Washington DC 20523.

### **Required personnel**

#### **Team composition**

It is expected that this evaluation team will be comprised of one evaluation team leader, recruited internationally, and up to three locally hired experts with skills defined below. All candidates must be approved by USAID/Senegal. The evaluation team will work under the overall direction of the Team Leader. All team members will contribute to day-to-day problem solving, technical questions, etc.

Desired qualification for the key personnel The Evaluation Team Leader is responsible for hiring the local consultants, clarifying the scope and timeline with USAID, compiling and distributing the background materials to the team members, team management and coordination, writing assignments, making transportation and logistics arrangements, field work preparation/scheduling, and briefings/debriefings. Working in conjunction with other team members, s/he will be responsible for data analysis, lessons learned, and recommendations.

The Evaluation Team Leader must have the following skills and qualifications:

- a post graduate degree in political economy, economics, or related fields;
- an extensive experience in trade and competitiveness;
- an extensive experience in strategic planning/development;
- a proven record of leadership in evaluation of economic competitiveness activities;
- knowledgeable of USAID policies, objectives and programs;
- a proven team player experience; and
- excellent spoken and written skills in French and English.

Additionally, other team members to be recruited locally must have proven experience in evaluation and expertise in the following areas:

- Public-Private Partnerships;
- Value chain analysis; and
- Policy reform.

## ANNEX II – Work Plan

### WORK PLAN for MID TERM EVALUATION: SAGIC's ECONOMICS GROWTH PROGRAM (IRG) SCHEDULE OF ACTIVITIES (Jan 26 update)

	COMPONENT #1 - BDS	COMPONENT #2: PUBLIC - PRIVATE PARTNERSHIP (3P)	COMPONENT #3: POLICY REFORM	COMPONENT #4: CROSS-CUTTING THEMES	Deliverables	Approval of Deliverable	Observations
<b>Responsible</b>	Bachir Ndiaye	Mame Birane Diouf	Babacar Cisé	Mame Birane Diouf			One person is responsible for each component, but the team is involved in all four
<b>Emphasis</b>	Mango, cashew, bissup, banana, textile	Reframing the follow-on reach	Perception & reality of Policy Reform for next phase	Can marriage among the components be improved?			Following interviews, emphasis may need altering
<b># of interviews</b>	22 interviews, 4 in Thies, 4 in Ziguinchor	9 interviews Dakar	12 interviews Dakar	Internal interviews and analysis - Dakar			Most of field work for components 2-4 are Dakar based; only BDS is best done outside
<b># of work days</b>	22	8.5	23	15.5			Requires review & adjustments
<b>Week 2</b>					<b>DELIVERABLE:</b>	<b>USAID</b>	
Jan 20-24	Meet with USAID, SAGIC, establish work plan, begin document review, individual interviews				<b>Work Plan Jan. 21, 2009</b>	<b>Review work plan</b>	
<b>Week 3</b>							
Jan 26-31	Document review & interviews: mangos (5); cashews (3)	Document review & interviews: CEPOD and DASP (Min Finance); APIX; Office of the President.	Doc. review & interviews: SCA Permanent Sec; CEPOD and DASP (Min Finance); APIX-SCA/Doing business.	Internal interviews and analysis - Dakar	Field travel & data collection: Jan 29-Feb 14		
Travel	Thies Jan 29-31						
<b>Week 4</b>							
Feb 2-7	Interviews: bissup, bananas and textile; analysis, drafting USAID debriefing/PPT	Interviews: Conseil des Infrastructure; PPIAF (World Bank); CNES; lawyer & consultant advisors to Business Assoc.	Min Labor; Dir Prevision/Etds Eco (Min Finance); Advisor Comptvns (Off. President); WB, AFD; CNES, CNP	Continue with interviews and perhaps focus groups	Field travel & data collection: Jan 29-Feb 14		
Travel	Ziguinchor Feb 6-9		Ziguinchor Feb 6-9		<b>DEBRIEFING USAID: Feb 13</b>		
<b>Week 5</b>							
Feb 9 - 14	Analysis, writing, data verification, and preparation of briefing documents and presentation PPT						
	USAID/Dakar debriefing: Friday 13.						
<b>Week 6</b>							
Feb 16 - 21	Review USAID comments; debriefing GOL Feb 17; Full Draft submitted to USAID, Feb 17				Debriefing GOS, <b>DELIVERABLE</b> Full Draft USAID Feb 17	<b>USAID Feedback and IRG Feb 18-20</b>	
<b>Week 7</b>							
Feb 23 - 27	Incorporate feedback from USAID and IRG, revision, translation, submission of final report, Feb 27				<b>DELIVERABLE:</b> Final report Feb 27		

### **ANNEX III – Contact Information Sheet (People, Institutions Interviewed)**

<b>Nbr</b>	<b>Individual</b>	<b>Position</b>	<b>Institution/organism</b>
1.	MME RÉGINA BROWN	COP	SAGIC
2.	PATRICK NUGAWELA	BDS Advisor	SAGIC
3.	OUSMANE SANÉ	MEE Consultant	USAID-SAGIC
4.	ALASSANE TOUNKARA	Conseiller technique	Ministère Fonction Publique
5.	FALLOU DIEYE	Conseiller du Directeur Général	APIX
6.	IBRAHIMA DIOUF	Directeur de la PME	Ministère de la PME
7.	PAPA NALLA FALL		Conseil National du Patronat
8.	MAMADOU MAKHTAR DIAGNE	Directeur	DASP
9.	AMADOU SANO	Chef de Division Environnement des Affaires	DASP
10.	IBRAHIMA WADE	Secrétaire Permanent	SCA
11.	JULIEN LEVIS	Spécialiste Développement secteur Privé	IFC
12.	ELIMANE	Directeur	ELYBEE
13.	MOÏSE	Facilitateur	SAGIC
14.	AWA BEYE	Présidente	GIE Beyecounda
15.	PLAMENT SANDRINE	Directrice	CARE
16.	CLAIRE THELLIER	Assistante lutte contre la Mangue	CARE
17.	ISMAELA DIÉDHIYOU	Journaliste	RTS
18.	CHARLES PRINS	Exploitant	ARINC-AgroSénégal
19.	CHRIS BARLTROP	SR. Financial Market Advisor	USAID/W
20.	DAVID FISCHER	Program MGR	IPPP/W
21.	BRUNO CORNELIO	SR. Econ officer	USAID/W
22.	LENNORA DOORES FENDELL	Acting Senegal Desk officer	USAID/Washington

23.	MARTIN WEBBER	Executive VP	J.E. AUSTIN/Washington
24.	SARAH DURSO	MGR ENV. NAT. RES.	IRG/Washington
25.	DOUG CLARK	Lorporat V.P	IRG/Washington
26.	SIMON GOMIS	BDS Expert	SAGIC
27.	DR YOUSSEU DIAGNE	Expert Cotton TEAM	SAGIC/TAMBA
28.	VIOLA VAUGHN	Executive Dir	WHEPSA
29.	KEVIN MULLALY	Mission Director	USAID/SENEGAL
30.	RAM MOHAN	Executive Director	SENECOM EX (BANJUL)
31.	AMRITH KURIAN	Commercial	SENECOM EX (KAOLACK)
32.	M. Fallou Dièye	Conseiller du Directeur Général	APIX
33.	M. Aboubacry Sow	Expert Finances Publiques	CEPOD
34.	M. Soullèye Ndiaye	Inspecteur des Affaires Administratives et Financières Retraité	Ministère de l'Environnement
35.	Mme Ramatoulaye Ndiaye	Conseiller du Ministre IAAF	Ministère de l'Environnement
36.	Matar Dramé	Représentant	UNACOIS JAPOO
37.	Mme Aminata Dia	Member Consultant	CNP
38.	M. Aliou faye	Directeur	CEPOD
39.	El Hadj Mbara Sène	Directeur Retraité	Direction des eaux et Forêts
40.	Maiamad Diouf	Directrice	Maria distribution
41.	Maraiama Diouf	Présidente	FP2A
42.	Maleyni Diatta	Coordonnateur Scientifique	ASNAP
43.	Babou Diouf	Country Officer	ASNAPP
44.	Mme DIOP	Propriétaire	Mam Production
45.	Charles ADAD	Propriétaire	ADAD
46.	Mame Saye Kandj	Présidente	Association des Femmes de Thiès Nord
47.	Mr Diakhate	Présidente	COPROFEL

<b>48.</b>	Cheikh Mbaké Mboup	Directeur Technique	ANCAR
<b>49.</b>	Cheikh NGANE	ONAPES	ONAPES
<b>50.</b>	Pierre Albert	Coordonnateur	Fonds d'appui aux Niayes
<b>51.</b>	Mamadou Dabo	Expert Agriculture	SAGIC
<b>52.</b>	Christophe Poublanc	Expert BDS	SAGIC
<b>53.</b>	Massamba DIOP	Ex Expert BDS SAGIC	ADF
<b>54.</b>	Aaron Brownell	Natural Resources Management Program Officer	USAID/Senegal
<b>55.</b>	Peter Trenchard	Economic Growth Office Director	USAID/Senegal
<b>56.</b>	Ousman Ndao	M & E Specialist	SAGIC
<b>57.</b>	Fatou Diouf Cassé	Account Administrator	SAGIC

## ANNEX IV : BDS Interview Guides 1.1 – 1.3

### 1.1 GUIDE D'ENTRETIEN STRUCTURES D'APPUI/ FACILITATEURS

Prénom et Nom.....Date.....

Fonction.....Structure.....

#### **Situation actuelle**

*Explication de l'objectif de l'évaluation ; expliquez la durée prévue de l'entretien*

-D'après vous, est-ce que les activités énoncés par SAGIC ont été exécutées ou accomplis dans les délais prévus ?

-Comment êtes vous entrés dans la chaîne de valeur ?

1. Avez-vous fait un diagnostic de ou des chaînes de valeur.....?
2. Selon vous, quelles sont les potentialités actuelles de ou des chaînes de valeur ?
3. Quelles sont les principales contraintes de ou des chaînes de valeur

-Pensez-vous que les services ou appuis fournis par SAGIC ont bien atteints la population ciblés et en nombre de personnel attendues ?

-Comment pourriez vous décrire en quelle mesure les services et appuis sont appliqué ou utilisés ?

-D'après-vous, est-ce que l'approche BDS c'est montré efficace ?  
Si ou/non, comment ?

#### **Impacts et changements liés à l'appui de SAGIC**

-Comment appréciez vous l'intervention de SAGIC dans l'appui à ou aux chaînes de valeur ?

- Les résultats prévus sont-ils réalisables dans l'environnement actuel organisationnel du secteur privé sénégalais ?

#### **Axes de consolidation**

Selon vous, quels sont les appuis qui peuvent consolider ou améliorer les acquis obtenus dans la ou les chaînes de valeur ?

## **1.2 GUIDE D'ENTRETIEN BENEFICIAIRES**

Prénom et Nom : ..... Date : .....

Fonction..... Structure.....

### **Impacts et changements liés à l'appui de SAGIC**

1. Comment appréciez-vous l'intervention qui a été faite sur la chaîne de valeur
2. Quels changements cela a-t-il entraîné en terme d'organisation et en terme d'opportunités d'affaires
3. Est-ce que le programme SAGIC a été en mesure d'achever les activités prévues dans les délais fixés ?
4. Quelles sont les autres activités de SAGIC dont vous avez bénéficié
5. Quels sont les impacts ou changements que cela a entraînés à votre niveau et/ou au niveau de du secteur

### **Axes de consolidation**

6. Quels sont les services que vous attendiez et que SAGIC ne vous a pas apportés
7. Selon vous pourquoi n'avez-vous pas pu bénéficier de ces services
8. Quels sont les appuis qui peuvent consolider ou améliorer les acquis

### **1.3 GUIDE D'ENTRETIEN POUR GOS REP**

Prénoms et Nom :.....Date.....

Fonction .....Structure.....

1-Comment appréciez vous l'approche BDS développé par SAGIC dans la stratégie de croissance accélérée à travers le développement des chaines de valeur?

2) Les résultats prévus sont-ils réalisables dans l'environnement actuel organisationnel du secteur privé sénégalais ?

3) Si non, Quelle stratégie à développer pour une bonne synergie entre l'Etat et le et les facilitateurs pour une meilleure approche BDS

## **ANNEX V: PPP Interview Guides 1.1 – 1.2**

### **1.1 Projet de Guide d'entretien avec les acteurs Partenariat Public/Privé**

Prénoms et Nom :.....

Fonction ;.....

Institution.....

Rôle de l'Institution dans les expériences de PPP ?

- En général ?.....

- Dans le cadre du projet exécuté par

SAGIC ?.....

Votre rôle personnel ?.....

Résultats obtenus dans le projet ?.....

Résultats obtenus ailleurs dans le pays (autres expériences

connues) ?.....

.....

.....

Difficultés

rencontrées ?.....

.....

.....

Solutions apportées à ces

difficultés ?.....

.....

.....

.....

Quelles recommandations pour

l'avenir ?.....

.....

.....

.

## 2.2 Projet de Guide d'entretien avec les acteurs Partenariat Public/privé

Prénoms et Nom : .....

Fonction ; .....

Institution.....

Rôle de l'Institution dans les expériences de PPP ?

- En général ?.....
- Dans le cadre du projet exécuté par SAGIC ?.....

Votre rôle personnel ?.....

Résultats obtenus dans le projet ?.....

Résultats obtenus ailleurs dans le pays (autres expériences connues) ?.....  
.....  
.....

Difficultés rencontrées ?.....  
.....  
.....

Solutions apportées à ces difficultés ?.....  
.....  
.....  
.....

Quelles recommandations pour l'avenir ?.....  
.....  
.....  
.....

## ANNEX VI – Policy Reform Questionnaire

### **POLICY REFORM**

#### **QUESTIONS AUX PARTENAIRES POLICY REFORME**

Nom..... Date.....

Structure.....

*I) Les activités prévues dans le domaine des Réformes Politiques étaient-elles achevées ?*

- quelles sont les activités prévues en matière de reforme des politiques ?
- quel est le niveau de réalisation ?
- Avec quels délais elles ont été réalisée et avec quels partenaires ?

*II) les reformes politiques sont elles suffisamment ambitieuses*

- Quelles sont les contraintes auxquelles chacune des reformes essayait de solutionner ?
- Quelle est la portée de la reforme par rapport aux contraintes du secteur et par rapport à l'amélioration de la compétitivité ?

*III) L'approche pour réaliser les reformes politiques est elle efficace ?*

- Quelle démarche était entreprise pour parvenir à ces reformes ?
- Est ce que la démarche utilisée était pertinente (a permis d'avoir des résultats) ?

*IV les résultats prévus en terme de délais de création d'entreprise sont-ils réalisables ?*

- Quels sont les objectifs qui étaient assignés à l'appui pour la réduction des délais de création d'entreprise ?
- Quelles sont les actions conduites pour aboutir à la proposition de passer de 28 à 8 ou 2 jours ?
- - Quels sont moyens de vérification de l'effectivité de la réduction des délais ?
- - Quelles sont les nouvelles entreprises créées après cette reforme

*V. Quelles autres barrières légales, réglementaires ou administratives sont à lever pour attirer les investissements et rendre le secteur privé plus compétitif ?*