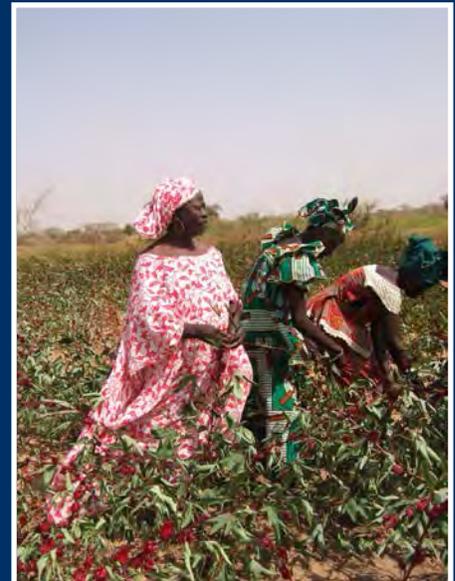




**USAID** | **SENEGAL**  
FROM THE AMERICAN PEOPLE

# SUPPORT FOR ACCELERATED GROWTH AND INCREASED COMPETITIVENESS

FY 2007 ANNUAL REPORT  
OCTOBER 15, 2006 - SEPTEMBER 30, 2007



**October 15, 2007**

This publication was made possible by the support of the American People through the United States Agency for International Development (USAID). It was prepared by International Resources Group (IRG).



# SUPPORT FOR ACCELERATED GROWTH AND INCREASED COMPETITIVENESS

FY 2007 ANNUAL REPORT  
OCTOBER 15, 2006 - SEPTEMBER 30, 2007

Contract No. IQC No.685-I-00-06-00005-00

**DISCLAIMER**

The author's views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government



# TABLE OF CONTENTS

<b>ACRONYMS.....</b>	<b>V</b>
<b>I. EXECUTIVE SUMMARY.....</b>	<b>I</b>
1.1. BUSINESS DEVELOPMENT SERVICES (BDS) COMPONENT .....	1
1.2. PUBLIC PRIVATE PARTNERSHIPS COMPONENT .....	2
1.3. POLICY REFORM COMPONENT .....	3
<b>2. INTRODUCTION .....</b>	<b>4</b>
2.1 PROGRAM OBJECTIVES AND STRATEGY .....	4
2.2 ADMINISTRATIVE UPDATE.....	4
<b>3. BUSINESS DEVELOPMENT SERVICES FOR EXPORT COMPETITIVENESS....</b>	<b>7</b>
3.1. TARGETED RESULTS AND PLANNED ACTIVITIES .....	7
3.2 KEY BDS VALUE CHAINS ACTIVITIES IMPLEMENTED AND RESULTS ACHIEVED .....	13
3.2 . KEY RESULT 1: INCREASED GROWTH PERFORMANCE OF THE BISSAP, MANGOS AND CASHEWS VALUE CHAINS.....	14
3.3. KEY RESULT 2: INCREASED GROWTH PERFORMANCE OF THE ARTISANAL TEXTILE SUB-SECTOR.....	31
3.4. KEY RESULT 3: INITIATION OF VALUE CHAIN ANALYSIS FOR THREE NEW SUB- SECTORS: FONIO, GUM ARABIC, AND NEEM.....	36
3.5. KEY RESULT 4: STRATEGIC ACTION PLAN TO PROMOTE THE GROWTH OF THE DAIRY SECTOR.....	40
3.6 KEY RESULT 5. SUPPORT FOR PROMOTION OF NEW INVESTMENTS IN SELECTED SECTORS .....	41
3.7. KEY RESULT 6: PROMOTION OF A MARKET FOR BDS OPPORTUNITIES IN ALL SUB- SECTOR GROWTH INITIATIVES SUPPORTED BY THE USAID EG PROGRAM .....	48
3.8 CONSTRAINTS, OPPORTUNITIES, AND PRIORITIES.....	67
3.9 SUCCESS STORIES.....	69
<b>4. PUBLIC PRIVATE PARTNERSHIPS (PPPS).....</b>	<b>82</b>
4.1 TARGETED RESULTS AND PLANNED ACTIVITIES .....	82
4.2 PROGRESS ACHIEVED .....	83
4.3 CONSTRAINTS, OPPORTUNITIES, AND PRIORITIES FOR THE NEXT YEAR.....	89
<b>5. POLICY REFORMS .....</b>	<b>91</b>
5.1 TARGETED RESULTS AND PLANNED ACTIVITIES .....	91
5.2 PROGRESS ACHIEVED .....	92

5.3 CONSTRAINTS, OPPORTUNITIES AND PRIORITIES FOR THE NEXT YEAR.....	97
<b>6. CROSSCUTTING ACTIVITIES .....</b>	<b>101</b>
6.1 MONITORING AND EVALUATION.....	101
6.2. COMMUNICATIONS AND OUTREACH.....	101
<b>ANNEX 1. DOCUMENTS PRODUCED DURING THE REPORTING PERIOD - BDS.....</b>	<b>105</b>
<b>ANNEX 2. CONSULTANTS .....</b>	<b>109</b>



# ACRONYMS

ACA	African Cashew Alliance
ADEPME	Agence de Développement et d'Encadrement des Petites et Moyennes Entreprises
ADM	Agence de Développement Municipal
AGOA	African Growth and Opportunity Act
AGS	Accelerated Growth Strategy
ANCAR	Agence Nationale du Conseil Agricole et Rural
APHIS	Animal and Plant Health Inspection Service
APIX	Agence pour la Promotion des Investissements et des Grands Travaux
APROSEN	Agence de la Propreté du Sénégal
ASEPEX	Agence Sénégalaise pour la Promotion des Exportations
ASNAP	Agribusiness in Sustainable Natural African Plant Products
ATA	Aid to Artisans
BAMTAARE	Base d'Appui aux Méthodes et Techniques pour l'Agriculture, les Autres Activités Rurales et l'Environnement
BCE	Bureau d'Appui à la Création d'Entreprise
BDS	Business Development Services
BDSA	Business Development Services Advisor
BDSIE	Business Development Services International Expert
BDSN	Business Development National Expert
BFPA	Bureau de Formation Professionnelle Agricole
BMN	Bureau de Mise à Niveau
BOT	Build Own Transfer
CAS	Country Assistance Strategy
CDE	Centre de Développement des Entreprises
CDH	Centre de Développement Horticole
CEO	Chief Executive Officer
CEPOD	Centre d'Etudes de Politiques pour le Développement.
CET	Construction Exploitation Transfert

CIIDAE	Cotton Improvement Initiative and Diversification of the Agricultural Economy
CIRAD	Centre de Coopération Internationale en Recherche Agronomique pour le Développement
CNES	Confédération Nationale des Employeurs du Sénégal
CNP	Conseil National du Patronat
COLEACP	Comité de Liaison Europe Afrique Caraïbes Pacifique
COOPROFEL	Coopérative de Fruits et Légumes
COP	Chief of Party
CPTH	Textile and Apparels Promotion Center
CREA	Centre de Recherches Economiques Appliquées
DASP	Bureau d'Appui au Secteur Privé
DCA	Development Credit Authority
DH	Direction de l'Horticulture
DISEM	Direction des Semences
DPV	Direction de la Protection des Végétaux
ENEA	Ecole Nationale d'Economie Appliquée
EU	European Union
EW	Enterprise Works
FAO	Food and Agriculture Organization
FP2A	Fédération Professionnelle des Acteurs de l'Agro-alimentaire
GADEC	Groupe d'Appui au Développement Communautaire
GANTEC	Green Africa Neem Technology
GBEE	Global Business Enabling Environment
GDA	Global Development Alliance
GIE	Groupement d'Interet Economique
GOS	Government of Senegal
IDTP	Institute for Transportation and Development Policy
IFAD	International Fund for Agricultural Development
IMF	International Monetary Fund
IQC	Indefinite Quantity Contract
IRG	International Resources Group

ISM	Institut Supérieur de Management
ISRA	Institut Sénégalais de Recherche Agronomique
ITA	Institut de Technologie Alimentaire
JEAA	J.E. Austin Associates, Inc.
KRA	Key Results Areas
LOL	Land O' Lakes
LTL	LTL Strategies
M&E	Monitoring and Evaluation
MEF	Ministère de l'Economie et des Finances
MEPN	Ministère de l'Environnement et de la Protection de la Nature
MOU	Memorandum of Understanding
MSU	Michigan State University
NBEE	National Business Enabling Environment
NCNW	National Council of Negro Women
NGO	Non Governmental Organization
NRM	Natural Resources Management
NSPA	Ngouda Semences et Produits Agricoles
NYIGF	New York International Gift Fair
ONAPES	Organisation Nationale des Producteurs et Exportateurs de Fruits et Légumes du Sénégal
PAMER	Projet d'Appui aux Microentreprises Rurales
PDMAS	Programme de Développement des Marchés Agricoles du Sénégal
PPIAF	Public-Private Infrastructures Advisory Facility
PPIP	Projet de Promotion des Investissements Privés
PPP	Public-Private Partnership
PR	Public Reforms
PRGF	Poverty Reduction Growth Facility
PRU	Public Reforms Unit
PSI	Policy Support Instrument
PSWG	Donors Private Sector Working Group
R & D	Research and Development

RESENTEX	Réseau Sénégalais du Textile
SAGIC	Support for Accelerated Growth and Increased Competitiveness
SEPAS	Sénégalaise d'Exportation et de Services
SIDIM	Salon International du Design de Montréal
SMEs	Small and Mediums Enterprises
SODEFITEX	Société de Développement des Fibres Textiles
SOW	Scope of Work
SPRS	Second Poverty Reduction Strategy
SSF	Sub-Sector Strategic Framework
SSSP	Sub-Sector Specialists
STTA	Short Term Technical Assistance
TOT	Training of Trainers
UN	United Nations
UNACOI	Union nationale des commerçants et industriels du Sénégal
UNIDO	United Nations Industrial Development Organization
USAID	U.S. Agency for International Development
USAID EG	USAID's Program on Economic Growth
USDA	United Department of Agriculture
USG	United States Government
WATH	West Africa Trade Hub
WBI	World Bank Institute
WHEPSA	Women's Health Education and Prevention Strategies Alliance

# I. EXECUTIVE SUMMARY

This second annual report covers the period from October 1, 2006 to September 30, 2007, for the first Task Order (Task Order #1) known as USAID's Program on Economic Growth (USAID EG) under the SAGIC IQC, which covers three components: Business Development Services (BDS), Public-Private Partnerships (PPPs), and Public Policy Reforms. All three components made significant progress in reaching expected results and milestones during the period. Most importantly, the program has earned respect among the GOS, the private sector, stakeholders, partners and donors in its leadership role in all three components.

## I.1. BUSINESS DEVELOPMENT SERVICES (BDS) COMPONENT

### I.1.1 ACTIVITIES IMPLEMENTED 2006/ 2007

Major activities for the Business Development Services component focus on supporting selected growth oriented sub-sectors using a value chain approach combined with market-based strategic interventions. Initially, the sub-sectors supported were limited to seven (cashew, mangoes, bissap, fisheries, fonio, dairy and woven textiles). Three new sub-sectors were added (neem, bananas, and gum arabic). Work has not yet started on fisheries. In January 2007, the scope of work for this component was enhanced to include the Cotton Improvement Initiative with two components: adding value to cotton and diversification of the agricultural economy in the cotton producing zones in order to augment farmers' income. Sub-sectors targeted for diversification are sesame, bissap, and fonio. In addition, BDS supports the GOS initiative under its Accelerated Growth Strategy to create a Textile and Apparels Promotion Center (CPTH) within the Textile Cluster.

### I.1.2. ACCOMPLISHMENTS

Following the completion of four value chain analyses in September 2006, BDS created action committees covering each step in the sub-sector value chain to implement a series of strategic interventions for bissap, cashew, mangos, and woven textiles. In 2007, four new value chain analyses were initiated covering neem, fonio, dairy, and sesame. This component is offering targeted support to bananas, gum arabic, sesame, and fonio, sectors to promote private sector initiatives.

Since October 2006, the component supported the following:

- The bissap value chain introduced a new farm practices model covering pure/certified seed production, R&D on best farm practices, commercial scale production, integration with cotton diversification, export and local market links, a stakeholder consultative process through an action committee, development of agriculture practices and a market study for value added products for the US market.
- The cashew value chain created linkages with the international market and Asian exporters, facilitated quality improvement training, initiated a stakeholder consultative process, and introduced quality control for raw nuts by developing a training manual. Exports for this sector, as per discussions and information obtained from the major exporters, are estimated to have exceeded 15000 tons in 2007. This translates into an FOB export value of US\$ 7.2 million or over US\$ 1 million more exported than in 2006.
- The mango sub-sector established a strong stakeholder consultative process to address a key problem affecting mangos—fruit flies (*Bactrocera Invadens*)—and mobilized public and private sector support. As a result, more than 84 trainers were trained to fight against fruit flies and disseminated information in Senegal and the rest of West Africa on the fruits flies problem. BDS provided support to establish a scientific database with the University of Thiès on the problem. Moreover, one cooperative representing over 400 members confirmed that the previous year they lost 80% of their production from fruit flies but

during the current 2007 production period, there is only a 20% loss of mangos and production increased by more than 200 tons above the 2006 level. This positive stakeholder feedback is encouraging.

- The woven textiles sub-sector through technical assistance by Aid to Artisans (ATA) offered training and business mentoring support to selected enterprises, new product design and collection development, market trends training, directed promotion, product promotion through the New York International Gift Fair and Trade Show, and scouting and identification of new programs to support organic cotton hand-processing and use of natural dyes.
- In addition, the BDS component supported the fonio sub-sector, starting with a market promotion program for farmers in the Koussanar region pending the completion of the value chain analysis; the neem sub-sector, through training 100 seed collectors on post harvest techniques for drying of seeds, developing training modules, and completion of a value chain analysis to identify market opportunities for seeds in the US; the gum arabic sub-sector by identifying a market for spray-dried gum in the US; and the dairy sector, by finalizing a value chain analysis on the dairy sub-sector for import substitution by Land O'Lakes, one of the largest dairy companies in the world. The component worked also to support the banana sub-sector and promoted a pilot program on best agriculture practices in Djibanar. More than 170 farmers have been trained on a certified organic banana production farm, which produces yields higher than the national average. The Cotton Improvement Initiative is targeting fonio, bissap, organic and fair trade cotton, and the sesame sub-sectors in the cotton zone. In addition, the program worked with UNIDO and other public and private sector partners within the textile sub-sector to prepare a road map for creation of a center for textiles and apparel promotion – CPTH.

## **I.2. PUBLIC PRIVATE PARTNERSHIPS COMPONENT**

### **I.2.1. ACTIVITIES IMPLEMENTED 2006/ 2007**

The objective of this component is to focus on the creation of simple and complex public private partnerships (PPPs) whereby private sector participation and market discipline are employed for the delivery of goods and services that historically have been the territory of the public sector. While the potential for creation of PPPs is strong, there is a lack of understanding within the GOS of various ways PPPs can be structured and even the various sectors that could benefit from PPP development, from the construction of government buildings to delivery of social services.

- During the year, the PPP component worked on reinforcing capacity within the GOS and the private sector. A workshop was held in November 2006 to educate the public sector on various aspects of PPP creation. In July 2007, a two-day workshop, sponsored jointly by the Chamber of Commerce and USAID EG, sensitized the private sector on various aspects of PPP development.
- The project conducted an observation and study tour to South Africa, a leader in using the capital and expertise of the private sector for provision of high quality government services. South Africa has a PPP Unit in its National Treasury that defines the legal requirements for PPPs, prepares guidelines on various regulatory requirements, has built a portfolio of transactions, and launched a highly effective stakeholder campaign to educate the private sector in procurement requirements. Senegal is willing to adopt a similar operating model. Eleven Senegalese officials have taken the training course offered by the PPP Unit in South Africa since 2006, which places significant emphasis on the role of the private sector in developing PPPs. This is an important message that GOS officials need to hear.
- Memorandums of Understanding were signed with the Conseil des Infrastructures, and the Chamber de Commerce. MOUs are used to define parameters for the working relationships with these and other institutions.

## **I.2.2. ACCOMPLISHMENTS**

- The PPP component collaborated with the World Bank, the Ministry of Rural Development and Agriculture, and PDMAS to develop a PPP, providing STTA to prepare the bid process to find private sector management of the Cold Storage Freight Facility at the Dakar airport. It is in the final stages and will be signed by October 15, 2007 according to the PDMAS management.
- A PPP to manage the Niokolo Koba National Park, is also close to finalization. This PPP should be completed before the end of 2007.

## **I.3. POLICY REFORM COMPONENT**

Public Policy Reform targets investment climate reforms in order to improve the macroeconomic and business environment, enhance export competitiveness and trade, and attract domestic and international investment. The component supports the implementation of Senegal's Accelerated Growth Strategy (AGS), which calls for strengthening GDP growth to an annual rate of 7% and creation of an "international class" business environment. AGS promotes five specific clusters that are perceived by the Government to have the highest comparative advantage for Senegal: (i) agribusiness; (ii) tourism; (iii) telecommunications and new technologies; (iv) textiles; and (v) fisheries.

Donors have become frustrated with the lack of progress in implementing the public and private sector reform agenda, including an institutional framework AGS. However, the GOS made a commitment to have the institutional framework in place to implement the reform agenda by January 2008.

### **ACCOMPLISHMENTS:**

- The first contractual policy reform milestone approved by USAID for this component, improving the World Bank *Doing Business Report* indicator for 2007 for starting a business (including number of days, number of procedures and costs) was achieved. Technical Assistance was mobilized by USAID EG and provided by an international expert in February 2007, who scoped activities, provided an action plan for each procedure, and presented best practices for comparison. APIX was tasked to implement the action plan. The milestone was met in July 2007 when APIX announced that: the number of days to start a business had been reduced from 58 to two days; the number of procedures was reduced from 10 to seven, and the costs of starting a business were reduced by slightly more than 20%.
- Donors would like to see the GOS maintain the momentum created by implementing this indicator in order to address other *doing business* indicators over the next year. The *Doing Business Report* can provide a quantitative road map for the GOS to achieve its goal of an "international class" business environment.

## 2. INTRODUCTION

This second annual report covers the period from October 1, 2006 to September 30, 2007 for the USAID/Senegal Support for Accelerated Growth and Increased Competitiveness (SAGIC) program. 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.

The first Task Order (Task Order #1) under the SAGIC IQC known as USAID's Program on Economic Growth (USAID EG) covers three components: Business Development Services (BDS), Public-Private Partnerships (PPPs), and Public Policy Reforms. 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.

This report contains progress and results achieved during the second year of the project. The principal activities and accomplishments are presented in detail for each of the following components: Business Development Services for export competitiveness; Public Private Partnerships; Policy Reforms; and the crosscutting components: Monitoring and Evaluation and Communications and Outreach.

### 2.1 PROGRAM OBJECTIVES AND STRATEGY

SAGIC is an IQC which builds on USAID/Senegal's successful work on competitiveness enhancement, the considerable potential of the \$200 million African Global Competitiveness Initiative announced by President Bush in 2005, successes of the West Africa Trade Hubs in Dakar and Accra, the Agricultural and Natural Resource Management Program known as "Wula Nafaa" which helps local communities to increase trade in non-traditional and natural resources, the Digital Freedom Initiative and the Government of Senegal's own program on accelerated economic growth.

The Government of Senegal (GOS) has recognized the importance of a vibrant and competitive private sector, and has developed an Accelerated Growth Strategy, which USAID/Senegal supports. The GOS also recognizes that the key to development is attracting private investment. The challenge is to identify the strategic areas that have the proper conditions to yield the most impact on economic growth in Senegal.

### 2.2 ADMINISTRATIVE UPDATE

#### 2.2.1. TASK ORDER #1 ECONOMIC GROWTH

- A. The work plan for Task Order #1 for the period from November 2006 to October 2007 was approved by USAID on February 6, 2007. Ten copies each in French and English of the work plan were submitted to USAID on February 28, 2007.

- B. The IQC Semi-Annual Progress and Financial Report No. 2 for the period July 1 through December 31, 2006 was transmitted to USAID on January 30, 2007.
- C. The Milestone Fixed Fee Schedule for Task Order #1 was amended effective January 8, 2007 so that that the BDS milestones for 2007 cover the period 10/1/06 to 12/30/07.
- D. By memo dated November 16, 2006, USAID indicated that BDS Milestone 1.1 *One to two ratio of USAID investments to new sales* “was not calculated to adequately reflect USAID’s true investment in the firms receiving our assistance. No staff time was included in the calculation of what our investments were. This calculation needs to be revised to reflect true costs.” A meeting was held on July 13, 2007, between the USAID mission and SAGIC BDS staff to determine the method to be used in calculating this milestone. Because of those discussions, SAGIC proposed a formula to USAID on August 2, 2007. USAID approved BDS Milestone 1.1 on August 13, 2007. Because of its new Operational Plan requirements, USAID informed the program that additional indicators needed to be added to the M & E Manual, which is currently under revision.
- E. BDS Milestone 1.7 (*Four Value chain analyses completed by 9/30/06*) was approved by USAID on November 16, 2006.
- F. BDS achieved all milestones and expected results for 2006 and USAID approved the contractor fixed fee for Milestones 1.1 and 1.7.
- G. In February 2007 at the suggestion of USAID and concurrence of IRG, it was decided that the full-time policy advisor position would be reviewed and, in the interim, short-term technical assistance would be used as needed. A work plan citing the assistance and experts to be used covering the period until the end of the current work plan was included in the IQC semi-annual report from January 2007 to June 2007.
- H. In April 2007, Lazzarre Potier was approved as the new IQC Project Director replacing Christine Brown.
- I. USAID requested to consolidate all policy reform issues cited in the value chain analysis for the various sub-sectors prepared by BDS into one document, and to provide technical assistance to formulate and prepare an action plan to implement needed reforms within the value chains. The BDS Technical Advisor, in concurrence with USAID, indicated that designation of needed reforms for each value chain should be the work of the respective Action Committees. Each step in the value chain for the respective sub-sector (mango, cashew, bissap and woven textiles) is represented on these Committees. That activity is presently underway. In collaboration with the Ministry of Rural Development and Agriculture (Agriculture), coordination of policy reforms relating to the mango fruit fly problem is now being discussed within the sub-sector value chain Action Committee in order to prepare an action plan to submit to the Minister of Agriculture. A meeting of the bissap value chain coordination Action Committee was convened on September 18, 2007, by the Minister of Agriculture to coordinate work on policy reforms related to the sub-sector. All recommended reforms will need to be integrated into the relevant clusters of the AGS. For instance, the action committees for cashew, mango and bissap will provide input to the AGS Agribusiness Cluster on policy reform-related issues and the woven textile action committee will make recommendations on policy reforms to the Textile and Garment Cluster.
- J. USAID also requested a comparative report on the investment incentives offered by Ghana and Senegal and recommendations that could be given to the GOS to improve competitiveness with Ghana in attracting new investment. A preliminary report from APIX based on a study tour to Ghana specifically to meet with the Ghana Investment Promotion Center and garment-making companies has been prepared and is under review by USAID EG. The final report is under preparation by APIX management. The project will provide technical assistance to recommend improvements in the investment package to APIX.

- K. Because of support offered to ASEPEX by USAID EG in order to visit the Ghana Export Promotion Council, a Memorandum of Understanding between the two agencies is being negotiated to cover the exchange of ideas and a closer partnership.
- L. The IQC Semi-Annual Progress and Financial Report No. 3 for the period January 1 through June 30, 2007 was transmitted to USAID on August 21, 2007.

### **2.2.2. SENEGAL COTTON IMPROVEMENT INITIATIVE**

Economic Growth Task Order #1 was amended by USAID on January 8, 2007 to incorporate the Senegal Cotton Improvement Initiative for \$2, 098,286 under the SAGIC IQC. The objectives of the statement of work (SOW) of the Initiative were to:

- Increase transformation and exports of cotton products, including cotton value-added processing; and
- Diversify market-driven agricultural exports in cotton producing regions both within, and outside of, the cotton sector.

The SOW was intended to enhance, and considered an attachment to Component 1 – Business Development Services (BDS) of the SOW, for Task Order #1. However, the Cotton Initiative has a separate Milestone Fee Schedule, administered independently, which is tracked as CLIN 002. The three-month work plan was approved by USAID on February 7, 2007, which represents Milestone 1. The nine-month work plan was approved by USAID on May 15, 2007, which is Milestone 3. An initial three-month phase to conduct a desktop review of cotton and other agriculture-related studies completed in Senegal was compiled with a set of ranked recommendations for implementation. This was submitted on May 2, 2007, and approved on September 18, 2007 by USAID. The first three of five milestones were achieved and USAID approved the contractor's fixed fee for these three milestones. The remaining two milestones for 2007 are to be completed by December 31, 2007. A separate annual report will be prepared at the end of 2007 for the Cotton Initiative.

The cotton team is currently operating from Tambacounda.

### **2.2.3. TASK ORDER # 2 MUNICIPAL WIRELESS (WIFI) FEASIBILITY STUDY**

The second Task Order (Task Order #2) under the SAGIC IQC builds on the progress made and lessons learned from the first phase of the Digital Freedom Initiative (DFI). The goal of the Digital Freedom Initiative (DFI) is to promote economic growth by transferring the benefits of information and communication technology (ICT) to entrepreneurs and small businesses in the developing world. The DFI/Senegal Steering Committee (SC) recognizes the need to move from “micro” to “macro” activities to achieve a bigger impact by focusing on universal access through deployment of low-cost alternative infrastructure for communication, especially for Internet. As a result, the USAID Economic Growth Program submitted on October 24, 2006, a detailed analytic study to serve as a decision making tool to USAID and the SC on where to establish a municipal WIFI system in Senegal. The study recommended the municipality of St. Louis.

According to Senegal's National Telecommunication Regulation Agency (ARTP), under current regulations, commercialization of communication services to the public requires the acquisition of a license. The licensing regime is subject to competition and is governed by strict regulations that are not in the frame of the municipal wireless network. Therefore, ARTP will not provide a license to the municipality of St. Louis. USAID is still pursuing an administrative solution with the GOS. However, it is also exploring possible alternatives for use of the funding originally scheduled for the implementation phase of the task order.

# 3. BUSINESS DEVELOPMENT SERVICES FOR EXPORT COMPETITIVENESS

## 3.1. TARGETED RESULTS AND PLANNED ACTIVITIES

### 3.1.1. GENERAL CONSIDERATIONS

#### The BDS component

The Business Development Services (BDS) component has been operational since March 2006, completing one year and six months of intensive work by the end of September 2007. Its major activities are focused on supporting selected growth oriented sub-sectors using a value chain approach combined with market-based strategic interventions to deliver business tools and techniques designed to address sub-sector and individual firm weaknesses, to increase their competitiveness, and enhance business revenues by removing policy or regulatory barriers, or by enhancing efficiency. Seven sub-sectors initially were supported through the work of the BDS component (cashew, mangoes, bissap, fisheries, fonio, dairy and woven textiles). The fisheries sub-sector has not yet started but three new sub-sectors were subsequently added (neem, bananas, and gum arabic). These were largely encouraged in order to support specific initiatives of private sector investors.

In January 2007, the scope of the BDS component was enhanced to include the Cotton Improvement Initiative and the diversification of the agricultural economy (CDIDAE) focused on cotton producing zones and therefore further extending the number of sub-sectors supported to include cotton, value-added cotton, and sub-sectors for diversification such as sesame seeds, bissap and, fonio. In addition, the activities were extended to support the Government of Senegal's initiative under the Accelerated Growth Strategy to create a Textile and Garments Training Center (CPTH – Centre de Promotion de Textile et Habillements).

The component is also expected to work on cross-cutting issues linked to sub-sectors, such as gender, which would focus on entrepreneurship development and policy issues within the value chains.

In 2007, the component continued to play a catalytic role by mobilizing private and public sector stakeholders in initiating strategic interventions identified through the value chain analyses for the selected sub-sectors, and in conceptualizing, designing, packaging, implementing, and managing pilot business development programs to support the growth of those sub-sectors.

### **Component Staff**

Dr Patrick Nugawela, Technical lead, BDS Advisor, and Value Chain Analysis expert, currently manages the component. Christophe Poublanc (BDS expert) assists him, along with national BDS experts Massamba Diop, and Simon Gomis, as well as Nicolas Venn and Youssou Diagne, two national experts who joined the component team in January 2007 to implement the Cotton Improvement Initiative and who are now based in the BDS office at Tambacounda.

In addition, a number of other facilitators and consultants (national and international) provided STTA to support the component's activities on cashews, bissap, neem, bananas, mangos, dairy, fonio, sesame and artisanal textile sub-sectors during the year.

New SOWs were also developed and consultants identified for a feasibility study on the spinning of organic cotton, and for expertise on gender development and entrepreneurship promotion.

#### **TECHNICAL STAFF**

**Technical Lead**  
**Dr Patrick Nugawela**  
**BDS Expert**  
**Christophe Poublanc**  
**BDS Specialists**  
**Massamba Diop**  
**Simon Gomis**  
**Cotton Improvement Initiative**  
**Nicolas Venn**  
**Youssou Diagne**  
**IRG, JE Austin Associates Inc,**  
**Enterprise Works,**  
**Land O' Lakes, MSU,**  
**Aid To Artisans.**

#### **TEAM SUPPORT:**

### **3.1.2. COMPONENT'S TECHNICAL APPROACH TO PROMOTE BDS AND VALUE CHAINS**

Within the targeted sub-sectors, the BDS component approach includes:

- Continued review of the selected value chains in terms of supporting growth and poverty reduction and strategic initiatives to support business growth;
- Updating the framework for the decision making process to support the analysis of value chains;
- Designing, packaging and facilitating the implementation of key strategic interventions critical to improving the market competitiveness of the sectors;
- Involving the sub-sector stakeholders in the design and implementation of strategic interventions processes to support the growth of the value chains;
- Strengthening the links between the other project components as they relate to creating an enabling environment for attracting investment and increasing competitiveness;
- Developing synergies and focused efforts between private and public initiatives, increasing market competitiveness and implementing replicable pilot models (introducing best practices through training, information, linkages, and media education);
- Linking commodity markets and processors with producers and intermediaries;
- Supporting technology development and transfers through farmer field demonstrations, post-harvest handling;
- Facilitating the sub-sector organizations strengthening, and encouraging private-sector based commercial production promotion and input supply;
- Promoting market and product development, quality improvement and investment promotion.

The component intends in the future to expand the on-going value chain work to include mechanisms through which sub-sectors could:

- Access financing (access DCA loans) and other services;

- Work on policy advocacy so that sub-sectors will have a better National Business Enabling Environment (NBEE) for operation; and
- Initiate work on linking exporters and producers with international importers and specialized markets, supporting branding and traceability operations, and quality standards to connect the program to global business.

The Technical Lead/ BDS Advisor continued to share his experience and training on value chains analysis and initiated:

- An internal knowledge updating and upgrading program for value chains for the benefit of the project's staff, USAID officials and consultants;
- Activities which facilitated the component staff to clarify and better focus the approaches of strategic interventions in a more practical manner to support the growth of selected sub-sectors in the field;
- Sensitization of sub-sector partners, both public and private, on the utility of the value chain approach as a powerful decision making tool to promote growth and poverty reduction;
- A lecture on value chains to support the initiative of the Institut Supérieur de Management (ISM) to include value chain analysis in its MBA program, affiliated with Georgetown University in Washington DC.

***The BDS COMPONENT is known today as***

- A resource center for information on value chains;
- A platform for stakeholders of sub-sectors to meet;
- A source of expertise on value chains analysis and BDS;
- A catalyst for promoting pilot programs and investments for sub-sector growth.

### **3.1.3 TARGETED RESULTS**

The BDS component's initial work plan for 2006-2007 activities targeted six Key Results Areas (KRA). These are:

- i. KRA 1: Increased growth performance of three value chains: bissap, mangos and cashew sub-sectors
- ii. KRA 2: Increased growth performance of the artisanal textiles sub-sector
- iii. KRA 3 : Initiation of value chain analysis for three new sub-sectors: fonio, gum arabic, and neem
- iv. KRA 4: Strategic action plan to promote the growth of the dairy sub-sector
- v. KRA 5. Support the promotion of new investments in selected sectors (included in the implementation of the Cotton Improvement Initiative and agriculture diversification program, Task Order #2)
- vi. KRA 6: Promotion of a market for BDS in all sub-sector growth initiatives supported by USAID EG program
- vii. KRA 7: Cotton improvement initiative and agriculture diversification of cotton growing zones\*

\*Note: In March/April 2007, a separate work plan was formulated and implemented for the "Cotton Development Initiative and Agriculture Diversification Program." This activity was already included under KRA 5.

All the activities and tasks designed under the above key results areas for 2006/2007 took into account the assessment criteria expressed through the following 13 indicators for the BDS component:

- i. Dollar ratio of USAID investment to new sales by firms benefiting from USAID assistance
- ii. Number of value chain analyses completed
- iii. Percentage increase of exports by companies benefiting from USAID assistance, using AGOA authorities and advantages
- iv. Increased value of non-AGOA exports by companies benefiting from USAID assistance
- v. Number of entities benefiting from USAID technical assistance
- vi. Number of beneficiaries from project support to selected sub-sectors
- vii. Amount of incremental investments in supported sub-sectors under USAID technical assistance
- viii. Total annual value of sales of USAID-assisted firms
- ix. Number of people benefiting from trade or investment-related training
- x. Number of products commercialized that meet international market standards
- xi. Volume of products commercialized that meet international market standards
- xii. Number of USAID-assisted SMEs selling into domestic and international markets
- xiii. Number of “full-time” jobs created by USAID assisted firms.

The experience of the BDS component confirms that increasing competitiveness through a value chain approach of the selected sub-sectors of a developing country such as Senegal is a process that needs a great deal of flexibility in implementing activities. It involves many specialized and focused interventions, the participation of different actors and considerable resources. In some cases, reaching results depends on many factors that are not always predictable beforehand. Hence, some degree of flexibility to adapt is required in implementing the initiatives identified through the value chain analysis of sub-sectors in order to reach goals. In addition, sub-sector growth measurements are expressed in terms of quantitative figures, but there are also visible qualitative growth aspects in terms of competitiveness that are often not captured. Hence, the component followed a more flexible approach to adapt its activities while respecting the original work plan.

### **3.1.4 ACTIVITIES PLANNED FOR 2006 -2007**

The activities planned under the six key results in the initial work plan October 2006-September 2007 (CLIN1) and additional activities subsequently added under the Cotton Initiative (CLIN2) and presented as a nine-month cotton work plan in April 2007 are detailed below:

#### **i) KRA 1. Increased growth performance of three value chains – bissap, mangos and cashews**

##### **Bissap value chain**

- Facilitation of the stakeholders’ participation process
- Promotion of production and commercialization of pure certified seeds
- Development and dissemination of best agriculture practices
- Marketing support for exports and local markets
- Support to processing enterprises
- Facilitation to organize the sub-sector

### **Mango value chain**

- Facilitation of the stakeholders' participation process
- Fight against fruit flies program
- Support to improve the quality of mangos produced
- Support to strengthen sub-sector associations

### **Cashew value chain**

- Facilitation of the stakeholders' participation process
- Improve competitiveness of raw nut products
- Upgrading and development of processing activities
- Development of policy environment and partnership between public and private sector major actors
- Support to organize the sub-sector

## **ii. KRA 2. Increased growth - performance of the artisanal/woven textile sub-sector**

- Market development and promotional support for selected enterprises, including direct marketing and buyer missions
- Capacity building and mentoring to improve producer responsiveness, marketing approach, and production options
- Product development and design to improve competitiveness of product offerings

## **iii. KRA 3. Initiation of value chain analysis for three new sub-sectors: fonio, gum arabic, and neem**

- Value chain for fonio sub-sector completed and support initiatives to promote growth engaged
- Value chain of gum arabic sub-sector completed and export initiatives promoted
- Value chain for neem sub-sector completed and support initiatives to promote growth

## **iv. KRA 4: Strategic action plan to promote the dairy sub-sector**

- Value chain analysis and definition of a support program to promote sub-sector growth, working through Land O' Lakes (LOL)
- Facilitate LOL to carry out value chain analysis and implement growth initiatives program for the dairy sub-sector.

## **v. KRA 5: Support promotion of new investments in selected sub-sectors**

- Promotion of investors in textiles and other selected sub-sectors
- Implementation of selected activities on the cotton improvement initiative and agriculture diversification program. A nine-month work plan was submitted, covering the following activities:
  - Implementing strategy and coordination of the program
  - Improvement of productivity of conventional cotton
  - Support to promote value addition in cotton
  - Support development and growth of selected value chains for agriculture diversification in the cotton zones: sesame seeds, fonio, bissap, dairy

- Strengthening capacity building and training

**vi. KRA 6: Promotion of markets for BDS in all sub-sector growth initiatives supported by the USAID EG program**

- Collaboration with other development partners in completing and promoting the use of BDS databases already in place
- Expansion of the BDS market through USAID EG-supported activities and through other intermediaries and facilitators

## Sub-Sectors- Value Chain Support Programs at a Glance

### Value chains started in 2006

- **Bissap:** Value chain analysis, defined strategic actions, new farm practices model comprising seed production, R&D on best farm practices, commercial scale production (1500 to 2000 farmers in production), integration with cotton diversification, export and local markets linked, stakeholders consultative process launched, agriculture practices training manual developed, US market study ongoing.
- **Cashew Nuts:** International market link with exporters to India, quality improvement training, 139 cashew quality trainers trained, stakeholders consultation initiated, joint programs with Trade Hub/Ghana and Wula Nafaa, quality control for raw nuts training manual focused on productivity and local value addition, networked contacts to develop high yielding varieties. Exports increased in 2007.
- **Mangos –** Strong stakeholder consultative process, key problem of fruit flies addressed, public and private sector mobilized to fight fruit flies (*Bactrocera Invadens*). Trained more than 84 trainers, dissemination of information in Senegal and West Africa continued, exports levels maintained in 2007, “Fight Against Fruit Flies” training manual developed in two languages, scientific database on fruit flies established with the University of Thiès.
- **Artisanal Textiles –** Training and business mentoring support provided to selected enterprises, new product design and collection development, market trends training, directed promotion to over 24 targeted clients, exhibition at the New York International Gift Fair and trade show scouting, prospects of exports of selected products to the U.S. market, new programs for organic cotton hand-processing and natural dyes initiated.

### Value chains added in 2007

- **Fonio –** SOW developed for value chain analysis, analysis now in progress, market promotion program for fonio farmers in the Koussanar village launched, production of 15 tons of fonio planned, of which three tons will be used for seeds, processing unit in operation.
- **Neem –** Training on post-harvest techniques for drying of seeds, 100 collectors trained for post-harvest techniques, developed training manual, carried out value chain analysis, new market opportunities being explored, 20 tons of seeds exported to US in 2007.
- **Gum Arabic –** Carried out market intelligence study for spray-dried gum in the US with MSU.
- **Dairy –** Value chain analysis being completed by Land O’Lakes.
- **Bananas –** Pilot program on best agriculture practices in Djibanar, first production for exports ready by October 2007, 176 farmers trained on a certified organic banana production farm, manual developed for banana cultivation and post-harvest techniques, production yields of the pilot project are four times more than the national average.

### Cotton Improvement and Diversification in Cotton Zones

**Cotton improvement Initiative** - program launched new office in Tambacounda, fonio, bissap, banana, organic and fair trade cotton and sesame seeds sub-sectors promoted, cotton productivity training launched.

## 3.2 . KEY RESULT I: INCREASED GROWTH PERFORMANCE OF THE BISSAP, MANGOS AND CASHEWS VALUE CHAINS

### 3.2.1. BISSAP VALUE CHAIN (HIBISCUS SABDARIFFA)

The BDS component, following the value chain analysis and first stakeholders meeting for the sector held in September 2006, facilitated the implementation of a series of support activities to increase the competitiveness of bissap in the marketplace and to encourage private sector involvement in production, post- harvest work and marketing. The main activities facilitated by the program are:

#### Facilitation of stakeholders participation in the process of bissap sub-sector development

The bissap value chain support program commenced by mobilizing stakeholders through a consultative process to identify several development initiatives to promote the growth of the sector. The stakeholders included:

- **Private sector partners** : SETEXFARM enterprise, Enterprise Amadou Diallo in Tanaff, NSPA Enterprise, Maria Distributors, 3 Sub-Saharan Sales - to promote investments in the production of pure bissap seeds, local and export market for dried bissap calices, training of producers, production and promotion of value-added products and expansion of new investments.
- **Public sector partners** : Ministère de l'Agriculture (Direction de l'agriculture et BFPA), ISRA/CDH, DISEM – to finalize the training manual on agriculture practices, research orientations, communication of government programs of support, certification of seeds production and training.
- **GIE and NGOs**: ASNAP – to promote the production of pure bissap, training, dissemination of information on production and marketing, post-harvest techniques, and development of training materials
- **Service Providers**: BAMTAARE (SODEFITEX) and consultants - to support the implementation of pilot production farms, to develop post harvest technologies and training manuals, and to carry out training.

#### Bissap sub-sector pilot “Development Model” to improve competitiveness based on a value chain analysis approach

The strategic interventions identified through the value chain analysis and the recommendations of stakeholders to increase the competitiveness of the bissap sub-sector prompted the BDS component to design, package and facilitate the implementation of a new support model based on the following:

- i. **Development of quality and certified inputs supply to farmers**, particularly through commercial scale production of two varieties of seeds – Vimto and Korr – by the private sector
- ii. Development of “**best farming practices and training of farmers**” to produce for specific markets; **research and development** to improve productivity and to develop additional sources of revenue to farmers under the diversification of agriculture in cotton growing areas program implemented through BAMTAARE, a BDS service provider in Tambacounda
- iii. Promotion of **extensive bissap farming** for commercial production through NGOs and GIEs in the sector
- iv. Promotion of **private investors for commercial farms** linked to out-grower systems in the rural areas
- v. Development of **training modules/manual of best farming practices, post- harvest techniques** and **documentation and knowledge management** on farming practices and lessons learned, generated and disseminated
- vi. Support to local **value addition and processing of bissap** through private investors
- vii. Identification and **promotion of new markets for exports**

- viii. Other development initiatives – **replication of models through technical assistance projects and other initiatives**
- ix. **Development of a market for BDS providers** in the high potential market oriented agriculture sectors and rural consultancy practices.

#### **Bissap Sub-Sector Growth Model – Nine Main Elements:**

- i. Development of quality and certified inputs supply to farmers;
- ii. “Best farming practices and training of farmers” as well as research and development for improved productivity;
- iii. Promotion of extensive bissap farming through NGOs and GIEs in the sector;
- iv. Promotion of private investors for commercial farms linked to out-grower systems;
- v. Training modules/manual of best farming practices and post-harvest techniques;
- vi. Value addition and processing of bissap;
- vii. Promotion of new markets for exports – US, EU and local and regional markets;
- viii. Promotion of development initiatives – replication of experience;
- ix. Development of a market for BDS providers and rural consultancy practices.

A brief description of these activities is given below which will be documented in detail in the future.

#### **Certified pure seeds of bissap produced locally by the private sector (Ngouda Semences et Produits Agricoles “NSPA” Enterprise)**

The first pilot program of production of pure and certified bissap seeds was implemented in 2006 by NSPA Enterprises, located in Thialle in the region of Thiès. The program was assessed and extended in 2007 with a view of consolidating the experience and expanding it to a new model of commercial production of seeds. The first pilot program in 2006 season was successful in achieving the following results:

- Production of 7.4 metric tons of pure certified bissap seeds, available for the 2007 season.
- 20.3 metric tons of high quality commercial bissap calices for the export market.
- 97 bissap farmers (62 men and 35 women) trained in bissap cultivation practices.
- Documented experience on seed production and bissap cultivation.

This program in 2006 was the first time that Senegal produced pure bissap seeds, and the stocks were in high demand for the 2007 season for multiplication by different actors. This experience also led to the development of a bissap seed production center in the village of Thialle, about 100 Km north of Dakar.



Photos: NSPA bissap seed farm supported by the USAID EG program.

In June 2007, the support to NSPA was redefined and a new MOU was signed with the following objectives:

- Development of a bissap seed production center around Thialle, in the region of Thiès as a private sector driven program sponsored through NSPA and the affiliation of several small farmers.
- The center will engage in production, processing, packaging and commercialization of certified seeds to ensure sustainable production of quality seeds.
- The center will produce quality bissap calices with a homogeneous color to be promoted in the international and national markets.
- Training of 20 farmers in the areas of Tanaff and Linguère on commercial production of bissap. The center will also supply certified seeds to the farmers.
- Training of 100 farmers using the modules of training developed through USAID EG program support by BAMTAARE and others in Thialle, Linguère (North) and Tanaff (Casamance).
- Production of pure bissap calices in 50 hectares supporting 100 farmers.
- Advisory services to farmers on best practices.
- Facilitation of partnerships between producers and exporters for supply of calices (dried bissap) for export.



Photo: Training on bissap cultivation: ASNAP program 2007 – Linguère area.

**Table I. Training provided on best farm practices on bissap as of September 10<sup>th</sup> 2007 through NSPA**

Location	No of trainers trained	Farmers benefited from training	Area cultivated by farmers trained
Thialle	4	20	44.0
Tanaff	21 (12 men and 9 women)	70	15.0
Linguère	14 (6 men and 8 women)	6	8.8
<b>Total trained</b>	39	96	67.8

Source: Deliverable Report No 2, 11 Sept. 2007 – NSPA

In the 2007 season, under this support program, NSPA is expected to cultivate 15 hectares of bissap for a production of 3.7 tons of certified seeds, with an expected revenue of CFA 7.5 million for NSPA. In addition, NSPA is to cultivate 50 hectares of bissap that will produce 10 tons of dried calices for an estimated value of CFA 5.5 million. However, the information gathered in the September 11 progress report showed that the area under cultivation of the first pilot program had increased to 67.8 hectares and the value of the seeds produced and calices available will increase far beyond the targets. In terms of the farmers trained, the program reached the expected targets.

#### **Productivity improvement and “best farm practices” for bissap production through Bamtarre, Tambacounda in the cotton zone**

##### **First phase: 2006 -2007**

With the signing of an MOU between the USAID EG program and SODEFITEX in 2006, pilot programs for the production of certified bissap seeds, and the promotion of best agriculture practices focusing on increased productivity and commercialization of pure bissap calices were implemented and monitored by BAMTAARE. BAMTAARE is a service provider in rural consultancy, specialized in agriculture and affiliated with the cotton company SODEFITEX, operating in the central and southern cotton producing areas of Senegal. USAID EG in its first phase of collaboration, facilitated a pilot program focused on productivity, which attained results in the following areas:

- Production of pure certified seeds for high productivity
- Production of commercial scale bissap – with yield improvements
- Advisory services for productivity improvements
- Introduction of productivity improvement cultivation practices
- Improvements of post-harvest techniques
- Development of a best practices training manual

The second phase of the pilot program took place during the 2007 season to consolidate some of the results achieved in the first phase and to promote an alternative income source for agriculture diversification in cotton growing areas. During this phase, the program targeted the following results:

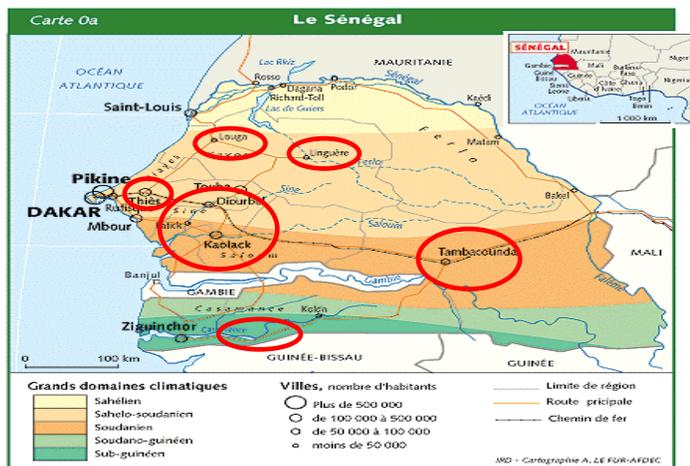
- Training and supporting 400 producers in the Kaolack and Fatik regions
- Research and development on optimum efficiency of inputs utilization
- Advisory support to farmers for production at a commercial scale in the cotton zone

### Large-scale commercial production through training and follow-up of farmers by ASNAP

The experience of the 2006 season through these two pilot programs encouraged many players and investors to invest and support the sector. One of the players active in this sector is ASNAP (Agribusiness in Sustainable Natural African Plant Products). The BDS component initiated a program through ASNAP to reach a large number of farmers to promote best agriculture practices and commercial scale production. The zone covered by this program is in the central regions of Louga, Diourbel, Kaolack and Fatick. Under this program the following activities are being supported:

- Training of 20 farmer trainers to promote organic bissap in the zone
- Training and supporting 1000 bissap farmers in the same zone to produce pure bissap
- Promotion of cultivation of pure bissap varieties -Vimto and Koor by the 1000 farmers in 355 hectares that could produce an estimated quantity of 70 tons of dried calices
- Extend advisory services to additional 3000 farmers in the same zone on bissap cultivation
- Quality improvements for exports
- Promotion of export production

The training of trainers was completed as planned and the farmers are now undergoing training while the bissap cultivation has largely expanded. The results of this program will be assessed at the end of 2007 after the harvest.



**Locations of USAID EG supported programs for bissap cultivation in 2007 (Marked by red circles)**

### Private model farm initiative in Tanaff, Casamance

A private investor, Amadou Diallo, in Tanaff, Casamance, established contacts with NSPA and commenced commercial bissap production. The USAID EG program facilitated the training of 70 farmers in the Tanaff, Kolda, Walicounda, Sare, and Samba areas. The farm in Tanaff initiated by Mr. Diallo covers about 15 hectares. The promoter intends to work with exporters and organize buy back arrangements with the bissap farmers in the surrounding areas.

### Training manual on the production of bissap

The development of a best practices manual is one of the main achievements for the Bissap Sector intervention of USAID EG. The manual was developed based on the pilot program of productivity improvement and commercial farm practices program with BAMTAARE in the cotton zone. The manual was developed based on field results by BAMTAARE and validated by an expert committee comprised of the Ministry of Agriculture, ISRA/CDH, CIH, CFPH, DISEM- Department of Agriculture, NSPA, ASNAP, DH, BAMTAARE and the USAID Economic Growth program. The manual is printed and largely used as training material by various organizations and trainers in different areas of the country.

### Support to local value addition through processing

An MOU was signed, together with a fixed price contract, to provide technical support to Maria Distributors, a company engaged in the processing of fruits and production of fruit juices, including bissap. The support to the company includes the development of a label used for marketing through a BDS provider and support to the promoter to identify new processing technologies. Labels for eight fruit-based products including, bissap, ginger, madd, baobab, guavas, saver sap (corrosol), mango and tamarind were designed for commercial use by Maria Distributors.



Support was provided to the “**Fédération Professionnelle des Acteurs de l’Agro-alimentaire**” (FP2A) for the production of molds for bottles to be utilized in the packaging of fruit juices. An MOU of partnership was signed with the FP2A.

Discussions were initiated with **SOTEXFARM**, a processing and exporting enterprise, to work on the development of new value-added products and to introduce new bissap products to the local and export markets.

### Export market development for bissap – export and local markets

The BDS component developed a scope of work to carry out a market intelligence study of bissap products for the US market. The study targets niche markets in the US and the findings of the study are expected to be presented to the stakeholders and potential exporters at a workshop before the end of 2007.

### Replication of experience through other development initiatives (donors, public sector, new technical assistance projects)

Following initiatives to promote the growth of bissap value chain by USAID EG, other development partners have also shown interest in supporting the sub-sector’s development:

- The Centre Development Horticulture (CDH) of the Ministry of Agriculture and Ngouda Semences and Agricultural Products (NSPA) worked on a bissap improvement program;
- A value chain consultant worked with the BDS component on bissap from CDH, and submitted a proposal based on information gathered and stakeholders’ meetings;
- A proposal was obtained for EU funding for research and development on improvement of bissap varieties and productivity related activities;

- The Ministry of Agriculture also works on bissap development and maintains close contacts with USAID EG.

### **Development of a market for BDS providers**

The bissap value chain work by the BDS component opened up market opportunities for BDS providers:

- Ngouda Ba-NSPA enterprise has become a trainer on bissap cultivation and rural consultancy practices;
- BAMTAARE in Tambacounda operates as a service provider on bissap development programs in the cotton zone;
- A market was created for specialized designs of packaging materials and molds for containers;
- A printing and graphic designer was involved in the design and production of training manuals;
- Value chain consultant Meïssa Diouf worked on designing and packaging project proposals to donors;
- More than 20 BDS providers were trained in bissap cultivation practices in several parts of the country.

### **Lessons learned – Bissap development model**

The pilot programs under the bissap sub-sector development initiative, implemented in collaboration with NSPA and BAMTAARE in 2006, were successful in producing pure, certified seeds for the first time in Senegal. NSPA, a private company was successful, but the process needs to be maintained by the private sector to ensure a consistent and a sustainable supply of seeds.

The details on cost of production worked out in the first program were not adequate compared to the yield achieved. Therefore, more improvements to increase yields are required to make the bissap sub-sector more competitive in the international and local markets. In 2007, the BDS component supported the initiatives of NGOs, GIEs and a private investor sponsored commercial scale project for production of quality bissap.

The certification process for seeds was implemented with DISEM of the Ministry of Agriculture and it should be encouraged as a continuing process.

Information on agriculture practices trials were documented and will be disseminated.

The investments engaged on this pilot program contributed to capacity building in the areas of training, experimenting with best agricultural practices, organizing producers, and developing training modules.

There needs to be more involvement from the private sector – exporters and pilot programs should utilize an increasingly private sector type of management.

The pilot programs need closer supervision and follow-up of deliverables.

There was not much of a focus on post-harvest drying techniques and the need to improve the dryer produced was not adequately studied and finalized.

These issues will be addressed within the next bissap action committee meeting.

### **3.2.2 MANGO VALUE CHAIN**

Mango is a key export sub-sector that the BDS component has been working with since August 2006. It has high potential growth in terms of export and local markets, income generation for the poor and employment creation, food security, local value addition, and private sector investments already engaged. The Agribusiness Cluster of the AGS also targets the mango sub-sector for its potential for growth. The subsector is also of vital importance to the economy because of its impact on livelihoods; large numbers of the rural population are already employed in the sub-sector. Therefore, the BDS component gave high priority to the work on the fight against fruit flies to promote the growth of the mango sub-sector.

Despite its potential, growth of this sub-sector is critically stunted due to the fruit flies that destroy the mangoes during the season, not only in Senegal but also in all West African mango-producing countries. Unfortunately, not much has been done in the past to control the problem and save a sub-sector with a guaranteed market. Therefore, USAID EG took the lead, following completion of the value chain analysis by focusing much of its efforts on the “fight against fruit flies” to control the situation and to maintain the export market, especially to Europe. The main fruit fly present is known as “Bactrocera invadens,” originally from the southern Asia region, but has reached many mango-producing countries. This pest is a major constraint in the value chain impeding the growth of exports of mangos and other fruits in Senegal. The value chain stakeholder meetings strongly recommended the introduction of appropriate measures and an action plan agreed upon to control the spread of fruit flies. The goal was to maintain export levels from 2006 and to improve the quality in the local market for mangos.



Photo: Fruit Fly –“Bactrocera Invadans” found.



Photo: Control methods of fruit flies demonstrated in the field.

The contribution made by USAID EG to the fight against fruit flies is highly regarded by international players and donors. The World Bank sent several missions to meet with the BDS Advisor who made a presentation at several video conferences aimed at disseminating Senegal’s experience to other West African countries. The World Bank then provided English subtitles to the BDS film on fruit flies currently used as a training tool in all English-speaking mango-producing countries in Africa. In addition, the Bank distributed the French language training manuals prepared by the program to hundreds of institutions and programs working on the fight against fruit flies in the sub-region. The EU, in addition, initiated a regional study on mango fruit flies and used the work already done by USAID EG as a best practice. More details of activities carried out by the BDS component to support the initiative by partners in the fight against fruit flies are highlighted below.

#### **Stakeholders consultation process and formation of a task force**

As in other value chains, the stakeholders consultation process was initiated for the mango sub-sector beginning August 2006. It mobilized several partners and regularly met for consultations during the year. The major stakeholders were:

- Public sector: Ministry of Agriculture, DPV, CDH.
- Research institutes and universities: Université de Thiès, Institut de Technologie Alimentaire (ITA)
- Private sector exporters, producers and inputs suppliers
- Trade associations: ONAPES, SEPAS
- Donors: USAID , Israel Embassy, FAO, World Bank Institute , Care Canada

- Quality assurance institutions
- Consultants and experts

### **Actions implemented**

#### **a. Committee for the fight against fruit flies**

- The regular meetings of the stakeholders committee on the fight against fruit flies continued, and the major stakeholders of the sub-sector were organized by USAID EG. USDA/APHIS was also involved in the process. The meetings were co- chaired by the DPV and the private sector.
- The World Bank Institute (WBI) organized three video conferences linking key people and institutions involved in fruit flies in Senegal, Benin, Burkina Faso, Mali, CIRAD in France, COLEACP in France, and World Bank in Washington in January, February and March. USAID EG's BDSA was a speaker at two of the conferences, introducing the various aspects of the program. The third video conference presented the training manual prepared by USAID EG, together with the DPV and the DH. In addition, the BDS team received visits from World Bank experts several times and organized field visits to assess the situation.
- The documentary film produced by the program is now widely disseminated in Senegal and in the West African region by the World Bank. In addition, it has now been reproduced with English subtitles.
- A report on fruit flies was completed through short-term technical assistance by an entomologist, Mr. Serge Quilici, from CIRAD of Ile de la Réunion, in December 2006 and is widely disseminated in many countries. This mission was funded and organized by APHIS/USDA and USAID EG.
- USAID EG and USAID officials presented the work done and the information on the seriousness of the problem to the new Minister of Agriculture and his staff in June 2007. The Minister requested that the DPV submit an action plan to him that was made possible by the collaboration of the BDS team with the Director of DPV and the fruit flies action committee.



Photo: Committee meeting of fight against fruit flies at USAID EG office.

#### **b. National workshop on launching the fight against fruit flies program - December 2006**

The stakeholders of the mango sub-sector, in collaboration with USAID EG, organized a one-day workshop chaired by the Directeur du Cabinet of the Minister of Agriculture on December 13, 2006. The USAID EG program and USDA/APHIS co-funded the workshop. About 140 stakeholders participated in the workshop including the private and public sector institutions, research institutes, universities, technical assistance projects, producers, exporters, donors and technical assistance corporation programs (USAID, UNIDO, FAO, Israel Embassy, French Economic Mission, CARE Canada). An international expert from CIRAD, in Réunion, Mr. Serge Quilici, was invited as a special speaker.

An exhibition of different materials and information used on the fight against fruit flies was featured. During this workshop, the following presentations were made:

- Value chain analysis of the mango sub-sector by the BDS Advisor.
- Present status of the fruit flies in Senegal by DPV.
- Action plan by the task force committee on fight against fruit flies by DPV and DH.
- Experience of CIRAD in Réunion on fruit fly controls and recommendations for Senegal by Serge Quilici of CIRAD.

### c. Training of trainers on the fight against fruit flies

USAID EG provided technical assistance to design a training manual entitled “A Practical Guide on Practices of the Fight against Fruit Flies in Orchards of Mangos in Senegal” in both French and Wolof and a third manual on use of local materials for fight against fruit flies.

Using this manual, the first TOT programs were organized to train trainers of the Co-operative of the Producers of Fruit and Vegetables of Keur Mbir Ndao and the Rural Agricultural Advisers of ANCAR in the region of Niayes.

This TOT program trained 40 people including 14 women between March 17-18, 2007. The program was followed-up every two months by two trainers from the DPV and the DH.

MOUs were signed with the Co-operative of the Producers of Fruit and Vegetables of Keur Mbir Ndao, the DPV, the DH, and USAID EG for the implementation of the TOT programs. A second MOU was signed with the ONAPES to carry out a similar training program for another 20 technical personnel and producers in May 2007, in the Niayes region.

### Signing of the MOU by the COP of the USAID EG program and the President of ONAPES Fruit and Vegetable Exporters – May 2007

Following discussions with the World Bank, the DPV was selected as the primary point of contact for the mango fruit flies program in Senegal and to act as a facilitator. An entomologist was appointed to coordinate the World Bank program.

In March 2007, USAID EG organized a one-week mission for an expert from Israel to assess the assistance needed. The program is awaiting his mission report, which is being translated from Hebrew to French to determine the appropriate follow-up activities.

A second manual was developed by the private sector on using local materials and cost effective methods on the fight against fruit flies.

An additional 37 trainers were trained in Ziguinchor area



Photo: Launching the fight against fruit flies.



Photo: Collaboration with the private sector to support fight against fruit flies.

to cover the Casamance region through ANCAR in May 2007.

A new MOU was signed with ONAPES to support its efforts to train as trainers representatives from exporting firms and mango collectors in the Niayes region. Its first training program was held in May 2007. About 33 people were trained by ONAPES. These trainers are now training other producers.

**Table 2: Training of Trainers on fight against fruit flies in 2007 supported by USAID EG**

No	Date	Beneficiaries	Supporting institution	Location of the program	Number of persons trained
1	March 2007	Rural Agriculture Advisors – ANCAR	Coop. Fruit and Vegetable producers –Keur Mbir Ndao – Niayes	Niayes region	40 (included 14 Women)
2	May 2007	Technicians of enterprises and producers of mangoes in Niayes and inputs suppliers	ONAPES	Sangalkam	33
3	April 2007	Rural extension offices and service providers	ANCAR	Ziguinchor	37
		Total			70

- The trainers trained on the fight against fruit flies repeated the training programs in different zones in Niayes and in Casamance. The Cooperative of Fruit and Vegetables producers in Keur Mbir Ndao in the Niayes known as COOPROFEL reached directly 450 mango producers through training and information in the region. They reported reaching 2000 producers in 11 villages in the Niayes region.
- Following these training programs, some trainers experimented with new organic products to control flies such as neem oil and nutmeg (Muscard). The results reported were encouraging.
- A letter addressed to USAID EG by the COOPROFEL dated September 12, 2007 indicates that the cooperative was able to reduce losses from 80% in 2006 to 20% in 2007. Further, this letter and meetings held with COOPROFEL confirmed the extension of the mango production season to September/October and increased production of more than 200 tons above the level for 2006.



Photos: Training of trainers program on fight against fruit flies by ONAPES at Sangalkam.

#### **d. Scientific database on fruit flies and assessments of current status**

- USAID EG signed an MOU with the University of Thiès in June 2007 to work on a research and development program to establish a scientific database on fruit flies in Senegal and to recommend effective methods for fighting against fruit flies. This program is now operational with the support of USDA/APHIS. The latest reports from the University indicate that progress had been made in establishing research sites in five places in the Niayes and collection of data on several aspects including the impact of using different organic products to control flies.
- Discussions were also held through USAID/Senegal with Virginia Tech on a possible collaboration program on developing a scientific database on fruit flies with the University of Thiès in 2008 and beyond.
- The EU is funding a new initiative for an assessment of the fruit fly problem in the West African region. Donors and other partners consider Senegal far ahead on the fight against fruit flies compared to other countries in the region and therefore the work done by USAID EG is providing substantial data for the study.
- The BDS Advisor visited the Agriculture Department Research Center in Sri Lanka and collected information on how work is done to fight against fruit flies in Sri Lanka and a report will be made available to the fruit flies committee

#### **Results achieved**

The mango sector work marked Senegal as the frontrunner in the fight against fruit flies compared to other countries in the West Africa region. The highlights of the work done by USAID EG are given below:

- Organized a well thought out program with a clear assessment of the situation in the country;
- The new Minister of Agriculture instructed the DPV to collaborate with the USAID EG program and the fruit flies committee to draw up an action plan to seek required resources for 2008 activities;
- Significant information and training tools – manuals, documentary film, and data were made available;
- A coordinating committee with all the stakeholders;
- More than 70 trained to train others and despite very limited resources, many training programs were initiated and a massive sensitizing campaign on fight against fruit flies was conducted.

A number of donors entered the field to support the fight including Canada (through DH), World Bank, USDA, and Israel. Involvement of members of the scientific community to support the program has been encouraged in order to establish a reliable database.



Photo: Plantation well managed and controlled.



Photo: Mangoes carefully harvested for exports



### 3.2.3 CASHEW – A GLOBAL VALUE CHAIN

The BDS team, in collaboration with a national consultant, completed a detailed value chain analysis in September 2006 that underlined the strategic interventions required to increase the competitiveness of the sector. The initial estimates of the value chain analysis suggested that Senegal produces about 15,000 tons of raw cashew nuts and practically 95% of the production is exported as raw nuts to India. It was also estimated that about 100,000 persons in Casamance and in the Sokone area depend on this sector for their livelihood. The analysis revealed also that the sector generates an export income of about US\$ 5 million, which could be increased significantly through improvements in the competitiveness of the sector. To reach this goal, the value chain study recommended the following main strategic actions:

- Stakeholders consultation and support to organize the sector;
- Development of quality raw nuts which already have a guaranteed market;
- Development of local value addition through increased processing activities;
- Facilitate access to information;
- Increase production and productivity of raw nuts;
- Promote exchange of information and experience with India and other African cashew producing countries;
- Develop access to BDS for all the actors of the sector;
- Support to develop a favorable policy environment;

- Development of pilot programs to support the growth of the sub-sector.

The study was presented at an extended stakeholders meeting in February 2007 held at Saly, near Dakar, in which many partners at the national, sub-regional and international levels participated.

### **Cashew sub-sector – activities implemented and results achieved**

#### **a. First Cashew Stakeholders meeting in Senegal held in February 2007**

Following the recommendations of the value chain analysis for the cashew sub-sector completed in 2006, USAID EG organized the first cashew stakeholder meeting in collaboration with the Wula Nafaa project and WATH/Ghana at Saly on February 8, 2007. The highlights of this meeting are given below:

Participation of more than 100 persons, representing:

- Producers, traders, processors, supporting institutions, NGOs, and donors working in Senegal's cashew sub-sector;
- Government representatives from the Ministry of Rural Development and Agriculture and Ministry of the Environment, Direction for water resources and forests (Direction des Eaux et Forêts);
- USAID, IFAD, UNIDO, Indian Embassy in Dakar, SNV;
- Cashew sub-sector exporters from the Gambia and Senegal;
- International Consultancy firms from the US, such as J.E. Austin Associates and Enterprise Works;
- Guest speaker from India, Mr. Hari Nair, Managing Director of the Western India Cashew Company, one of the largest importers and processors of cashews;
- ACA representatives from Mozambique, Ghana, Ivory Coast, and Olam Group;
- PAMER (IFAD) from Burkina Faso;
- Technoserve of Tanzania (David Williams, Project Manager);
- WATH/Ghana and Senegal.

Presentations made at the stakeholders meeting:

- Cashew Value chain analysis for Senegal (USAID EG program)
- International cashew value chain (H. Nair – India)
- Cashew experience in Mozambique (Carlos Costa–ACA President)
- Value chain for cashews in Burkina Faso (Alain Traoré, PAMER)
- Africa cashew sub-sector (Cilia De cock, WATH/Ghana)
- Experience of the Wula Nafaa Project in Senegal
- Experience of cashew trade, production, and processing in Senegal (players from Senegal–Lamine Sène, Joseph Diamacoune, Elimane Dramé)
- Experience of cashew exporters – SENCOMEX,
- Collaboration between actors of cashew sector – David Williams, Technoserve Tanzania



Photo: Stakeholders Meeting participants of Cashew Value Chain Senegal with ACA, WATH Ghana Representatives –Feb. 9, 2007

#### **b. Recommendations highlighted at the stakeholders meeting and next steps**

Some of the main recommendations of the February 8, 2007 meeting on the cashew sub-sector are summarized below:

- Establish consultative mechanisms at the regional and national levels to promote the growth of the sub-sector;
- Definition of a national strategy for Senegal and policies to promote the sub-sector;
- Build national capacities to improve the quality of exportable cashew nuts;
- Improve the quality of nuts produced and promote the image of Senegal as a place for quality nuts;
- Promote agriculture research to introduce new varieties in different zones;
- Facilitate solutions to the problems of export packaging and drying facilities;
- Promote the export and local markets for raw and processed cashew nuts.

#### **Cashew improvement programs through training on quality – linking exporters, producers, and farmers**

One of the strategic initiatives recommended was to improve the exportable quality of raw nuts for which there is a guaranteed market in India. There are Indian exporters already present in the country. USAID EG therefore facilitated collaboration between exporters, local traders and producers to implement a training program through field sessions and through media (radio) in the local language on quality improvements. The main activities implemented were as follows:

- Development of a cashew quality improvement program: This program was based on a training manual prepared by SENECOMEX under an MOU signed with the USAID EG program. It included training modules on the development of cashew fruit and nuts, nut count system practiced, estimation of yields, maintenance of plantations, post-harvest techniques, harvesting, drying of nuts, storage of nuts, transportation, sampling systems, cutting tests, analysis of defects, traceability and selection of planning materials. The manual is used in all the training programs and circulated in other cashew producing

countries by WATH Ghana and private exporters. USAID EG also received a number of requests for the manual from Benin, Nigeria, and Ivory Coast.

- Implementation of a training of trainers (TOT) program for the first time, to train a large number of trainers on the production of quality raw cashew nuts in the Casamance and Sokone areas. This program included:
  - Stakeholders meetings in Sokone (March 15, 2007 – 12 participants) and Ziguinchor (first meeting – 10 participants, second meeting – 16 participants) comprised of traders and exporters to map out the TOT programs and the selection of trainers;
  - Recruitment of two facilitators, one each for Sokone (Ibrahima Cissé) and Ziguinchor (Moïse Bassène) to organize and implement the programs in these areas;
  - Training of trainers composed of traders, producers, and extension staff of Wula Nafaa;
  - Training of three journalists to design an education program to be transmitted through the media on quality production;
  - 151 trainers trained in the producing regions of Casamance and Sokone from March to June 2007 including 27 ANCAR staff; (See table 3 below)
  - During the month of May 2007, quality trainers in the Ziguinchor area organized nine training programs for producers and trained 219 producers on quality;
  - 14 training sessions on cashew quality organized in May in the Sokone area, reaching 140 producers;
  - 27 extension staff from ANCAR who were provided a special training on cashew quality improvement in June 2007.
- **Media Education program on quality:** Under the cashew quality training of trainers programs, three journalists were trained and one of them was engaged to carry out a media training program in local languages (Mandingue and Diola) through the Casamance regional radio. The program was broadcast every Thursday at 8 PM and continued throughout the season. The initial reports on the program confirm the interests of producers in the region, including cashew producers in the Gambia, who were also broadcasting the program (See success story in Annex 1).

**Table 3: Cashew quality trainers trained 2007**

No.	Region	Trainers Trained
1	Bignona	9
2	Sokone (Session 1)	14
3	Sokone (session 2)	17
4	Tanaff	36
5	Goudomp	48
6	Ziguinchor (ANCAR STAFF)	27
	Total	151

**Table 4: Training of producers on cashew quality**

No	Zone/ Site	Training Sessions	Trainers trained
1	<b>Tanaff and Goudomp</b> (Dafia, Djiamaye, Guidadji Sansanto, Saréténé et Bamarie, Diattacounda, Simbandi Balante, Birkama, Goudomp, Djibanar)	9	219
2	<b>Sokone</b> (Karang, Keur Samba, Gueye, Ndiba Ndiayène, Passy, Niokholokho, Sokone, Passy (Ndiedieng), Touba, Nding, Lambaye, Touba Mouride, Paoskoto, Passy (Mbam), Passy (Djiolor), Karang Ndoumbodj)	14	140
	Total	23	359

#### **Other contacts and prospects for the cashew sub-sector activities**

The program completed a documentary film on cashew development prospects for Senegal, which will be released shortly.

Discussions on establishing cashew model drying centers are continuing with exporters but so far, they have made no commitment.

BDS collaborated with private partners to obtain planting seeds to promote cultivation of new varieties of cashews in Kaolack and near the Rufisque area.

The BDS Advisor visited India in August 2007 to study the possibilities of collaboration on developing high yielding cashew varieties and the development of a cashew sub-sector growth strategy for Senegal. The BDS Advisor held discussions with:

- Mr. Hari Nair, Managing Director of Western India Cashew Company, the world's largest raw cashew importer from India and one of the largest cashew kernels exporters to USA and Europe.
- The Director of the Cashew Research Center of the Kerala Agriculture University on developing cashew plantations of high yielding varieties. The BDS component intends to develop a follow-up program based on these meetings.

#### **Results Achieved**

The USAID EG program organized the training of 151 trainers on quality improvements of raw nuts in the Sokone, Ziguinchor, and Tanaff areas. This is the first time that such a large number of trainers had been trained in this sector in the sub-region.

- 219 producers from the Casamance area benefited from training on cashew quality improvement;
- 140 producers from the Sokone area benefited from training on quality improvement;
- Large numbers of producers reported having benefited from radio programs on quality improvement of cashews;
- Meeting of stakeholders including the banks active in cashew-producing regions;
- Availability of a cashew quality manual for the first time in Senegal;
- Transfer of knowledge on quality from exporters to traders and producers;
- Initiation of planting high yielding varieties of cashews;

- Supported GIE ELYBI to improve its cashew processing performance through training by an Indian consultant paid by the Canadian Government and USAID EG. (The consultant trained six handicapped female employees who did shelling and peeling). This processing unit received regular technical advice from the BDS Staff, as well.

Discussions held by the BDS advisor with cashew exporters suggest that this year the exports of raw cashews increased significantly from Senegal. According to unofficial data collected, about 30,000 tons of raw cashews had passed through Senegal to Banjul for exports to India. Some of the exporters claim that nearly half (15000 tons) or more of this quantity represent the production from Senegal. This amount accounts for a FOB value of US\$ 7.2 million for 2007 exports. This is over a US\$ 1 million increase over the previous year's estimates.

In addition, some of the exporters confirmed that towards the end of the 2007 season, the quality of cashews from Senegal significantly improved. This is due to the quality improvement campaign carried out with the assistance of USAID EG through training and media programs.

### **3.3. KEY RESULT 2: INCREASED GROWTH PERFORMANCE OF THE ARTISANAL TEXTILE SUB-SECTOR**

Aid to Artisans (ATA) primarily leads activities supporting the artisanal or woven textile sub-sector. ATA carried out its initial mission in mid-2006 and completed a value chain analysis in September/October 2006. However, there was an unexpected eight-month delay finalizing the subcontract with ATA. Implementation activities following the recommended strategic interventions commenced in May 2007 after the subcontract was finally signed in April 2007. The 2007 work program commenced with re-establishing relationships with artisan partners, identifying target markets and presentations to potential buyers, and a second mission for the ATA consultant and woven textile specialist, Mrs. Docey Lewis. In anticipation of activities recommended as part of ATA's value chain analysis in 2006 to support the development of the woven textile sector, USAID EG, in partnership with the Center for Development of Enterprises (CDE) of the European Union, co-sponsored two training programs to assist the members of the network of textile products manufacturers, RESENTEX (a network set up to help artisanal enterprises making woven textiles).

#### **ACTIVITIES IMPLEMENTED NOV. 2006 – APRIL 2007: USAID EG PROGRAM COLLABORATION WITH CDE**

USAID EG supported RESENTEX to organize two training programs:

- In November 2006, a training program was organized on styles and designs. The training was carried out by a Tunisian textile consultancy firm-CETTEX, funded by CDE, and local organizational costs were shared with USAID EG. The training was 40 hours, comprised of six training modules. About 15 enterprises producing textile articles benefited from this program,<sup>1</sup> many of them participants of the USAID EG stakeholders meeting.
- A second training program for 60 hours was organized in January 2007 on improved weaving techniques for seven member companies (15 participants) of RESENTEX. The training was facilitated by a French expert selected by the CDE. The companies attending this training were ATIS, Tissafiric, ACOMA, NAVETTE D'OR, PROMOFIL, NDEM, and ENFEFS (école de Formation des Filles).

#### **ATA support program implemented since May 2007 – Major Accomplishments**

The woven textile sector support program implemented by ATA focused on product design and development, capacity-building (including technical assistance and business mentoring), and market access.

---

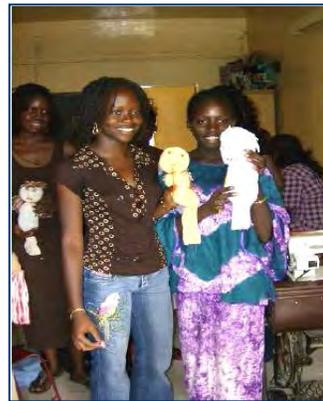
<sup>1</sup> Training Participating enterprises – Guelewar, Bineta Salsao, Nabou Digne, Colle Sow Ardo, Kira Creations, Sadiya, Toolah, Kira, Laay diaara, EGA, Solo, Pathe Gueye, Touba Belal Couture ,Syboiose, Association NDem.

## Product Design and Development

### *Assessment & Selection*

In consideration of the short timeframe dedicated to woven textile development activities under the USAID EG program (through December 2007), Aid to Artisans identified several artisan enterprises that could be introduced to the export market and carried out the following activities:

- Review of potential artisan partners identified during value chain assessment;
- Development of enterprise profiles and evaluation of production capacity, export experience, and business communication;
- Selection of four target enterprises: Aissa Dione (Atiss), Oumou Wane (African Art), Association Villageoise de NDem (Maam Samba) and Fatou Fall (HandiCreations), with additional technical assistance and product development suggestions for 10,000 Girls (WHEPSA) and Symbioze.



Photos: Product development workshop for soft toys implemented by Aid to Artisans for WHEPSA in June 2007.

### *Product Development*

- Created a product development strategy by ATA's Marketing Director, Karen Gibbs, according to specified buyer interests;
- Contracted textile and marketing expert Docey Lewis to provide technical assistance in product development and design for export markets and possible local market testing;
- Researched and identified local designers, including Oumou Wane, Nulangee Design/Babacar Niang, and Aby Ba Seck;
- Recruited and mentored local product development coordinator, Aby Ba Seck to follow up with sample development and enterprise-level action plans;
- Docey Lewis spent two-and-a-half weeks with artisan enterprises, collaboratively developing new market-oriented product collections;
- Offered ongoing follow-up for sample development with selected enterprises;
- Provided oversight for local product development coordinator for continued sample development;
- Scheduled Docey Lewis for October product development visit to prepare for importer visits and assist in exclusive collection development.

## Capacity Building, Technical Assistance, and Business Mentoring

ATA's approach allows artisan partners to learn about business communication, sampling procedures, buyer expectations, and market approach through the product development process and sample purchase orders. In addition, ATA provided the following training services:

#### *Tradeshow Mentoring*

- Communication with selected enterprises regarding strengths and challenges, next steps and technical assistance strategy;
- Attendance by Docey Lewis at the SIDIM (*Salon International du Design d'Interieur de Montreal*) to review Senegalese exhibits, meet with producers, visit importer/retailer of Symbioze products, and assess market-readiness and capacity-building needs;
- Organization of a Trends Workshop focused on the U.S. home decor and gift market for 24 participants, and facilitated discussion on artisan textile sector needs;
- Established contract with local facilitator, Aby Ba Seck, to organize and implement an artisan chemical dye workshop to improve consistency, colorfastness, and quality as well as management of used dye-bath water with 30 participants.

#### *Cotton Improvement and Value Addition*

The artisanal textiles value chain assessment highlighted value-added, hand-processed cotton as an area for development. During the reporting period, ATA collaborated with the USAID EG team to:

- Develop the scope of work for a local expert to perform organic cotton hand-processing and spinning trials to establish pricing, costing, and capacity baselines;
- Research appropriate technology for cotton processing and spinning and dye bath filters;
- Source appropriate cotton hand-processing (ginning and carding), and spinning equipment with voluntary assistance from Docey Lewis, Aid to Artisans' textile expert.

#### *Export Market Development*

- Market research and stimulation of buyer interest through market contacts and ATA's Trade Network;
- Development of artisan enterprise profiles and visual marketing portfolio of Senegalese artisan textiles to be presented to targeted buyers;
- Identification of 24 interested importers, and initial presentation of Senegalese production possibilities;
- Development of product development strategy by ATA's Marketing Director, Karen Gibbs, according to specified buyer interests.

#### *Business Meetings*

- Appointments secured with four high-end buyers in New York City to coincide with Aissa Dione's visit to the U.S.;
- Assistance with buyer/business development visits by Malene B, Lana Gleckman, and Neil Hall.

#### *Tradeshow Scouting*

ATA attended the California Gift Show in Los Angeles and the New York International Gift Fair and presented the Senegal portfolio to experienced importers with an interest in unique textiles and African production resources.

#### *New York International Gift Fair*

- Initial sample orders were placed by a U.S. importer (facilitated through ATA's design consultant) for Maam Samba and ongoing facilitation for specific sample development;

- Preparations for a Senegal highlight at ATA's booth at the New York International Gift Fair, including product selection, photography, booth design, and invitations;
- Presentation of Senegalese production resources and artisan textile samples to targeted buyers, and trade show scouting by ATA's Marketing Director;
- Exhibition of 13 SKUs from Senegal in ATA's booth at the New York International Gift Fair;
- Delivered wholesale purchase orders equaling \$570 FOB for HandiCreations and outlined export requirements. ATA will act as the importer for initial orders for mentoring purposes.
- Secured interest from several strong importers through portfolio presentations, determined level of commitment to buyer visits in October/November to source for the winter trade show cycle.

### **Outreach and Collaboration**

#### *Media Outreach*

Aid to Artisans highlighted the artisan textile sub-sector activities on the ATA Website, e-newsletters, and its Hand/Eye magazine Fall 2007 issue.

- 110,000 visitors viewed ATA's homepage, featuring Senegalese artisan textiles;
- 1,320 readers viewed ATA's two articles on Senegal and Docey Lewis' update on product development;
- 4,943 Hand/Eye magazines were delivered to the trade and ATA supporters.

#### *Partnerships*

Aid to Artisans is currently developing several partnerships in the region in order to expand the reach of the USAID EG program. During the year, ATA:

- Drafted a joint concept for fair trade and private sector development work with UNIDO;
- Trained the small business mentor for the National Council of Negro Women (NCNW) Dakar office at ATA's New York-based Market Readiness Program.



Photo: Woven textiles and market trends workshop and product development by ATA expert, June 2007.

### Other related activities implemented

- Following the recommendations by Docey Lewis in June, an SOW was established to carry out a **feasibility study on hand processing of organic cotton** by an experienced national consultant in order to assess the production capacity, costing, and pricing of a final product. This consultancy is now approved and awaiting confirmation of the consultant's availability. In addition, it was recommended that two sets of efficient hand processing (carding and spinning) equipment be imported to be tested along with this study to assess the feasibility of village-based processing for high-end markets. This activity is expected to be included under the cotton improvement initiative.
- Also following recommendations emerging from ATA's value chain assessment, a training program on textile dyeing techniques was organized by Ms. Aby Ba Seck, the facilitator for ATA's product development mission in August 2007 at the Centre des Handicapés also known as HandiCreations. Thirty participants from the industry (of which 27 were women) participated in this program, which represented 12 associations and 8 enterprises. There were nine women and one male, considered handicapped that were part of the training program. The training program was on a fee-for-service basis. This program was an opportunity to develop a market for a service provider promoted by the program. The benefits of the training were as follows:
  - better knowledge of chemical products used and colorfast techniques,
  - knowledge on correct quantities to use, cost economy, and quality control,
  - improved knowledge of natural textile fibers,
  - sensitization on management of dye bath waste and environment pollution.



Photo: Training workshop on textile dyeing in August 2007 led by Ms Aby Ba Seck, Trainer, USAID EG Program, at the Center for Handicapped Persons (Centre des Handicapés) which is also known as HandiCreations.

### Results achieved

- Four new buyer relationships established to work with Senegal enterprises;
- Eight new market-oriented collections developed with four targeted artisan enterprises;
- 70 artisans directly impacted through training, product development and business mentoring;
- 12 enterprises received intensive product reviews with textile and marketing expert Docey Lewis
- First international exposition and export order placed for HandiCreations;

- Local designer mentoring: Oumou Wane reported on her new collections and first *expo-vente* after visiting with Aid to Artisans and participating in the autumn 2006 stakeholders meetings and trends presentations and becoming a formal part of the artisan network. This is what she had to say on the support given by ATA :

*“After we last met, (ATA), I have created a new collection by putting the emphasis on the quality of the products rather than on the quantity. I also participated in a trade exhibit and my products had great success. My business is growing slowly. I am convinced that African Arts is on the right track. I am in contact with other artisans with whom I work and exchange. I am a member of the artisans network and I also took marketing and communication courses.”*

- Pursued the use of baobab fiber, first identified during the 2006 mission, as a material of possible interest for high-end textile markets. It is a carefully harvested natural resource and a symbol of Senegal. Incorporated into product development trials in 2007 that have lead to buyer interest in the U.S. market;
- 25 new participants trained on market trends in 2007;
- Identified new programs, interventions, and partners related to organic cotton, fair trade cotton, natural dyes, that can be included in the cotton task order;
- Recommended new training programs in dyeing techniques to improve marketability of artisan textiles (including quality control, diversity of techniques), with chemical and natural dyes.

### **3.4. KEY RESULT 3: INITIATION OF VALUE CHAIN ANALYSIS FOR THREE NEW SUB-SECTORS: FONIO, GUM ARABIC, AND NEM**

#### **3.4.1. FONIO SUB-SECTOR**

The BDS component initiated a desk study on the sector and finalized a scope of work for two national consultants to carry out a value chain analysis. This activity was delayed due to the lack of availability of the two consultants selected initially. However, the work on this value chain began on September 13, 2007 and it is expected that the study will be completed by December 2007. In addition to this study, the BDS component initiated work on fonio through the cotton improvement initiative and agriculture diversification program:

- Contacts were made with stakeholders, producers, and traders in the cotton producing zones;
- A pilot project was launched to support the Federation Yakaar Niani Wulli in the Koussanar village near Tambacounda that is supported by an NGO (ENDA-PRONAT) to develop fonio production as an alternative crop for farmers. The details of this program are given under the results of the cotton diversification program;
- Discussions were held with the Director of Agriculture as the Ministry of Agriculture is planning a specific support program for this sub-sector;
- Contacts were also held with Wula Nafaa staff and GADEC to discuss potential synergies in the sub-sector.

#### **3.4.2. GUM ARABIC SUB-SECTOR SUPPORT PROGRAM**

##### **Sub-sector background data**

The BDS unit initiated support for the gum arabic sub-sector in 2007. Gum arabic is a natural gum and is commonly known as gum acacia. It is a substance extracted from a sub-saharan species of the acacia tree, also known as acacia Senegal and acacia Seyal. Gum arabic is used mainly as a



stabilizer in the food industry. It is also used as an ingredient in many food products, drinks, and candies. In addition, it has other traditional uses such as watercolor paints, photography (gum printing), pharmaceutical products, and cosmetics.

In Senegal, the gum arabic production is concentrated in the North and Central regions, known as the gum production belt. This zone covers the Vélingara, Linguère, Thioly Mboba, Nakora, Thiol, Labgar, Aere, Doly, Ronerou, Ndiouere, Ferlo, and Dara areas. The trees grow in the wild, but are also planted in some areas.

Generally, gum is collected by tapping the trees about 15 days after the end of the rainy season, primarily between July and September. Once the tapping of a tree is completed, gum is collected about six times over a period of 40 days. It is estimated that each tree can produce about 250 grams of gum per season, but there are some exceptions recorded where amounts in the range of 1000-2000 grams were collected from particularly high yielding trees.

In an organized commercial plantation, there are about 400 trees per hectare, which yield an average of 100 Kg of gum per season. In the wild and in the case of trees planted by the rural population, the yields tend to be very poor due to lack of maintenance and poor tapping and collection techniques. It is reported that in the 1960s, Senegal's estimated gum arabic production was around 10,000 tons per year. The production of gum arabic represents an important seasonal income generation activity for much of the rural population in the production regions.



For the past 4 to 5 years, several public and private initiatives have been undertaken to boost the plantation efforts. Since 1999, one private company planted over 18,000 hectares of gum arabic, of which 4,000 hectares will start production in 2007. An FAO program implemented together with the Government of Senegal's forestry department and the local population has planted over 1,000 hectares of gum arabic trees. The statistics available on this sector suggest that Senegal has between 5,000-6,500 hectares under production. The yield per hectare is approximately of 100 Kg per hectare. The total sales of gum arabic (at the farm gate price) are estimated at 350 million FCFA, or \$700,000 USD.

According to the preliminary information gathered, the national production of gum arabic is commercialized as follows:

- Local market – raw product = 100 to 150 tons
- Export market – raw product = 150 tons
- Processed product for local and export market (VALDAFRIQUE) = 250 tons

#### **USAID-EG program activities initiated**

The BDS component initiated the following activities to support this sub-sector in 2007:

- Initial work on preparing a SOW to carry out a sub-sector value chain analysis.
- Detailed SOW to carry out a market intelligence study in the US for spray-dried, atomized gum arabic to support a Senegalese registered company known as VALDAFRIQUE.
- Signing of a contract by IRG with MSU to carry out the market intelligence study in the US by a consultant, Dr. Julian Velez.
- Implementation of the market intelligence study for atomized gum arabic produced by VALDAFRIQUE. USAID EG is awaiting the final approved report. This study will be provided to VALDAFRIQUE for further discussions.

- Visits to gum arabic producing areas in Dhara by the BDS Advisor and regular contacts with other stakeholders of the sector.
- Expedition of 10 samples of 500 grams of spray dried gum arabic powder to Dr. Julian Velez and contacts established between MSU, Julian Velez and VALDAFRIQUE.
- Possibilities reviewed for supporting the sector to increase exports.

### **3.4.3. NEEM (AZADIRACHTA INDICA) SUB-SECTOR SUPPORT PROGRAM**

The neem value chain was initiated by the project for the following reasons:

- Demand and use of neem oil and neem products by the local population for the fight against flies and other pest problems, particularly in the mango value chain in which the USAID EG program was already working;
- Availability of a raw material base and initiatives by local companies to use neem products (Asiyla Gum Company, NGOs, SENCHIM);
- Initiatives by a US-based investor (GANTEC) to export neem seeds to the US to be used as an organic input for agriculture;
- Increasing the use of neem products at the local and sub-regional level.

#### **Activities carried out:**

The BDS component has initiated a number of activities to support the neem sub-sector:

- Signed an MOU with GANTEC, an American firm exporting neem seeds to the US, to train more than 100 collectors of neem seeds in 20 villages on post-harvest processing for exports. This training is done on a cost-sharing basis with GANTEC.
- Development of a training manual in French and Wolof.
- Training on drying seeds and packaging techniques in 20 villages around Kaffrine (region of Kaolack) and Touba Toul (region of Thiès).
- GANTEC's targets include the export of 30 tons of neem seeds to the US in 2006-2007, for \$12,000 or CFAF 6 million.
- Initial value chain analysis of the neem sector in April 2007 is in the process of being finalized.

#### **Preliminary value chain analysis**

The preliminary analysis of the neem value chain revealed that:

- A large number of trees (several millions) are available for economic exploitation in Senegal, and many people in rural areas, particularly women, are already trained and working in the collection and processing of neem.
- There is an increasing market for neem and neem products, both on a local and a global scale, therefore indicating a potential to assist Senegal.
- The neem in Senegal has a fairly high concentration of azadirachtine, the active ingredient extracted for many commercial products by local processors and exporters.
- The value chain in Senegal is prepared to become organized, thereby providing a more stable input to buyers, processors, and exporters.



- There are many drivers which can support the neem sub-sector and spur growth through:
  - The increasing demand for organic agriculture, particularly in Western markets
  - The high-value nature of the organic market using neem products
  - Market potential for neem pharmaceutical products which are already used by many communities both nationally and internationally
  - The potential for additional income generation for many people in the rural areas (particularly for women) at a little or no cost
  - The availability of effective, low-cost, or homemade products to rural populations.



Photo: Neem Seeds ready to export.



Photo: Trainers on post harvest drying of Neem.



Photo: Neem press used by women.

### 3.5. KEY RESULT 4: STRATEGIC ACTION PLAN TO PROMOTE THE GROWTH OF THE DAIRY SECTOR

Land O'Lakes conducted a sector analysis and assessment of economic growth within the dairy sub-sector in Senegal over a three-week period, between August 19 and September 8, 2007. The primary objectives of the value chain analysis and assessment of growth opportunities in the Senegalese dairy sector included identifying key constraints and critical success factors to private growth in the dairy sector, strategies for overcoming constraints along with opportunities for expanding the economic growth of the sector, and synergies with the Cotton Improvement Initiative. Most importantly, the sector analysis and assessment of growth opportunities recommended specific interventions to address key constraints and take advantage of opportunities in the Senegalese dairy sector.

In its final stage of completion, the assessment identifies:

- Low levels of locally produced milk
- Inadequate livestock feed
- Difficulty in accessing debt financing
- Weak milk collection systems as key constraints in the local dairy sub-sector

The assessment team identified several key strategic imperatives necessary to ensure economic growth of the sub-sector, including raising local milk production levels and improving its quality, strengthening and expanding milk collection systems and improving the effectiveness and efficiency of the growing number of small dairies in and around urban settings in the country.

Among its recommended approaches for strengthening the Senegalese dairy sub-sector, the assessment recommends commercially viable solutions through private enterprise. A likely geographic focus of future strengthening efforts in the sub-sector includes milk-producing areas in the north and milk sheds in the cotton growing area in the south of the country. The assessment's orientation and recommendations are in keeping with USAID's overall efforts of encouraging growth through enhanced collaboration with private enterprise.



Photo: Mini Dairy and farm visited by LOL team in September in Senegal.

## 3.6 KEY RESULT 5. SUPPORT FOR PROMOTION OF NEW INVESTMENTS IN SELECTED SECTORS

### 3.6.1. BANANA SUB-SECTOR SUPPORT PROGRAM

USAID-EG initiated a technical assistance program to support a program for modern cultivation of bananas in the Kolda region, specifically, in Djibanar. The program signed an MOU with a GIE “Les productions du GIE du Fleuve” in Djibanar. The technical assistance package consists of cost-sharing the fee for a well known expert – Mr. Charles Prins – who travels from Morocco monthly to provide training to member farmers and to develop the plantation for exports. The assistance program commenced in January 2007 and will continue through September 2007.

#### Results achieved

The highlights of this program are as follows:

- 176 farmers were trained
- Area under cultivation is 35 hectares
- Production is estimated at around 80 to 100 tons/hectare while the national average is less than 20 tons/hectare
- Total production to be exported via Banjul and export orders are already coming in from EU countries
- Drip irrigation system implemented
- Organic certification obtained
- APIX registered project
- World Bank assistance is provided for water and irrigation
- A possible project for replication in other areas and interest has been shown by new investors
- A training manual on best cultivation practices has been finalized



Photo: Training by USAID EG consultant Charles Prins and the plantation at Djibanar.

### **3.6.2. COTTON IMPROVEMENT INITIATIVE AND DIVERSIFICATION OF THE AGRICULTURE ECONOMY PROGRAM – PROGRESS AND CURRENT STATUS**

In early January 2007, the Cotton Improvement Initiative for Senegal program was launched within the BDS Component of the USAID Economic Growth Program under the direction of its COP and technical supervision by Dr Patrick Nugawela. Two national experts were recruited to implement the program. The initial activities focused on carrying out a desk study on related cotton sub-sector development activities and meetings with different stakeholders in order to facilitate the preparation of the nine-month work plan that was completed at the end of March 2007.

The official opening of the regional office in Tambacounda is planned for late October 2007. This office is now operational and it houses two national experts and three other supporting staff. Two vehicles are allocated to the office for official transportation and adequate equipment and operational budget are provided. The office is managed by Mr. Nicolas Venn, the team leader.

The activities targeted in the work plan are based on two broad objectives as well as the establishment of coordination, administrative and logistics facilities to implement the planned program:

- I. Improvement and promotion of value addition of cotton and promotion and development of value-added cotton-based products for niche markets; and
- II. Diversification of the agriculture economy in the cotton producing zones to create additional sources of income to farmers.

#### **Activities Implemented**

##### **a. Cotton development initiatives**

The following activities were initiated under this sub-component:

- Following meetings with various actors and a series of discussions held with Senegal's only cotton processing and exporting company, SODEFITEX, a program to improve the quality and productivity of cotton was facilitated as an entry point to the cotton sector through supporting the training of 43 heads of farms (Chef des exploitations) and 43 lead cultivators (chef des cultures) to promote best practices for cotton production in May and June 2007. A memorandum of understanding defining the collaboration between SODEFITEX and the USAID EG program was signed to commence the collaboration. As per the field data obtained, the 43 farmers and 43 cultivators trained in return trained an additional 580 lead farmers and 580 cotton farmers.
- Discussions are ongoing with SODEFITEX to work on value addition of cotton through promoting fair trade cotton program and to develop manuals for production of organic and fair trade cotton.
- First group of trained – Chef des exploitations du coton and SODEFITEX extension workers May – June 2007 under the MOU signed between SODEFITEX and USAID EG.

##### **b. Value-added cotton niche markets - activities carried out**

- Initial contacts were established to study the possibility of promoting the organic cotton program with cotton growers in Koussanar village (near Tambacounda) supported by the NGO, ENDA/PRONAT. This village produces organic cotton but depends on SODEFITEX to market their production. They do not have facilities or equipment to remove the seeds from the cotton and depend on SODEFITEX even for this activity. Because SODEFITEX has a monopoly on all processing, ginning and marketing of cotton for export produced in the country, the growers cannot directly export their organic production and are depending heavily on USAID EG to create a market niche for organic cotton to be hand ginned and used by local textile weavers. The program is facilitating discussions with Koussanar producers and SODEFITEX to promote the production and marketing of organic cotton within Senegal.
- A number of opportunities for development and growth of organic and fair trade cotton were identified following the June 2007 mission of the international consultant, Docey Lewis from ATA.

- Discussions are ongoing on ways to collaborate with local organic cotton producing, value adding enterprises and GIEs (Groupement d' Interet Economique) in the cotton producing areas. The GIEs at Koussanar known as the Fédération Yakaar Niani Wulli (supported by ENDA – PRONAT), are involved in a project that works on organic cotton, fonio, sesame seeds, indigo natural dye production and woven textiles. They would like also to work with USAID EG.
- **Organic cotton support program:** According to the international consultant from ATA who provided technical assistance to the USAID EG program in June 2007, there is a growing interest in international markets for handmade textile products that are handspun, hand woven and vegetable-dyed and products based on organic cotton. Raw cotton from small farmers currently sells for 280 CFAF per kilo. Commercially ginned cotton costs 1000 CFAF per kilo, and carded (step before spinning) cotton costs up to 4000 CFAF per kilo. The 3720 CFAF difference between what a farmer gets for his or her raw cotton and what a spinner might have to pay for carded cotton represents a considerable value-added that could efficiently be put into the pockets of rural women and fill a niche in the market for organic handmade textile products. However, to prove the economic viability of such products, a feasibility study needs to be conducted to determine production costs and capacity. Due to the high cost of transportation, electricity, and industrial inputs for current Senegalese produced cotton yarns, it makes sense to consider reintroducing hand processes. A national consultant has been recruited to start the study using a simple Eli Whitney-style portable cotton gin, an Indian charkha gin, or a modified Indian roller gin, as well as a drum carding machine and a double treadle production spinning wheel.

The GIE (Groupement d' interet Economique)

ENDA-PRONAT/Fédération Yakaar Niani Wulli is ready to participate in the feasibility study on the organic cotton sub-sector and to work with the simple equipment mentioned above.

#### **La Federation Yakaar Niani Wulli – Koussanar Region**

**(“La solidarité au service d'un développement agro écologique et équitable du Sénégal”)**

- Created in 1977, group of 12 unions of farmers/producers in 80 villages in the Tambacounda region
- Head office located at Koussanar near Tambacounda supported by a Senegalese NGO- ENDA-PRONAT
- Federation members are engaged in organic production of cotton, fonio, sesame, bissap, indigo.
- Engaged in processing of fonio and marketing

*This federation of farmers initially worked on conventional cotton. Then they began diverting their activities to production of organic cotton assuming they would get better prices. In addition, they initiated diversification from cotton to other crops to increase revenues to farmers.*

#### **c. Follow-up for the establishment of a Center for Textile and Apparels Promotion (CPTH)**

USAID EG initiated discussions with the UNIDO Representative Alain Nickels in June 2007 to revive activities for launching the Center for Textile Promotion earlier known as CPT – “Centre de Promotion Textiles.” This is an activity planned under the textile cluster of the Accelerated Growth Strategy and a contractual milestone under the Cotton Initiative. The CPT was originally established by law in 2001 but since then there has been no activity. USAID EG and UNIDO took the following initiative on the CPT:

- The first ad hoc committee meeting of the CPT was held on July 24, 2007 to discuss the way forward.
- 45 participants representing the private and public sector and donors participated in this meeting.
- UNIDO made available an international expert from the consulting firm GHERZI –Mr. Bernard Cerciati – who presented guidelines for the creation of the CPT.
- The workshop discussed the road map presented by Mr. Cerciati and made the following conclusions:

- An ad hoc committee was needed to follow up the establishment of the CPT
- Change of the name CPT to Centre for Textile and Apparels Promotion (CPTH)
- Development of a center adapted to the Senegalese context
- Validation of the roadmap presented by the UNIDO consultant
- Creation and management of the CPTH should be a joint activity with partners from the public and private sectors
- CPTH should promote the textile sector as emphasized under the Accelerated Growth Strategy
- Agreed to put in place mechanisms that will lead to the creation of the CPTH

The ad hoc committee validated the road map for the CPTH on September 20, 2007, and a committee including CEPOD (Ministry of Finance), Ministry of Industry, the President of the Textile and Apparels



Photo: At the ad hoc committee meeting held on July 24, 2007 in Dakar to finalize a roadmap for the CPTH. Pictured: UNIDO Representative Alain Nickels and COP Regina

Cluster representing the private sector and APIX was appointed to submit a project proposal for the implementation of the CPTH.

#### **d. Diversification of the agricultural economy in the cotton producing zones**

The diversification of agriculture in the cotton zone targets specific support to the growth of sub-sectors that would create additional revenues to cotton farmers in the zones. Therefore, the preliminary findings in the field revealed that the sub-sectors with the most potential for growth were sesame seeds, fonio, bissap, and dairy. There are other sectors such as banana that were suggested but do not directly link to the activities of cotton farmers. Therefore, during the first phase of the program, emphasis will be placed on supporting the following three priority sub-sectors while observing possible opportunities in other sectors for the future.

#### **Sesame seeds:**

A scope of work to carry out a value chain analysis is completed and a consultant is expected to start work by end of September. In addition, USAID EG signed a MOU with the **Federation Yakaar Miani Wuli – in Koussanar** to implement a pilot program for production of white sesame seeds. The program targets 180 farmer members who are already cultivating 75 hectares. USAID facilitated access to pure white sesame seeds as a planting material, which is the variety that is in high demand for exports. During the 2007 season, the pilot program is promoting:

- Cultivation by 20 farmers in 5 villages of about 2 hectares of sesame seeds for duplication or expansion in 2008. This will produce 1500 kg of seeds with an estimated sale value of 1,050,000 CFAF (US\$ 2,100).
- 500 kg of seeds produced next year to cultivate 125 hectares that could give the farmers approximately 38.5 tons.
- Another 75 hectares cultivated by 200 farms in 30 villages in the area of Koussanar to supply exporters with white seeds. This production is estimated to be about 21 tons, which would generate an estimated sale of 4.2 Million CFAF. (US\$ 8000).



Photo: Meeting at Koussanar with the ENDA officials and the President of federation Niani Wulli signing the MOU.

- Establishment of working relationships between exporters identified by both parties: precise identification of conditionality of buyers and assistance to producers for the setting up of production conformity.
- The recruitment of a facilitator to work on setting up a crop management sequence to have quality seeds and work on the process of certification of the production of white sesame seeds.
- The USAID EG program requested the support of BAMTAARE/SODEFITEX to provide 230 kg of white sesame seeds to the Federation Yakaar Niani Wulli.
- The USAID EG expert undertook a field trip to Koussanar in order to evaluate the dispatching of seeds at the level of the Federation village groups. The situation at the level of placements of these 230 kg of seeds is as follows:

Union Koussanar	19 ha	76 kg
Union Paniath	10 ha	40 kg
Union Cobocopo	8 ha	32 kg
Union Vélingara-Koto	4 ha	16 kg
Union Dawadi-Koto	15 ha	60 kg
Union Ndiaback	1.5 ha	6 kg
<b>Total</b>	<b>57.5 ha</b>	<b>230 kg</b>

- The USAID EG program also intends to develop a farming practices manual to be used as a training material by farmers.
- A cotton team is in contact with stakeholders in the private and public sector and the Ministry of Agriculture. The program expert also participated in a workshop organized by CRS on sesame in Kolda on September 15, 2007.
- This pilot project is to promote farmer production of organic sesame seeds for export and a stakeholders meeting for the sector is planned following the completion of the value chain analysis..



Photo: White sesame production in Koussanar - USAID EG supported program.

### **Fonio:**

The SOW for the value chain analysis is completed and the two national consultants have commenced work on the analysis.

A pilot program on fonio production was designed and a MOU was signed on August 25, 2007 by the USAID EG program with the Fédération Yakaar Miani Wuli – in Koussanar for implementation. This program is already in operation and it comprises the following activities:

- Production of 15 tons of organic fonio, of which 12 tons would be processed and 3 tons will be reserved as multiplication seeds for 2008
- Expert assistance to organize the processing unit
- Training of the federation leaders on the management of the processing unit

The Federation Yakaar Niani Wulli has 1000 members in 80 villages, most of whom are women. The production is certified by ECOCERT and exported to Europe by GAIA Bio Soudaire France. Currently the Federation intends to work with USAID EG on the following:

- Participate in the fonio activities undertaken by USAID EG (value chain analyses, processing, and exports of fonio);
- Upgrading the Federation’s unit for fonio processing and grant authorization for FRA<sup>2</sup> product commercialization for the improvement of pre-cooked fonio, generating of value added (price of gross fonio = 185 FCFA, price of pre-cooked fonio = 1000 FCFA);
- USAID EG supported the organization of a “fonio tasting day” (Journée de Dégustation) on September 8, 2007 specifically to promote the market for fonio. The “day” was organized with a number of events including presentations on fonio production, presentations of recipes, presentation of special fonio dishes, fonio trade fair/boutique, and negotiations of sales.

---

<sup>2</sup> Authorisation de fabriquer. Authorization FRA is a procedure realized by the Institute for Food Technology for a certification and authorization of a food product for consumption and sale on the local market



Photo: Fonio tasting day at Koussanar.



Photo: Fonio day Boutique – Koussanar.

Discussions were also held with *Wula Nafaa staff* on the possibility of a partnership in the Kédougou zone by supporting the *GIE Koba Club*. It is a GIE comprised of 40 women, very active in the fonio sub-sector and managed by Mrs. Aïssata Aya N'Diaye, working in collaboration with *Wula Nafaa programs*.

The program also intends to work with ITA – Institut de Technologie Alimentaire (Institute for Food Technology) to provide training for the Koussanar federation.

#### **Bissap:**

A program has already started in collaboration with SODEFITEX/ BAMTAARE to promote bissap production focusing on productivity improvement, and support to organize producers and developing commercial linkages with exporters. BAMTAARE (Base d'Appui aux Méthodes et Techniques pour l'Agriculture, les Autres Activités Rurales et l'Environnement) offers agricultural services to the rural sector in Senegal. This program targets the following results:

- Training of 400 farmers with new agriculture practices tested in 2006
- Follow-up with 400 farmers on new techniques
- Ensure production of 25 tons of bissap in 100 hectares in the Fatik and Kaolack regions
- Test best practices for sowing seeds

#### **Banana Production in the Cotton Zone**

The first contacts were established with the major banana producers in the area. The intent is to work with the experts of the sub-sector to define a strategic action program to improve production and to replicate the experience of the project in Djibanar (Kolda) in the cotton zone.

#### **Dairy Sector**

Land O'Lakes, Inc. consultants completed the value chain analysis on dairy. USAID EG is awaiting the final report.

#### **Capacity building support**

A specific support program to address gender issues and improvement of income for women in the selected sub-sectors is planned before December 2007 with the Gender Specialist from IRG.

USAID EG will facilitate the participation of an organic cotton producer, an expert from SODEFITEX, and an expert from the cotton improvement initiative at the consultative meeting on applied organic technology for cotton to be held in Ouagadougou, Burkina Faso at the end of October 2007.

### **3.7. KEY RESULT 6: PROMOTION OF A MARKET FOR BDS OPPORTUNITIES IN ALL SUB-SECTOR GROWTH INITIATIVES SUPPORTED BY THE USAID EG PROGRAM**

#### **3.7.1. NATIONAL CONSULTANCY OPPORTUNITIES SUPPORTED/CREATED THROUGH SUB-SECTOR VALUE CHAINS**

The BDS component identified many consultancy opportunities across the value chains analyzed, promoted, and supported. The areas of consultancy opportunities across the sectors identified are as follows:

- Value chain analysis of sub-sectors
- Quality control and assurance in the cashew sector
- Fight against fruit flies
- Post harvest techniques for neem
- Agriculture practices for bissap
- Dairy value chain
- Media information on cashew
- Scientific data-collection

On the supply side, during 2007, USAID EG mobilized more than 22 national experts directly and facilitated another 477 national trainers. Some of the trainers organized training sessions on their own and in some sectors; trainings were even delivered without USAID EG support. The trainers were trained in the following sub-sectors:

i.	Cashew	139	Trainers on quality
ii.	Cashew	12	Media information
iii.	Mangoes	84	Fight against fruit flies
iv.	Neem	100	Post-harvest techniques
v.	Bissap	130	Agriculture practices
vi.	Textiles	26	Textile dying
vii.	Cotton	86	Lead farmers in cotton productivity

The main national consultants worked on four specific areas related to value chains during this period that could now be considered as potential consultants on value chains. Four more consultants are also working on the fonio, dairy, and sesame value chains that will be added to the BDS list. The USAID EG program through its value chain work developed the local capacity for consultancy and developed a market for different services across the value chains. These are as follows:

- Production of a documentary film on USAID's support programs for the cashew sub-sector (Boubacar Sow)
- Media education program on cashew quality in the Casamance region (Ismaila Diédhiou)
- Media consultancy through Regional Radio (RTS Ziguinchor)
- Fonio: Two consultants for fonio value chain analysis selected
- Sesame seeds national consultant selected (Sidy Guèye Niang)
- Artisan textiles – Assistance by Aby Ba Seck, Designer and dyeing/printing technical expert
- Training on Quality
- Development of a manual for training on fight against fruit flies (Mbaye Ndiaye, Mamadou Dabo, Mame Niang)
- Facilitation of cashew programs in Sokone and Ziguinchor (Ibrahima Cissé and Moïse Bassène)
- Fruit flies: a group of national consultants was drawn from the research institutes led by the University of Thies on fruit flies
- Cashew quality training by trainers trained in the Tendouk, Tanaff, Goudomp, and Sokone areas
- Fruit flies training by national trainers in Niayes by ONAPES, and Ziguinchor by ANCAR
- Training on cultivation practices
- Development of the bissap cultivation manual (SODEFITEX/BAMTAARE)
- Cotton – Trainers from SODEFITEX
- Bissap cultivation training (Ngouda Ba)
- Bissap cultivation practices training by ASNAP consultants
- Market for BDS promoted



Photo: TOT on Fight against Fruit flies in the Niayas. Photo: Cashew TOT in Tendouk in March 2007.

Because of a number of activities initiated by the USAID EG program, other consulting opportunities are emerging or foreseen. Some of these are listed below. CDH has submitted a project proposal for funding through other donors to promote the growth of the bissap sector.

### **3.7.2. CONSULTANCY CAPACITY BUILDING THROUGH INTERNATIONAL STTA – CONSULTANCIES**

The BDS component designed or assisted in designing and packaging specialized consultancy services in a selected number of value chains:

- Introduction of new agriculture practices and productivity improvement in banana production for exports – through technical assistance to the banana plantation “Les Plantations de Djibanar – Les Planteurs Du GIE du Fleuve” by Charles Prins, JE Austin Associates – January to September 2007
- Value chain analysis of the neem sub-sector by Jessica Reynolds, J.E. Austin Associates – April- May 2007
- Dairy sector – value chain work from Land O’Lakes for value chain analysis of the dairy sub-sector by Paul Sevier, Land O’ Lakes
- Fight against fruit flies – An expert from Israel through a joint initiative of Embassy of Israel, the USAID EG program and an expert from CIRAD, Réunion, Serge Quilici
- Artisan textiles – Aid to Artisans mission by Docey Lewis, woven textile technical and market expert
- Gum Arabic – Michigan State University
- Bissap—Dr Simon, JE Austin Associates Inc.

These international missions supported the completion of new value chains, local capacity building through training, generating new ideas and opportunities for new markets that would be taken over by national consultants and/or facilitators. For example:

- Following the Aid to Artisans mission by Docey Lewis, Aby Ba Seck, facilitator, organized a training of textile dyeing techniques.
- A feasibility study by an woven textile specialist (Aissa Dione) on spinning of organic cotton was approved.

- A number of national consultants worked on the fight against fruit flies following work done by Serge Quilici of CIRAD.

### **3.7.3. OTHER SUPPORTING ACTIVITIES CARRIED OUT IN 2007 BY THE BDS COMPONENT**

#### **1. International contacts, meetings, and workshops**

The BDS advisor Dr Patrick Nugawela participated in the USAID value chain workshop in Addis Ababa in June 2007 in which a number of similar USAID projects and USAID CTOs participated. Documents on work completed by the project on value chains were exhibited at this meeting.

- The BDS Advisor contacted the cashew scientists and specialists in India, Mozambique, Tanzania, and Ghana. Contacts established with the Kerala Agriculture University suggest the possibility of initiating a research program on developing adapted high yielding varieties of cashew in Senegal.
- The BDS Advisor, accompanied by an APIX staff member, visited a number of technical assistance projects and the USAID trade hub in Ghana during which useful information was exchanged related to cashew, banana and mango sub-sectors work in addition to the preparation of an APIX study on incentives and facilities offered to the textile sector.

#### **2. Memorandums of understandings (MOUs), partnerships with stakeholders, and mobilization of resources for pilot programs**

The USAID EG program COP, upon the recommendation of the BDS component, signed 14 partnerships through MOUs to implement the BDS value chain pilot programs for the sub-sector value chains during the first nine months of 2007 as listed below:

- **Banana:** GIE de Fleuve, Djibanar, for technical assistance for the production of bananas for export
- **Cotton:** SODEFITEX for training of extension staff and heads of cotton plantations
- **Cashew:** Training of trainers on quality with SENECOMEX
- **Mangos:** Cooperatives des Producteurs de Fruits et Légumes de Keur Mbir Ndao in the Niayes region, for training on the fight against fruit flies
- **ONAPES:** for training of trainers on the fight against fruit flies
- **Université de Thiès** for the establishment of a scientific database on fruit flies
- **Bissap:** NSPA Ba for production of seeds, ASNAP for bissap production, SODEFITEX/BAMTAARE for bissap production
- **Neem:** GANTEC (USA) for training on the post-harvest techniques of neem seeds for exports
- **Woven textiles:** RESENTEX – CDE for training program in Woven textiles in January 2007
- **Fonio :** Federation Yakaar Miani Wuli in Koussanar
- **Sesame:** Federation Yakaar Miani Wuli in Koussanar

### **3.7.4. RESOURCE MOBILIZATION FOR PILOT PROGRAMS**

The USAID program's BDS component is playing the role of a catalyst to implement demonstrative programs/pilot projects with active participation of the partners, mainly the private sector. The total investments in 14 pilot programs in eight value chains in 2006/2007 is estimated at CFAF 246.2 million of which 169.5 or 68.83% came from the partners and the USAID EG program share was only 31.17% or CFAF 73.7 million. From the CFAF 169.5 million, an estimated amount of CFAF 20 million came from the

farmers of bissap and fonio where their contribution in labor and materials are given a value. The table below gives the details of resources mobilized for pilot projects.

**Table: Pilot projects – Funds mobilization by partners and cost sharing by USAID EG program 2006/07 - Estimates based on MOUS signed with Partners**

Sub sector	TOTAL FUNDS MOBILIZED	Participation partners	by Cost sharing By USAID EG
	CFA	CFA	CFA
BISSAP CLIN I	114 335 000	104 760 000	9 575 000
CASHEW	23 325 000	3 475 000	19 850 000
MANGUE	14 738 600	9 115 000	5 623 600
ARTISANAL TEXTILE	19 215 500	13 365 500	5 850 000
NEEM	5 805 000	2 880 000	2 925 000
<b>BANANA</b>	10 710 000	6 000 000	4 710 000
<b>Total CLIN I</b>	<b>188 129 100</b>	<b>139 595 500</b>	<b>48 533 600</b>
SESAME	5 109 000	3 409 000	1 700 000
FONIO	12 396 775	6 200 000	6 196 775
COTON	23 717 100	12 173 700	11 543 400
BISSAP CLIN 2	16 893 000	11 129 000	5 764 000
<b>Total CLIN 2</b>	<b>58 115 875</b>	<b>32 911 700</b>	<b>25 204 175</b>
<b>GRAND TOTAL</b>	<b>246 244 975</b>	<b>169 507 200</b>	<b>73 737 775</b>
<b>TOTAL EN %</b>	<b>100</b>	<b>68,83</b>	<b>31,17</b>

### Summary

	TOTAL EN FCFA	TOTAL EN %
Total Funds in pilot programs by sub-sector	246 244 975	100
Funds mobilized by partners	169 507 200	68,83
<b>TOTAL FUNDS INVESTED BY USAID/CE</b>	<b>73 737 775</b>	<b>31,17</b>

### **3.7.5. PROGRESS ACHIEVED**

The data presented in the following BDS indicator tables are based on the data collected in the field by a consulting firm – (Access Finance and Gestion) during August and September 2007. The investigators from this firm contacted the entities that worked with USAID EG during the year in different areas of the country. However, in the case of some of the sectors such as cashews, the firm was not able to get information from major firms exporting raw nuts particularly the companies of Asian origin established in the Ziguinchor area. Some of these companies were reluctant to share information. The BDS Advisor had to contact these exporters to obtain actual numbers.

Not all the data for the cashew, bissap, and mango sub-sectors are available because this is still the middle of the growing season. USAID amended the milestones and indicators for BDS earlier this year to cover the period from October 1, 2006 to December 30, 2007, in order to be able to capture data at the end of the agricultural growing cycle. Hence, the data collected for sales is under-reported. Full information will be available by early January 2008.

In addition, BDS discovered that the definition for SMEs in its indicators is not representative of the actual situation. Under these indicators, SMEs are defined as “units employing 5 or more persons.” The definition has turned out to be too narrow. BDS discovered that there are many enterprises employing less than five persons that have larger turnovers than those firms within our definition of SMEs. As a result, in some sub-sectors the consulting firm did not capture all needed data. We will enlarge the definition of SMEs to include micro and rural enterprises in order to have a more representative view of subsector beneficiaries from our interventions by early 2008.

Nonetheless, the analysis of the indicators is based strictly on the independent data collection report submitted on September 26, 2007 by the firm. The areas where there are reservations and observations on under reporting are mentioned below each table.

**BDS Indicator 1: Dollar ratio of USAID investment to new sales by firms benefiting from USAID assistance.**

The progress achieved under this indicator reflects the dollar ratio of USAID EG investment as the direct costs associated with the assistance provided to enterprises supported under the selected sub-sectors in terms of training, technical expertise, access to finance, promotion of activities to address key issues and promote new investments. The level of effort of USAID EG staff that brings technical expertise to the selected sub-sectors is included as indirect costs. USAID EG support helped generate new sales by the firms that benefited directly from the project activities.

<b>Indicator 1:</b>		<b>Dollar ratio of USAID investment to new sales by firms benefiting from USAID assistance.</b>
<b>Target for 2007:</b>		<b>1 to 3</b>
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Mango	- Program direct investment = 11,247 USD - New sales = 1,740,841 USD	
Cashew	- Program direct investment = 17,295 USD - New sales = 171,600 USD	
Bissap	- Program direct investment = 40,050 USD - New sales = 126,100 USD	
Woven Textile	- Program direct investment = 113,737 USD - New sales = 1,241,438 USD	
Banana	- Program direct investment = 9,420 USD	
Neem	- Program direct investment = 5,850 USD - New sales = 4,000 USD	
Dairy	- Program direct investment = 69,752 USD	
Gum Arabic	- Program Direct investment = 19,699 USD	
TOTAL	- Program direct investment = 287,050 USD - Program Indirect investment = 139,762 USD <b>TOTAL INVESTMENT = 426,812 USD</b>  <b>TOTAL NEW SALES = 3,283,979 USD</b> <b>RATIO = 7.69</b> <b>NB : Exchange rate : 500 FCFA = 1 USD</b>	
<b>Total :</b>		<b>7.69</b>

---

**BDS Indicator 2: Number of value chain analyses completed**

This year was spent working on a number of value chain analyses for selected sub-sectors, by mobilizing and involving private and public sector stakeholders in this exercise. The value chain analysis demonstrates the opportunities of value addition and focuses on implementing strategic initiatives that can increase the competitiveness of the sub-sector selected and initiatives that promote linkages between markets and producers.

Indicator 2:		Number of value chain analyses completed
Target for 2007:		3
Principal Activities	Progress achieved	Targets reached
Detailed studies of each sub-sector (review of reports, field surveys, meetings with stakeholders, market information)	Value chain analyses are being completed for the following neem, fonio and dairy sub-sectors: <ul style="list-style-type: none"><li>▪ Neem</li><li>▪ Fonio</li><li>▪ Dairy</li></ul>	
<b>Total :</b>		<b>1</b> (neem) completed

**NB:** The USAID EG program completed the first draft of the value chain of neem. In addition, the work on 3 other sub-sectors – dairy, sesame and fonio is being carried out. The work on dairy was delayed because of slowness in finalizing the sub contract and the extended process for finalizing the daily rate for the consultants. Fonio was delayed due to the extended process on determining the final daily rate for the consultant.

---

**BDS Indicator 3: Percentage increase of exports by companies benefiting from USAID assistance, using AGOA authorities and advantages**

USAID EG provided technical assistance to selected enterprises benefiting directly from the project activities, in terms of facilitating access to training, advisory services, technical expertise, organization, finance, and markets among other services to enhance their competitiveness. This assistance contributed to their increasing the percentage of their exports using AGOA authorities and advantages.

Indicator 3:	Percentage increase of exports by companies benefiting from USAID assistance, using AGOA authorities and advantages	
Target for 2007:	6%	
Principal Activities	Progress achieved	Targets reached
Bissap	Company: Maria Distribution AGOA sales 2006 = 22,172,150 FCFA AGOA sales 2007 = 34,111,000 FCFA AGOA sales increase = 11,938,850 FCFA Percentage increased AGOA sales = 54%	
Woven Textile	Company: WHEPSA AGOA sales 2006 = 6,000,000 FCFA AGOA sales 2007 = 6,900,000 FCFA AGOA sales increase = 900,000 FCFA Percentage increased AGOA sales = 15%	
Neem	Company: GANTEC AGOA sales 2006 = 4,000,000 FCFA AGOA sales 2007 = 6,000,000 FCFA AGOA sales increase = 2,000,000 FCFA Percentage increased AGOA sales = 50%	
TOTAL	Total AGOA sales 2006 = 32,172,150 FCFA Total AGOA sales 2007 = 47,011,000 FCFA Total AGOA sales increase = 14,838,850 FCFA	
	<b>Overall Percentage increased AGOA sales =</b>	<b>46%</b>

**BDS Indicator 4: Increased value of non-AGOA exports by companies benefiting from USAID assistance**

USAID EG provided technical assistance to selected enterprises benefiting directly from the project activities, in terms of facilitating access to training, advisory services, technical expertise,

organization, finance, and markets among other services to enhance their competitiveness. This assistance contributed to their increasing the value of their non-AGOA exports.

Indicator 4:	Increased value of non-AGOA exports by companies benefiting from USAID assistance	
Target for 2007:	\$ 600,000	
Sub-Sectors	Progress achieved	Targets reached
Mango	Increased value of non-AGOA exports = 722,097,640 FCFA or 1,444,195 USD  Principal partners: DIMEX, FERME AGRICOLE TOUBA, AGRICOM, CADA SENEGAL, MASTER SARL & PDG	
Cashew	Increased value of non-AGOA exports = 85,800,000 FCFA or 171,600 USD  Principal partners: GIE VALAGRI	
Bissap	Increased value of non-AGOA exports = 32,116,650 FCFA or 64,233 USD  Principal partners: GLOBAL TRADE & MARIA DISTRIBUTION	
Woven Textile	Increased value of non-AGOA exports = 31,288,735 FCFA or 62,577 USD  Principal Partners: SIGIL SARL, ARAME PATHE NDOYE, WHEPSA, EGA & TISSAFRIC  NB: Exchange rate: 500 FCFA = 1 USD	
<b>Total :</b>		<b>871,303,025 FCFA</b> <b>or 1,742,606 US\$</b>

**BDS Indicator 5: Number of entities benefiting from USAID technical assistance**

USAID EG supported institutions and enterprises directly linked to the various operations of the selected sub-sectors in terms of facilitating access to training, advisory services, technical expertise, organization, finance, and markets among other services to enhance their competitiveness.

<b>Indicator 5: Number of entities benefiting from USAID technical assistance</b>		
<b>Target for 2007: 235</b>		
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Cashew	Number of entities = 467 Principal activities: stakeholder meetings & training of trainers and producers on improving cashew raw nut quality	
Bissap	Numbers of entities = 819 Principal activities: stakeholders meetings & training of trainers and producers on production of commercial bissap – increased productivity and quality	
Mango	Number of entities = 123 Principal activities: stakeholders meeting & training of trainers and producers on the fight against the fruit flies	
Woven Textile	Number of entities = 51 Principal activities: Stakeholders meeting & trainings/technical support on market trends for home décor & gifts, dyeing techniques, weaving and stylist design	
Banana	Number of entities = 177 Principal activities: training on introduction of a new banana technique production for improved productivity	
Neem	Number of entities = 111 Principal activities: training of harvest and post-harvest techniques	
Gum Arabic	Number of entities = 1 Principal activities: Market study in the US	
<b>Total :</b>		<b>1,749</b>

**NB:** During the first year, the program concentrated heavily on supply development of agriculture sub-sectors selected. This was done through a large number of training programs focused on small farmers, rural, micro and small enterprises, produce collectors, and small traders. These are all considered to be small economic entities. Therefore, due to the large number trained, the results for this indicator are much higher than what was targeted.

**BDS indicator 6: Number of beneficiaries from project support to selected sub-sectors**

USAID EG provided technical assistance to a number of beneficiaries in initiatives taken to facilitate the growth of the selected sub-sectors to enhance the capacities and skills of these different entities and individuals involved in the project sub-sector activities. (M=male and F=female)

<b>Indicator 6:</b>		<b>Number of beneficiaries from project support to selected sub-sectors</b>
<b>Target for 2007:</b>		<b>7000</b>
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Cashew	Number of beneficiaries = 607 (577 M + 30 F) Principal activities: stakeholder meetings & training of trainers and producers on improving cashew raw nut quality	
Bissap	Numbers of beneficiaries = 846 (308 M + 538 F) Principal activities: stakeholders meetings & training of trainers and producers on production of commercial bissap – increased productivity and quality	
Mango	Number of beneficiaries = 178 (161 M + 17 F) Principal activities: stakeholders meeting & training of trainers and producers on the fight against the fruit flies	
Woven Textile	Number of beneficiaries = 90 (33 M + 57 F) Principal activities: Stakeholders meeting & trainings/technical support on market trends for home décor & gifts, dyeing techniques, weaving and stylist design	
Banana	Number of beneficiaries = 176 (176 M) Principal activities: training on introduction of a new banana technique production for improved productivity	
Neem	Number of beneficiaries = 111 (62 M + 49 F) • Principal activities: training of harvest and post-harvest techniques	
<b>Total :</b>		2,008 (1,317 M + 691 F)

**NB:** Indicator 6. Number of beneficiaries from project support to selected sectors target was 7000 for 2007. The consultancy firm reports 2008 beneficiaries. While the data from the investigators are under reported, it is important to note the following reasons for this situation:

- The data collection exercise was conducted in the middle of the agriculture year and not at the end. Not all beneficiaries were contacted and some of those contacted were reluctant to provide data to the consulting firm. These issues will be rectified when the data collection exercise starts again in early January 2008.
- The investigators who carried out the survey restricted the findings only to the data on direct beneficiaries who participated in the training programs conducted by the USAID EG where there were signed attendance lists available.
- The indirect beneficiaries in the sectors of cashew, mangos, and bissap were not counted. For example, the cashew quality-training program reached many producers through radio training but no estimate was done on numbers benefited. In addition, cashew quality trainers trained by the project then carried out their own training programs for producers that were not counted. The Mango fruit fly trainers reached large numbers of producers by carrying out training programs in villages and the figures do not reflect this. The Mango season is on going and final data will be available only in late December/early January 2008. Data for all indirect beneficiaries will be collected at that time.
- The bissap production program for 2007 will reach more than 1400 farmers. This information is not totally captured in the numbers so far this year but will be reported on after the harvest in early 2008.
- The investigators were not able to meet enterprises in all the sub-sectors. Many enterprises including those in woven textiles and cashew sub-sectors were not contacted. This will be rectified in the report due in early 2008.
- The woven textile sector interventions were reduced due to a delay in finalizing the sub contract and a reduction in the budget allocated to ATA. ATA scaled down the program to support a lesser number of selected enterprises.
- The beneficiaries in the fonio sector are not counted in this evaluation because the fonio value chain work started late and the data will be available only the end of the year 2007 or early 2008.
- For spray-dried gum arabic, the target beneficiaries for 2007 were not included. The program conducted a market study in the US for this sub-sector, which was completed at the end of September 2007. The direct impact will be measured when the market links recommended in the study are established.

**BDS indicator 7: Amount of incremental investments in supported sub-sectors under USAID technical assistance**

USAID EG provided investments to enterprises under the selected sub-sectors to improve their production capacity, generate new investments, and enhance their competitiveness. The sub-sectors supported are mango, cashew, bissap, woven textile, banana, and neem.

<b>BDS Indicator 7</b>		<b>Amount of incremental investments in supported sub-sectors under USAID technical assistance</b>
<b>Target for 2007:</b>		<b>110 million CFAF</b>
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Mango	- Program cost-sharing investment = 9,115,000 FCFA - Enterprise's investment = 1,084,474,320 FCFA TOTAL = 1,093,589,320 FCFA or 2,187,179 USD	
Cashew	- Program cost-sharing investment = 3,475,000 FCFA - Enterprise's investment = 117,113,000 FCFA TOTAL = 120,588,000 FCFA or 241,176 USD	
Bissap	- Program cost-sharing investment = 104,760,000 FCFA - Enterprise's investment = 80,100,000 FCFA TOTAL = 184,860,000 FCFA or 369,720 USD	
Woven Textile	- Program cost-sharing investment = 13,365,500 FCFA - Enterprise's investment = 210,615,616 FCFA TOTAL = 223,981,116 FCFA or 447,9621 USD	
Banana	- Program cost-sharing investment = 6,000,000 FCFA - Enterprise's investment = 120,000,000 FCFA TOTAL = 126,000,000 FCFA or 252,000 USD	
Neem	- Program cost-sharing investment = 2,880,000 FCFA - Enterprise's investment = 7,000,000 FCFA TOTAL = 9,880,000 FCFA or 19,760 USD	
TOTAL	- Program cost-sharing investment = 139,595,500 FCFA - Enterprise's investment = 1,619,302,936 FCFA TOTAL = 1,758,898,436 FCFA or 3,517,797 USD  NB: Exchange rate: 500 FCFA = 1 USD	
<b>Total :</b>		<b>1,758,898,436 FCFA</b> <b>Or 3,517,797 USD</b>

**BDS Indicator 8: Total annual value of sales of USAID assisted firms**

USAID EG provided technical assistance to firms, which included producers, producer groups, traders, exporters, and service providers. The assistance included training in (a) value addition and/or processing technologies, (b) promotion of improved/sustainable production techniques, and (c) promotion of activities to address key issues and promote new investments.

<b>BDS Indicator 8</b>		<b>Total annual value of sales of USAID assisted firms</b>	
<b>Target for 2007:</b>		<b>11.8 billion CFAF</b>	
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>	
Mango	- Annual value of sales = 3,615,255,148 FCFA Or 7,230,510 USD		
Cashew	- Annual value of sales = 1,319,866,875 FCFA Or 2,639,734 USD		
Bissap	- Annual value of sales = 529,000,000 FCFA Or 1,058,000 USD		
Woven Textile	- Annual value of sales = 1,957,303,716 FCFA Or 3,914,607 USD		
Neem	- Annual value of sales = 6,000,000 FCFA Or 12,000 USD		
NB: Exchange rate: 500 FCFA = 1 USD			
<b>Total :</b>		<b>7,427,425,739 FCFA or 14,854,851 USD</b>	

**NB:** The total value of sales under each sub-sector is highly under reported due to the following reasons:

- In case of mango, the season is still on going. The total sales for the year will be collected in early 2008 at the end of the agricultural season.
- In the case of cashew nuts, the investigators did not meet a single exporter of raw nuts. Based on the estimates made by traders and exporters, at least 15,000 tons of raw nuts were exported in 2007 and exports are still going on. Even if one estimates a 2000 ton increase of raw nuts exports this year over the 2006 level and value of FOB of a ton of raw nuts at US \$ 480, the country's exports sales would have increased by US\$ 960,000 or about FCFA 480,000,000.
- In the case of bissap, the sales calculated in the report are only the sales from the harvest of 2006, which occurred in January-February 2007. The bissap harvest of 2007 will be in January – February 2008.
- Other sub-sectors sales figures that the USAID EG program is assisting – fonio, sesame, and woven textiles will be available only at the end of 2007 or early 2008.

### **BDS Indicator 9: Number of people benefiting from trade or investment training**

During the reporting period, the BDS Component mobilized more than 22 national experts directly and facilitated more than 50 national trainers to organize training sessions on their own for the benefit of producers in the selected sub-sectors. Training modules have been developed and training sessions were held in the following areas: mango quality improvement and fight against fruit flies; bissap cultivation best practices; best practices in banana production; cashew harvest and post harvest techniques; neem seed drying techniques, new trends of market focused on home décor for the woven textile sub-sector.

\*M=Male and F=Females

<b>BDS Indicator 9 Number of people benefiting from trade or investment training</b>		
<b>Target for 2007: 235</b>		
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Cashew	Number of trainees = 510 (487 M + 23 F)* Principal activities: Training of trainers and producers on improving cashew raw nut quality	
Bissap	Numbers of trainees = 813 (278 M + 535 F) Principal activities: Training of trainers and producers on production of commercial bissap – increased productivity and quality	
Mango	Number of trainees = 84 (82 M + 2 F) Principal activities: Training of trainers and producers on the fight against the fruit flies	
Woven Textile	Number of trainees = 94 (35 M + 59 F) Principal activities: Trainings on market trends for home décor & gifts, dyeing techniques, weaving and stylist design	
Banana	Number of trainees = 176 (176 M) Principal activities: Trainings on introduction of a new banana technique production for improved productivity	
Neem	Number of trainees = 111 (62 M + 49 F) • Principal activities: trainings of harvest and post-harvest techniques	
<b>Total :</b>		<b>1,788</b> <b>(1,120 M + 668 F)</b>

**BDS Indicator 10: Number of products commercialized that meet international market standards**

USAID EG interventions had an impact on the number of products promoted through its assistance under the selected sub-sectors. These products are dried bissap, fresh mango, cashew nuts, apparel, home décor and gifts/soft toys, and neem seeds.

<b>BDS Indicator 10</b>		<b>Number of products commercialized that meet international market standards</b>	
<b>Target for 2007:</b>		<b>8</b>	
<b>Principal Activities</b>	<b>Progress achieved</b>	<b>Targets reached</b>	
<b>Training, branding, and market information</b>	USAID EG has helped promote the following products commercialized that meet the international market standards. These products are; <ul style="list-style-type: none"> <li>▪ Dried bissap</li> <li>▪ Spray dried gum arabic</li> <li>▪ Fresh Mango</li> <li>▪ Cashew kernels</li> <li>▪ Apparel</li> <li>▪ Home Décor</li> <li>▪ Gifts / Soft toys</li> <li>▪ Neem seeds</li> <li>▪ Raw cashew nuts</li> </ul>		
<b>Total :</b>		<b>9</b>	

**NB:** A market study was carried out in the US for spray-dried gum arabic. The product meets international standards. The effective exports have not commenced. However, some samples were exported to the US for testing.

---

**BDS Indicator 11: Volume of products commercialized that meet international market standards**

USAID EG interventions had an impact on the quantity of products promoted through its assistance under the selected sub-sectors, these products are mango, cashew, bissap, and woven textile and neem.

<b>BDS Indicator 11</b>		<b>Volume of products commercialized that meet international standards</b>	
<b>Target for 2007:</b>		<b>77,057 tons</b>	
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>	
Mango	Volume = 3,470 tons		
Cashew	Cashew Kernels - Volume = 1.395 Cashew Raw Nuts - Volume = 8,778 Total Cashew – Volume = 8,779.395		
Bissap	Volume = 1,035.5		
Woven Textile	Volume = 70.711		
Neem	Volume = 30		
<b>Total :</b>		<b>13,385.606 tons</b>	

**NB:** For indicator 11, the field investigators highly under reported data. They indicated that in the cashew sector, the volume of products commercialized that meet international standards is only 1.395 tons of cashew kernels and 8,778 tons of raw nuts. These numbers do not reflect total exports of raw nuts according to information gathered by the BDS Advisor who spoke directly to the large Asian exporters. Raw nuts exported are estimated to be closer to 15,000 tons. (See the section “3. Cashew – a global value chain” of this report for details on the subsector).

Moreover, total export statistics for the year 2007 for all the other sub-sectors: mango, bissap, woven textiles, and neem will not be available until the end of 2007 or early 2008. No statistics were collected for fonio and sesame sub-sectors that are now supported by the USAID EG because the value chains are being prepared.

**BDS Indicator 12: Number of USAID assisted SMEs selling into domestic and international markets**

USAID EG assisted small and medium enterprises working on selected sub-sectors and selling into domestic and international markets. Assistance consisted of facilitating access to training, advisory services, technical expertise, organization, markets information among other services to enhance their competitiveness.

<b>BDS Indicator 12: Number of USAID assisted SMEs selling into domestic and international markets</b>		
<b>Target for 2007:</b>	<b>120</b>	
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Mango	- Number of SMEs = 26	
Cashew	- Number of SMEs = 8	
Bissap	- Number of SMEs = 7	
Woven Textile	- Number of SMEs = 31	
Banana	- Number of SMEs = 1	
Neem	- Number of SMEs = 1	
<b>Total :</b>		<b>74</b>

**NB:** The number of SMEs assisted in the above indicator is highly under reported. This is because SMEs defined earlier by USAID EG, “enterprises employing more than 5 persons,” is too narrow. Value chains selected by the program are agriculture based and operate with many hundreds of rural, micro and small enterprises including small farms. All these are enterprises and therefore, number of enterprises assisted by the program is much more than 74 as indicated by the consultants. This suggests the need to review the definition for SMEs by BDS. This definition will be clarified before the data collection exercise at the end of 2007 or early 2008.

---

**BDS Indicator 13: Number of “full-time” jobs created by assisted firms**

USAID EG provided assistance to producers, traders, exporters, and service providers benefiting directly or indirectly from the project activities. This assistance contributed to employment generation and led to the creation of “full-time” jobs.

<b>BDS Indicator 13</b>	<b>Number of “full-time» jobs created by USAID assisted firms</b>	
<b>Target for 2007:</b>	<b>750</b>	
<b>Sub-Sectors</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Mango	- Number of persons = 232 (46 M + 186 F)	
Cashew	- Number of persons = 30 (22 M + 8 F)	
Bissap	- Number of persons = 160 (4 M + 156 F)	
Woven Textile	- Number of persons = 202 (176 M + 26 F)	
Banana	- Number of persons = 231 (231 M)	
Neem	- Number of persons = 60 (60 F)	
<b>Total :</b>		<b>915</b> <b>(479 M + 436 F)*</b>

\*M= Male and F= Female

## **3.8 CONSTRAINTS, OPPORTUNITIES, AND PRIORITIES**

### **CONSTRAINTS**

Constraints affecting BDS during 2006 -2007 in implementing the activities planned included:

- The absence of special assistance funds (SAF) to support sub-sector pilot programs is a constraint to support new development initiatives. The component, while continuing the implementation of strategic interventions in the first four value chain analyses (cashew, bissap, mangoes and woven textiles) completed in 2006, extended its activities to support strategic interventions in seven more value chains (banana, neem, fonio, sesame, gum arabic, dairy and cotton). All these are high impact sectors that could generate benefits to the country through new investments. However, based on our experience during the past year to implement and demonstrate the viability of some of the strategic initiatives identified under

value chains analysis, potential investors need to see the viability of the activities before making an investment. The investments in these new opportunities will initially require technical and financial support. Some of these initiatives could have high demonstrative impact across the sub-sectors through implementation of pilot programs. Some promising activities, however, will not be able initially to attract funding by financial institutions. Promotion of pilot production sites, introduction of new technologies, market and production trials, branding and certification, information, training, expertise, support to associations as BDS facilitators, capacity building of service providers, and development of markets for BDS are some of the areas that would need initial financial support. Unfortunately, the program does not have any provisions for cost sharing or grants and this limits the impact and capacity of the program to implement the action plans recommended. **Establishment of a special assistance or grant fund would make change much faster in promoting the growth of the sub-sectors selected.**

- Most of the selected sub-sectors are not professionally organized in the field. In order to implement the programs, reaching producers at different levels was difficult in many sub-sectors due to absence of organized trade associations that could work collectively to address the constraints of the sub-sector through collective decisions. An exception is the mango sector that has ONAPES, an association of fruit and vegetables producers and exporters. However, this association has only eight or nine larger members but many small actors in the sector do not have access to collective support efforts. In the case of some sub-sectors, pilot programs were implemented with individual or isolated players and the benefits of leverage thus became limited and raised the issues of sustainability of best practices introduced. **Hence, investment in the development of organizational capacity is important in the future for sustainability.**
- The BDS component initially focused on four sub-sectors and extended its interventions to a number of others. This may in the end spread the resources and expertise available thinly in too many activities and follow up would become difficult. **Therefore, the 2008 work plan will review which sub-sectors offer the best opportunities and will focus on streamlining activities.**
- The significant delay in signing the subcontractor contract for ATA and the reduction in the budget for this subcontractor to implement the support for the artisanal/woven textile program designed in 2006, created difficulties for USAID EG to win back the confidence of the sector stakeholders and to show expected results. In addition, the delay in signing the subcontract with Land o' Lakes caused a very significant delay in starting the value chain analysis on dairy. There was also a delay in finalizing the daily rate for the dairy consultants. The work on starting the fonio value analysis was started late because of the delay in finalizing the daily rate for the local consultant.
- Collection of data related to the progress achieved from different sectors in the field is a difficult task. Some of the actors are very cautious in revealing data due to many reasons such as lack of reliable records, fear of the tax authorities, and issues of confidentiality. Therefore, data collection on activities such as investments and sales is under-reported. Since September is in the middle of the agricultural growing season production figures for 2007 for mango, cashew, bissap, and fonio are only partially available. Final statistics will be obtained after the harvest at the end of December 2007 or early January 2008. **Starting in December 2007/January 2008, data collection will be done on a quarterly basis and reported to USAID quarterly.**

## OPPORTUNITIES

Future perspectives on the value chain work ongoing is planned, and increased participation of the stakeholders in the sub-sectors selected:

- Senegal can offer increasing commercial production of pure bissap seeds and dried bissap flowers (calyx) of quality for export markets. In addition, the sub-sector could offer investment opportunities for value addition and diversification of products from bissap.

- Continued initiatives to promote high quality of raw cashew nuts would build the image of the Senegal cashew in the export market. In addition, all the initiatives taken to promote value addition and productivity improvement through supporting development of new varieties of cashew would open up new investment opportunities and increase export income. The export income could double within the next few years by improving the existing raw material supply and carefully developing local processing activities preferably as joint ventures.
- In the mango sub-sector, new initiatives to fight against fruit flies could improve the future availability of exportable quantities of mangos, in addition to promotion of value addition through processing and drying.
- The interventions of ATA in the woven textile sector during 2007 through product development and marketing opened up new opportunities for the woven textiles for the US market as well as new opportunities for investments in organic cotton, natural dyes production and for value added organic cotton.
- Possibilities of promoting value added products for exports of gum arabic are being studied and promoted.
- The work plan for fonio, neem (*Azadirachta indica*), and sesame should facilitate future new growth and investment opportunities.
- The USAID EG intervention to promote high yielding banana plantation for exports is promising
- Initial findings of the dairy sector value chain by Land O' Lakes suggest the opportunities for potential growth of the sector.
- The diversification program launched under the Cotton Improvement Initiative reveals the prospects for a number of sub-sectors – fonio, sesame, organic and value added cotton and natural dyes and bissap.

## **PRIORITIES**

The BDS component will focus more on:

- Promoting market development initiatives, particularly in the export markets for bissap, cashew, woven textiles, organic and value added cotton,
- Limiting the number of sub-sectors to be supported and concentrate on specific programs for selected sub-sectors,
- Promoting local value addition of selected products: bissap, cashew, gum arabic and fonio,
- Initiating programs to support dairy sector growth,
- Working on developing policy reforms specific to sub-sectors through a broad-based stakeholders consultative process (value chain action committees), and
- Strengthening sub-sectors organizations/associations for sustainability.

## **3.9 SUCCESS STORIES**

### **3.9.1 ARTISAN TEXTILES - SERENDIPITY IN SENEGAL – HANDICREATIONS**

The USAID Program for Economic Growth (USAID EG) through support from Aid to Artisans (ATA) organized activities to promote the woven textile sector. ATA's woven textile and marketing specialist, Docey Lewis led a series of training and product design activities in June 2007, including sample development in the village of NDem.

The day Docey was leaving the village of NDem, after a series of workshops and product development sessions; she met Mariama Sylla. Ms. Sylla started a new venture in woven textile retail and with the possibility for developing exports, building on her experiences as a corporate art purchaser for Air France. Mariama introduced Docey to Fatou Fall of HandiCreations and suggested a visit to her shop.

Ms. Fall recently launched an artisan production center for handicapped participants (HandiCreations), focused mainly on batik and jewelry, and Fatou is herself a very skilled dyer of both chemical and natural dyes and was responsible for teaching artisans how to dye cotton in NDem. She has traveled widely in West Africa and is familiar with a variety of native dye plants and minerals in the region.



Photo: NDEM Village



Photo: HandiCreations showroom

By the time that Docey met with Fatou, she was ready to depart for the U.S. Docey did not have time to work with HandiCreations to develop specific collections, but quickly assessed the marketability of the batik scarves and purchased samples off-the-shelf to create a cohesive collection.

ATA's Marketing Department reviewed samples from Docey's design trip to Senegal and decided spontaneously to exhibit twelve of HandiCreation's brightly colored scarves at the New York International Gift Fair, judging that the clear colors would attract the attention of the buyers visiting the booth. While Fatou has only recently started production and is still training artisans, HandiCreations has a range of skills and resources that have prepared them to respond to buyers' requests. ATA decided to embark on market-based training with HandiCreations so that the business could learn as they responded to orders with mentoring from ATA.



Over 450 importers and retailers visited ATA’s booth, and after this one showing initial samples, orders of almost \$600 were placed for HandiCreations’ scarves. The success can not be counted upon until the orders have been received – and the true results come in when repeat orders are tallied, proving buyers’ satisfaction – but this is an exciting start for a last-minute meeting with a talented artisan entrepreneur in Dakar.

### 3.9.2 SUCCESS STORY 2 –ARTISAN TEXTILES 2

#### Experts in the Marketplace – Market links promoted for woven textile enterprises of Senegal

Within the framework of support to the woven textile value chain of the USAID EG program, Aid to Artisans developed relationships with designers, trainers, and technical experts who are directly involved in the marketplace. ATA’s long-term consultants, like textile and marketing expert Docey Lewis, therefore provided realistic mentoring, market links, and potential buyer leads to artisan partners. While Docey has played a key role in ATA for many years, she also works in Nepal, the Philippines, and Bangladesh for her own textile and surface design business, and is able to bring her direct marketing experience to her work with artisans around the world.



Docey made links between her work in the marketplace and her product development activities in Senegal. Docey's design skills and proactive market approach convinced the U.S. company 3form ([www.3-form.com](http://www.3-form.com)) to work in Senegal to develop unique artisan-made products to be part of their launch of a new collection of architectural panels next year. 3form describes itself as "the leading manufacturer of award-winning, eco-friendly materials, and architectural hardware solutions for the Architecture + Design industry."

3form is considering a number of different product offerings based on Docey's innovations with new fibers and the textile skills found in the village of NDem, including naturally-dyed *bogolan* and baobab fiber – both symbols of the region.

Maam Samba, a seventeen year old company founded by NDem's spiritual leader, Babacar Mbow, is situated in the arid landscape of the Baol region, 75 miles outside of Dakar. The community business employs 365 people and is focused primarily on creating clothing and home décor from ancient African weaving and dyeing techniques married with contemporary tailoring. The villagers' spiritual belief in hard work pays off as profits from the business go into infrastructure and services, such as schools, health clinics, and drip-irrigated gardens. Weaving, dyeing and tailoring are the backbone of Maam Samba and provide the products for their retail store in Dakar and some thirty clients abroad, most of them in France.

3form is preparing to send a photographer in October to NDem to capture the colorful stories that go into making 3form's products unique. Together, ATA's partners and socially conscious business people are bringing the skills, colors, and capacities of Senegalese artisans to the U.S. market.

### 3.9.3 SUCCESS STORY 3 : BISSAP SUB-SECTOR

#### Bissap : développement d'un pôle semencier

M. Ngouda Ba, a appris d'une longue expérience d'expert en horticulture auprès du Ministère de l'Agriculture au Sénégal que le bissap, cette plante dont la fleur rouge ou jaune selon la variété, constitue depuis toujours un légume et une boisson très prisée au Sénégal et dans plusieurs pays de l'Afrique de l'Ouest, pouvait devenir une ressource importante de revenus pour les agriculteurs et une source d'entrée de devises pour le pays.

Aussi, en 2004, il est venu s'installer à son compte dans son village d'origine, Thialé, dans la communauté rurale de Taiba Ndiaye, situé dans le département de Tivaouane, à 120 kilomètres à l'est de Dakar .

« Mon projet est d'augmenter la production tout en améliorant la qualité du produit afin de stimuler la transformation et l'exportation. Pour cela, il me faut améliorer les variétés grâce à des semences sélectionnées et des méthodes culturales appropriées...mon objectif c'est aussi de créer une source de revenus réguliers et contribuer ainsi à lutter contre la pauvreté dans notre communauté...».

En association avec les populations de tous les villages de la communauté rurale et les autorités administratives de la région ainsi qu'avec le Ministère de l'Agriculture, Ngouda Ba a lancé une exploitation sur 10 hectares pendant la première saison, puis avec l'appui du Programme Croissance Economique de l'USAID, il l'a agrandi à 20 hectares dès la deuxième saison, en 2006.

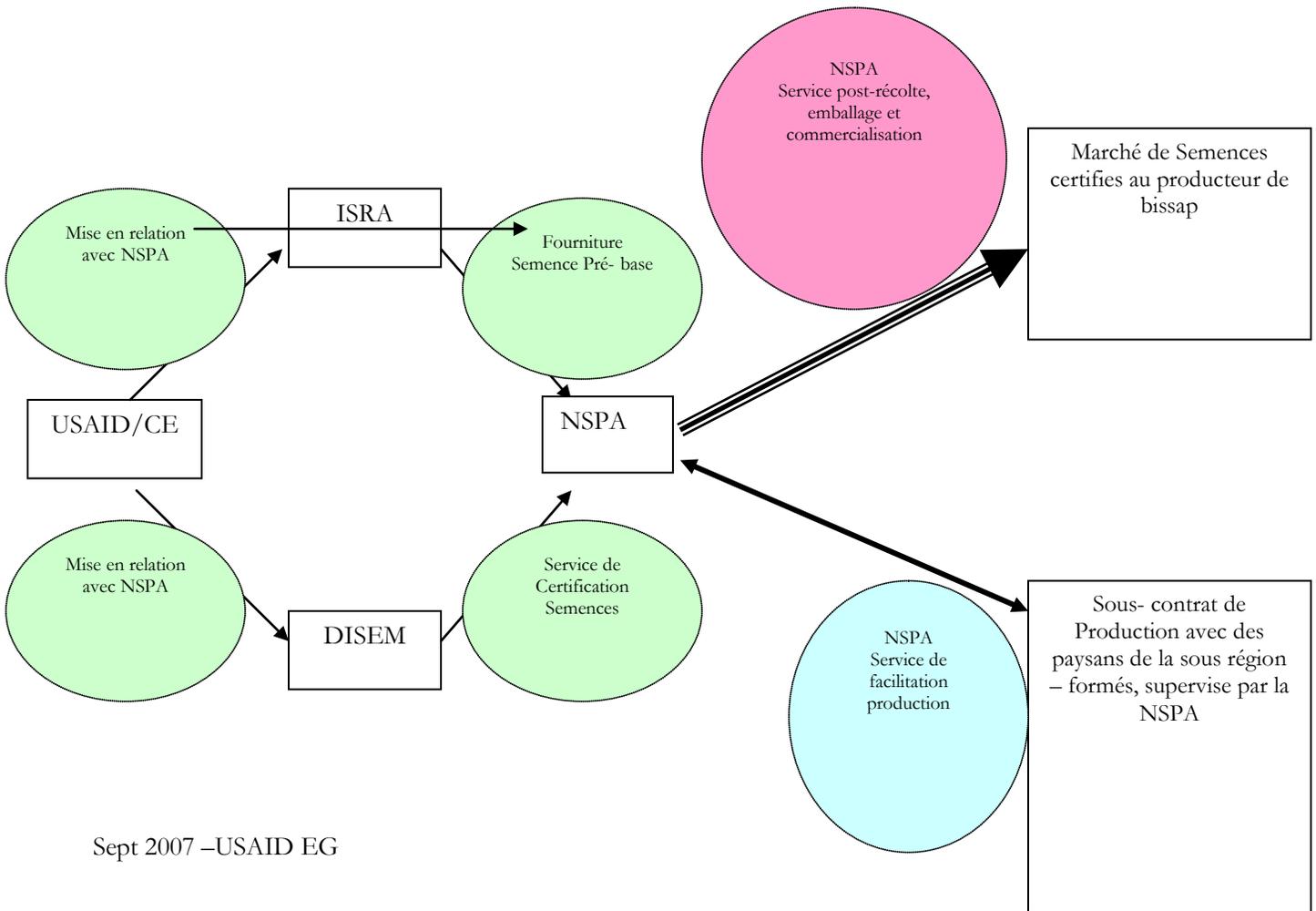
L'exploitation a produit cette année près de 2 tonnes de fleurs et plus de 500 tonnes de semences sélectionnées malgré la mauvaise saison des pluies et assuré des salaires pendant 6 mois aux femmes des différents villages de la communauté rurale qui assurent toute la chaîne de la production et du traitement du produit, depuis l'ensemencement jusqu'à la récolte, le séchage et l'ensachage.



C'est à la suite à l'analyse de la chaîne de valeurs effectuée en 2006 par le programme USAID/Croissance Economique, que l'entreprise de Mr. Ngouda Ba, Ngouda Semences et Produits Agricoles (NSPA), s'est positionné de façon stratégique dans la filière bissap pour apporter les services suivants :

- Développement d'un pôle semencier à Thiallé avec intégration de plusieurs petits producteurs autour de la NSPA comme structure privé de production, de traitement, de conditionnement et de commercialisation de la semence certifiée afin de :
  - Approvisionner de manière continue et en quantité suffisante le marché local en semences certifiées.
  - Produire des calices de qualité et de couleur homogène pour pénétrer les marchés porteurs.
- Fourniture de service de formation et facilitation d'accès aux marchés pour des groupements de producteurs.

**Model de développement de semence par NSPA Enterprise.**



Sept 2007 –USAID EG

### 3.9.4 SUCCESS STORY 4 – CASHEW VALUE CHAIN

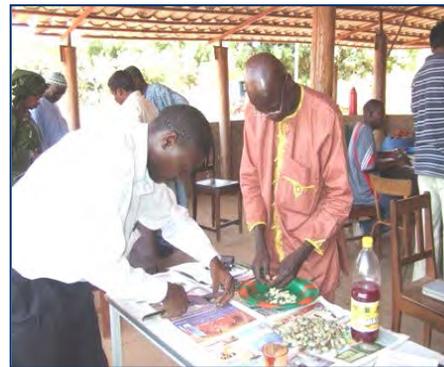
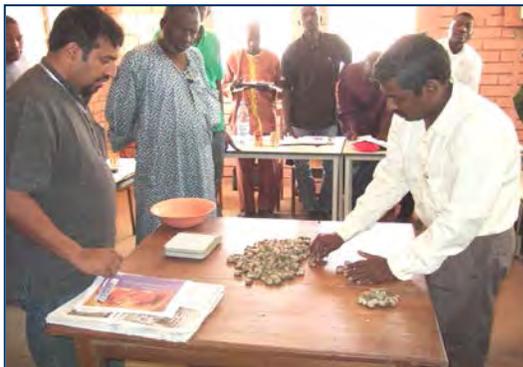
The USAID Economic Growth Program facilitates a cashew exporting company to participate in training producers and traders on export quality requirements and value addition for raw nuts

#### SENEGALESE CASHEW FOR EXPORT MARKETS – STRATEGIC OPTIONS FOR GROWTH

Senegal is one of thirteen cashew-producing countries in Africa, and supplies the bulk of its production (95%) in the form of raw nuts to India. The estimates for 2006 for raw nut exports were about 12,000 to 13,000 tons. Although Senegal exports the bulk of its raw nut production to India, it has limited comparative advantage in the export market due to the low volume of production compared with its neighbors Guinea Bissau and Ivory Coast. Nevertheless, Senegal exports to India have increased annually.

The value chain analysis conducted by the USAID Economic Growth Program in 2006 identified the following strategic options to maintain cashew as a competitive export commodity:

- a) In the immediate future, maintain a presence in the already developed Indian raw cashew nut export market by promoting the product at a stable price by adding value to raw nuts through quality improvement
- b) Increase plantation yields through proper productivity improvement for existing plantations and introducing new high-yielding tree varieties that can increase the production volumes for new plantations
- c) Gradually shift focus to value addition through local processing and promote exports for targeting niche markets



Photos: First Cashew Quality TOT Program – Tendouk area

#### VALUE ADDITION FOR RAW NUTS EXPORTS THROUGH QUALITY IMPROVEMENT

For the strategic initiative of promoting raw nut exports, Senegal could immediately increase the export revenue to the country by adding value to raw nuts at every stage, from the field to the exporter levels. This would open up a window of opportunity for Senegal to compete in the export market while still maintaining a competitive price that can be channeled to producers through improving the quality of raw nuts. At the same time, their share in the Indian export market can be maintained by building the country's image of being able to provide quality supply and thereby reducing the percentage of discounted prices received. The location of production areas close to Gambia's Banjul port and the presence of a number of private sector exporters (who are also involved in the export of other commodities) are added advantages to maintaining the export performance of the sector. One reason for maintaining consistency of raw nut exports destined for India is the presence of Indian buying companies in Senegal, primarily during the season, who have market contacts

with strong Indian importers and who have established good networks of supply contacts through national wholesale dealers, collectors, and traders.

### **THE APPROACH OF EXPORTER PARTICIPATION IN QUALITY IMPROVEMENT**

The USAID EG program worked with the export company SENECOMEX to introduce a quality-training program through their supply networks in order to reach to producers. The training program covers the following approach:

1. Developing training materials/manuals
2. Training of trainers who are already working in the sector (traders, collector, producers) by the company experts
3. Multiplication of training to producers by the trainers trained
4. Training of journalists and introducing a media program for training and education focused on rural producers

### **TRAINING MANUAL ON QUALITY**

The USAID EG program mobilized one of the major cashew exporting companies, SENECOMEX (a registered company in Senegal with strong local networks of suppliers and Indian buyers), to develop a training manual on quality improvements for raw nuts and to transfer the knowledge on quality requirements through training of trainers to be selected from the collectors, traders, and producers in major cashew-producing areas. This manual is the first of its kind in the sub-region and it is the first time that the export company staff made a direct commitment to share knowledge, supply basic cutting, and measuring equipment, and to train a large number of trainers.

### **TRAINING OF TRAINERS AND REACHING PRODUCERS**

The training of trainers was focused in 5 main cashew-producing regions: Sokone, Tendouck/ Bignona, Goudomp, Tanaff, and Ziguinchor. 151 trainers were trained in these 5 regions including extension staff from ANCAR:

#### **CASHEW QUALITY TRAINERS TRAINED IN 5 REGIONS IN 2007**

<b>No</b>	<b>Region</b>	<b>Number of trainers trained</b>
1	Bignona	09
2	Sokone	31
3	Tanaff	36
4	Goudomp	48
5	Ziguinchor (ANCAR STAFF)	27
	<b>Total</b>	<b>151</b>

- The training of producers on quality was conducted by trainers from several villages in cashew producing zones and benefited 359 producers. In the Sokone area, 14 training sessions on cashew quality were organized involving 140 producers. In the Tanaff and Goudoump areas, 219 producers were trained on cashew quality.
- More than 510 people including producers, collectors, and traders were trained and sensitized on cashew quality. **This is the first time such a large-scale training program had been conducted in the cashew sector.**

In addition to the field training program, a media education program on quality was also organized. As part of the cashew quality training of trainers program, 3 journalists were initially trained and one of them was engaged to carry out a media training program in the local languages (Mandingue and Diola) through the Casamance regional radio. The program was broadcasted every Thursday at 8 PM and continued throughout the season. The initial reports on the program confirmed the interests of producers in the region, including cashew producers in the Gambia, who were also picking up the program.



**Main zones of cashew quality training programs (marked by green circles).**

## RESULTS ACHIEVED

- Linked exporters to producers through training on export market quality requirements
- Exporters developed a training manual on cashew quality improvement and tested it in the field
- Large number of trainers trained among the stakeholders of the sector
- Training manual adapted by other countries in the region and largely disseminated. It is also published on the websites of WATH Ghana, and PAMRAD/Benin. ([www.anacardium.info](http://www.anacardium.info))

## IMPACT

- The 2007 cashew season was expected to continue until the end of September 2007- 2 months longer this year. This enabled the producers to continue practicing the quality improvement information dissemination program. Information obtained from exporters suggests that cashew exports from Senegal in 2007 exceeded 15,000 tons, which is a net increase of more than 1000 tons compared to previous years.
- More and more producers and traders have become concerned about the quality and proper post harvest drying techniques of cashew.



Photo: SENECOMEX expert on drying of nuts.



Photo: Field training session on quality by a trainer.

The table below gives statistics on the improvement in the quality of nuts during the 2007 cashew season in north Sokone:

**Table: Quality of nuts in the north Sokone area in 2007 as observed by SENECOMEX.**

Sokone / North					
	March	April	May	June	July
Average Price (Trader) CFAF/Kg	225-250	200	175	185	200
Nut Count	220	225	220	219	221
Out Turn	51	50.24	52.97	52.62	50.16
No of Voids & Immature	20	15	7	8	12
Total defects in %	8%	12.20%	6.50%	5.40%	4.40%

The above table suggests that after the months of May and June 2007, the number of defected, immature, and void nuts decreased. This is an indirect impact of the quality awareness program. SENECOMEX and other buyers made similar observations in the other regions.

### **3.6.5 SUCCESS STORY 5 – CASHEW**

#### **Radio Programs for improving the quality of cashew nuts and increasing revenue in Ziguinchor**

##### **I. CONTEXT**

Cashew nuts produced in Senegal, although considered of good quality, suffer a price differential of 20% to 30% compared to products from neighboring countries due to a high percentage of small and low quality nuts resulting from poor post harvest techniques.

This is because producers and traders place value not on the quality of the nuts but on the quantity and weight and consequently often dampen their nuts, or supplement the local crop with quantities of low-grade nuts purchased elsewhere.

The USAID Economic Growth (EG) program's cashew value chain analysis however, has demonstrated that it is possible to reverse this trend and help producers get a price supplement of 20% to 30% by implementing quality standards through proper post harvest techniques of drying, transportation, and storage.

To that end, the Program developed and implemented a training of trainers' program on best practices on post harvest techniques, drying, quality control, and storage. This training was provided by agents of the trading companies for farmers who then trained members of their associations.

To supplement and develop further this training, the program also established a radio based educational program, targeting specifically cashew farmers and small traders, to raise their awareness on various recommended post harvest techniques.

##### **2. THE RADIO PROGRAM**

USAID EG designed, produced, and implemented the program in partnership with a local radio producer, who participated in the training of trainers program, and the regional Ziguinchor station of the national network Radio Television du Senegal (RTS).

There were 16 half hour interactive weekly programs and 40 short announcements messages in two main local languages broadcasted from July to August 2007.

Topics covered included:

- Harvesting techniques
- Techniques for cutting the nuts
- Drying procedures and methods
- Preparing drying areas, storage
- Marking the bags to ensure traceability
- Quality and the counting of nuts
- Why prices fluctuate

- The necessity for producers to organize as an association or cooperative and the necessity to organize the market

### 3. AN ASSESSMENT

Indications point to a positive impact of the radio programs:

- The programs were aired over the whole cashew producing area of the Ziguinchor region thanks to the reach of RTS.
- The fact that 4 to 5 listeners called the station during each broadcast showed that cashew farmers and actually many of the various stakeholders in the region were reached by the program and participated in it.
- World Education, an NGO supporting rural development and conflict resolution in the region, requested the program to provide training for journalists from 5 of the community radios it works with in order to continue the production of broadcasts to raise awareness among cashew stakeholders.
- Organizations of producers have been set up in 3 zones (Balantacounda-Samine, Boutoupa Camaracounda and Adéane) as a direct effect of the programs.

#### 3.6.6 SUCCESS STORY 6: MANGO VALUE CHAIN

##### Lutte Contre les Mouches de Fruits : les acquis des producteurs de Keur Mbir Ndao<sup>3</sup>

C'est en Mars dernier, que le Programme Croissance Economique de l'USAID en application de la stratégie définie à partir de l'analyse de chaîne de valeurs de la filière, a accédé à la requête de la Coopérative des Producteurs de Fruits et Légumes de Keur Mbir Ndao, dans la zone des Niayes, pour le renforcement des capacités de ses membres dans le cadre de la lutte contre les mouches des fruits. En partenariat avec les prestataires des services publics (DPV<sup>4</sup> et DHORT<sup>5</sup>) et privés, *un guide des bonnes pratiques de lutte contre les mouches des fruits dans les vergers de manguiers* et *un manuel d'utilisation des matériaux locaux dans la lutte contre les mouches des fruits* sont élaborés pour soutenir une session de formation de formateurs aux techniques et méthodes de contrôle des mouches de fruits au profit des relais de la Coopérative.

32 producteurs relais, issus de onze (11) villages environnants de Keur Mbir Ndao avaient alors bénéficié de cette formation.

En quelques mois, la formation a été démultipliée : outre l'ensemble des 400 membres de la coopérative, 2000 autres producteurs des onze villages environnants en ont bénéficié.

Et les résultats sur le terrain sont remarquables.



<sup>3</sup> Située dans la zone des Niayes, principale zone de la mangue sénégalaise exportée

<sup>4</sup> Direction de la Protection des Végétaux

<sup>5</sup> Direction de l'Horticulture

- Alors que selon les estimations des producteurs de la région, les pertes de mangues du fait de la mouche avaient représenté près de 80% de la production de la campagne 2005/2006, elles sont évaluées cette année à moins de 20%.
- La campagne d'exportation qui, la saison dernière a été interrompue dès le mi août dans la zone, s'est poursuivie encore cette saison, jus qu'à septembre.
- Alors que les exportations à partir de la localité de Keur Mbir Ndao ont été quasiment nulles la saison dernière sur une vente locale de 800 tonnes. Aujourd'hui, alors que plus de 1000 tonnes de mangues ont déjà été commercialisées sur le marché local et international, des quantités importantes de mangues aptes à l'exportation sont encore disponible dans les vergers.

**Formation des relais de la coopérative de Keur Mbir Ndao**

Autre effet positif que les producteurs de Keur Mbir Ndao attribuent au succès de leur lutte contre les mouches de fruits : le renforcement de leur coopérative qui a enregistré une cinquantaine (50) d'adhésions de nouveaux producteurs de la localité.

Celle-ci, désormais plus forte de la solidarité de ses membres, s'attèle à améliorer et à sécuriser davantage les circuits d'approvisionnement, de production et de commercialisation de la mangue. Elle envisage également maintenant de pérenniser les acquis de sa lutte contre la mouche de fruits, en inscrivant ses activités dans le cadre d'une planification stratégique dont l'un des objectifs est la création d'un label de mangue « label Keur Mbir Ndao ».

# 4. PUBLIC PRIVATE PARTNERSHIPS (PPPs)

## 4.1 TARGETED RESULTS AND PLANNED ACTIVITIES

### 4.1.1 GENERAL CONSIDERATIONS

As assessed by GOS, USAID/Senegal, and other donors, the potential for Public-Private Partnerships (PPPs) is strong in Senegal. This component's mission is to:

- Develop and implement partnerships between the public and private sectors in such a way to attract private sector innovations and investment for delivery of public sector products and services.
- Identify and eliminate constraints and challenges that block private support for creation of PPPs, to propose a legal and regulatory framework and to advise in the implementation as well as management of operations.
- Developing the regulatory framework;
- Providing guidance on structure and management of PPPs;
- Marketing PPPs;
- Securing financing;
- Insurance;
- Feasibility studies aimed at the development of an attractive PPP package;
- Developing a realistic GOS cost estimate;
- Conducting due diligence;
- Issuing the PPP solicitation;
- Undertaking an impartial technical and budgetary evaluation of proposals;
- Ensuring transparency and accountability; and
- Managing public perceptions and bidder expectations.

### 4.1.2 RESULTS TARGETED

Activities for the Public Private Partnership Component are based on two contractual results to which the following indicators correspond:

- (1) Number of fully executed, USAID approved, complex GOS PPPs for public goods and services.
- (2) Number of institutions benefiting from USAID assistance in developing PPPs.

### **4.1.3 PLANNED ACTIVITIES FOR 2006 -2007**

#### **A. Information and sensitization campaign**

- Conduct sensitization campaign targeting technical ministries likely to develop PPPs.
- The campaign was extended to public institutions and development agencies, which have the potential to develop PPPs.

#### **B. Institutional Environment**

- Pursue the dialogue with the GOS to establish a regulatory framework based on best practices and to create a PPP unit using the South African model as an example of best practices.
- During the process of creating the PPP unit by the GOS, USAID EG will provide technical assistance to establish a strategic implementation framework which will introduce an environment that facilitates PPP projects, provides comfort to investors and provides guidance and direction to other public bodies which may play a role in identification, selection and monitoring of PPPs as well as provide guidance to private sector institutions who may be potential partners.

#### **C. Capacity Building**

- Organize two seminars on specific themes (project financial management, legal and regulatory framework) targeting bankers, private sector officials and potential investors).

#### **D. Specific PPP programs**

- Ensure the implementation of activities supported by the project with PDMAS, the Conseil des Infrastructures and APROSEN under the memorandum of understanding signed with each,
- Provide specific technical assistance for the successful development of at least one PPP,
- Provide specific technical assistance to the Ministry of Tourism to develop a PPP through the creation of a tourist hub in the Northern part of Senegal with the assistance of other donors including the World Bank and the French assistance agencies,
- Assist the Ministry of Environment and Nature Protection to create a PPP to manage Niokolo Koba National Park,
- Collaborate with donors (World Bank, UNIDO, PPIAF, French assistance agencies and others) to establish a subcommittee under the PSWG of Donors on development of PPPs,
- Work with the BDS component to develop PPPs in the sub-sectors supported by the project,
- Work with the project's Communication Specialist on PPP communications strategies,
- Explore with the Ministry of Livestock possibilities to develop a PPP in the livestock sector,
- Work with ITDP for a study to develop a PPP to improve urban mobility in the city of Dakar.

## **4.2 PROGRESS ACHIEVED**

### **A. Information and sensitization campaign**

- Working level relationships with several public and private institutions established including the CNES CNP, and the Dakar Chamber of Commerce which led to the signing of a Memorandum of Understanding (MOU) and the creation of a PPP unit within the Chamber;
- Discussions were held with the Agence de Développement Municipal (ADM). While awaiting the signature of an MOU, USAID EG project is planning to support the ADM to start a PPP in the health sector;
- Discussions with APIX have not yet culminated in the signing of an MOU, but are continuing.

## **B. Institutional building**

- The Ministry of Finance created the DASP (Direction pour l'appuis au secteur privé) in April 2007. It is anticipated that the PPP Unit would be part of DASP. Discussions have started on exploring collaboration possibilities. USAID EG arranged meetings with DASP and PPIAF in order to determine the support needed by DASP for the Unit. Technical assistance was provided to DASP in August 2007 to assist in preparing terms of reference to hire a local consulting firm to assist DASP in creating its strategic framework including guidance on the PPP Unit.
- USAID EG, PPIAF and the DASP agreed to work towards the creation of an institution that would bring together public and private entities to promote development of PPPs.
- Conseil des Infrastructures: The Conseil was created to oversee the contracts involving the Build-Operate–Transfer law passed for the purposes of supporting PPP mechanisms. Under its legal framework, the Conseil must publish its legal findings in local papers. However, the Conseil has a limited budget and USAID EG helped it to publish its first legal opinion on the toll road from Dakar to Diamniadio in December 2006. On behalf of the Conseil, USAID EG mobilized a legal expert to prepare a manual containing all legal texts pertaining to the development of PPPs. The expert submitted a preliminary report. The final manual will be given also to DASP and Cheikh Anta Diop University.
- Agence de la Propreté du Sénégal (APROSEN): USAID EG worked on the development of the terms of reference for a firm to conduct a study on recycling domestic and solid waste for the city of Dakar. APROSEN collaborated with USAID EG in the selection of the firm and the request for funding the study will be sent to USAID for approval.
- Institute for Transportation and Development Policy: The planned study did not take place because ITDP could not find the funding to evaluate its project and is still in search of funds. This will be considered again in 2008.
- Ministry of Tourism: The process for the selection of a firm to assist the Ministry of Tourism in the development of a PPP for the creation of a tourist hub in the Northern part of Senegal is near completion.

## **C. Capacity building**

- USAID EG funded a seminar on November 2 - 3, 2006, on development of PPPs covering the regulatory environment, and various ways to structure and finance PPPs, which brought together a total of 65 participants from all GOS agencies and ministries, as well as the private sector. The seminar participants developed a list of possible PPPs from their institutions for inclusion in a database.
- The program funded the participation of six high level GOS officials to participate in a seminar on PPP development in South Africa in order to understand South Africa's experience in PPP creation. South Africa uses PPPs as a tool for economic development. It has been highly successful. The PPP Unit in the

National Treasury in South Africa places great emphasis on the role of the private sector in PPP development. This is a message that the GOS needs to hear constantly because of its emphasis on the public sector role to develop PPPs. Two of these participants (from the Ministry of Environment and Nature Protection) went on to Malawi to see first hand the Malawian experience in the private sector management of national parks by African Parks Foundation. The participants were from the following institutions: the Prime Minister's Office, the Ministry of Economy and Finance, the Ministry of Environment and Nature Protection and the Agence de Développement Municipal. This brings to 11 the number of GOS officials who were trained by the South African PPP Unit since the beginning of the program.

- USAID EG organized a seminar July 17 -18, 2007 in partnership with the Dakar Chamber of Commerce. The topics of the seminar focused on investment opportunities and the private sector participation in the building of infrastructures and the provision of goods and services. The seminar targeted executives and high-level private sector officials likely to play an important role in the promotion of PPPs. Over 90 participants from 79 institutions attended the workshop. It was covered by more than 10 media organizations.
- The new Minister of Agriculture requested USAID EG support to fund a seminar to provide training for his staff on PPP development.



Photo: Opening Ceremony of the PPP seminar with the Dakar Chamber of Commerce, July 17 & 18, 2007

#### D. Specific PPP programs

##### 1. The Cold Storage Freight Facility and the Sangalkam Packaging Facility

USAID EG is supporting the World Bank funded project PDMAS for the creation of PPPs to manage the Cold Storage Freight Facility of Dakar Airport and the Sangalkam Packaging Facility about 15 km from Dakar. As a Conditions Precedent (requirement) to the disbursement of additional funds, the credit agreement between the World Bank and the Government of Senegal requires: “ the Borrower to take all necessary measures to place under private management the Gare de Fret at the Dakar Airport and the Center for packing and packaging of fruits and vegetables at Sangalkam, under conditions acceptable for the Bank/IDA. (« L’Emprunteur a pris toutes les mesures nécessaires pour mettre sous gestion privée de la Gare de Frêt de l’Aéroport de Dakar et le Centre de Conditionnement de Fruits et Légumes de Sangalkam, dans des conditions acceptables pour l’Association. ») The Bank has given the GOS until the end 2007 to complete the PPPs or the IDA credit will be suspended.

Technical assistance was provided to study the actual state of the buildings, which had been completed in 2004 but remained vacant, for preparation of the bid tender and the analysis of the final bids received from the short listed companies. Only one company sent a final bid that is being analyzed by the bid committee and international experts. If this bid is acceptable, PDMAS will start negotiating the management contract to be signed by October 15, 2007.

**Selection procedures for a strategic partner for the PPPs to manage the Cold Storage Freight Facility and the Sangalkam Packaging Facility**

1. Requests for proposal published in the following newspapers:

Le Monde  
Jeune Afrique  
Le Soleil

2. Eight (8) firms expressed interests  
The following four (4) firms were selected.

- ZEMACH AVOCADO
- Groupement RAMON VIZCAINO – DECOEX SA
- Groupement MENZIES-AHS
- SDV

3. Notification sent to the above four firms of their pre-qualification: November 2006

4. Receipt of the diagnostic report detailing the actual condition of the two facilities: May 2, 2007

5. Final bid tender prepared for transmittal to short listed companies: July 2, 2007

6. Opening of bids: August 30, 2007

Only one bid received: Groupement MENZIES/AHS (John Menzies plc)

Meeting of the Bids Review Committee: October 1, 2007

Signature: October 15, 2007



**Cold Storage Freight Facility for perishable products from the airport. (La Gare de Fret pour Produits Perissables de l'Aeroport) (GDF).**



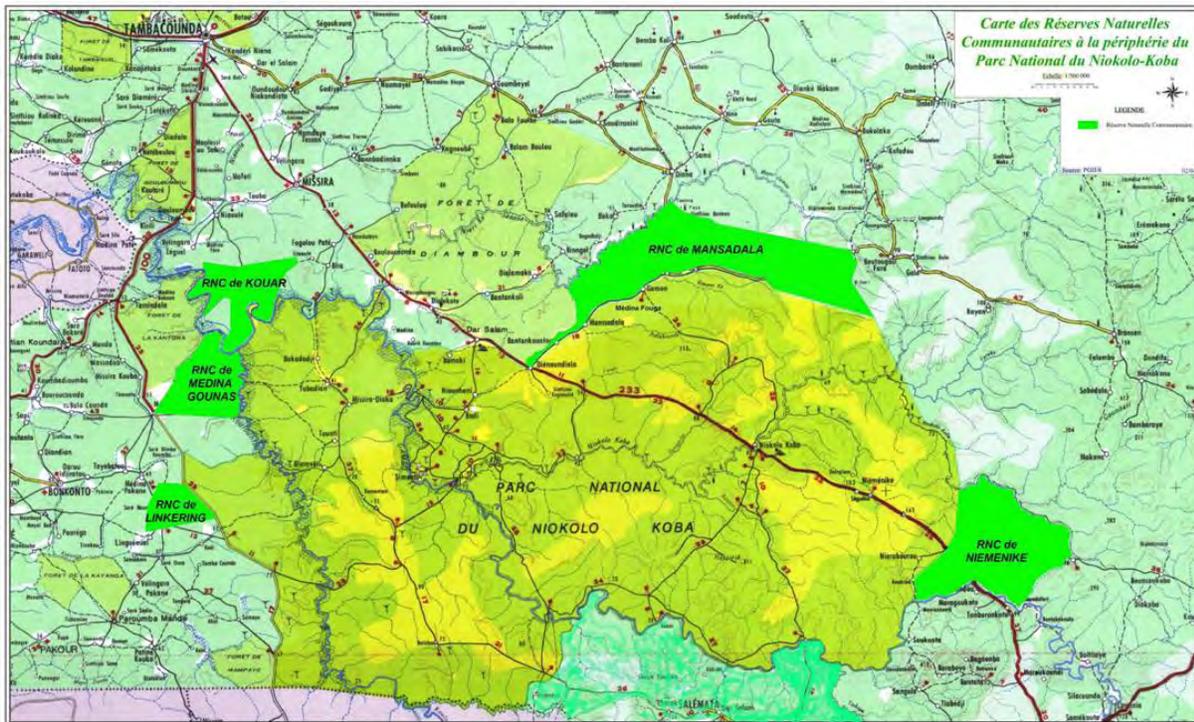
**The Feltiplex, an essential tool for the development for regulations for fruit and vegetable exports. (Le Feltiplex, un outil essentiel pour le développement des filières fruits et légumes d'exportation.)**

**1. Niokolo Koba National Park (PNNK)**

The physical integrity of PNNK, in addition to its rich biodiversity, is threatened by under-funded and under resourced management by the Government, agro pastoral activities of the surrounding communities, poaching and illegal firewood harvesting and deforestation. Most of the large animals once found in the Park, including the elephant and the Giant Eland (*Taurotragus derbianus* also known as the Derby Eland) the largest antelope found only in this part of the world, the chimpanzee, and wild dog have been poached to nearly extinction. The situation in the Park is dire. USAID EG funded several international and national consultants (a PPP/financial expert, legal counsel and a protected areas specialist) to assist the GOS in its negotiations with the African Parks Foundation to create a PPP for the management of the Park. The Foundation is based in the Netherlands and manages parks or protected areas in Zambia, Malawi, Ethiopia, Sudan and Congo. The parks in these countries were damaged to almost irrecoverable levels and in situations as dire as PNNK. African Parks anticipates creating a locally-registered foundation to manage PNNK for 25 years as a PPP. The Foundation conducted legal, technical, and financial studies funded by the Government of the Netherlands, which were reviewed by the experts on behalf of the GOS. The role of the experts was to help

the GOS to ask informed questions during the negotiations. The experts conducted a strategic diagnostic review of the transaction based on the studies, analyzed the statutes for the future foundation and made recommendations on improvements to the legal documents, and assisted in the negotiations and finalization of the transaction. The next step is for the GOS to finalize negotiations with African Parks.

The recent change of the Minister of Environment and Nature Protection has slowed the process. A summary report has been submitted to the newly appointed Minister who is expected to validate it to enable the agreements to be signed by December 2007. This will be the first PPP in West Africa for the management of a national park and may become a model for the region.



Map: Niokolo Koba Park located in the Eastern part of Senegal and covers 913,000 hectares



The Giant Eland (*Taurotragus derbianus* also known as the Derby Eland) is the largest antelope and is unique to this part of the world. It is threatened to extinction in PNNK.

**PPP Indicator 1: Number of fully executed, USAID approved, complex GOS PPP for public goods or services**

During the reporting period, USAID EG worked towards meeting the target for the above indicator. In this respect, a Memorandum of Understanding was signed with the Projet de Développement des Marchés Agricoles (PDMAS) to provide assistance for the development of PPPs for the Cold Storage Freight Facility at the Dakar Airport and the Sangalkam Packaging Facility. When created, these PPPs will help increase the exports of horticulture products from 13,000 to 30,000 tons over a five-year period and will increase producers' revenues by 60%.

PPP Indicator 1:		Number of fully executed, USAID approved, complex GOS PPPs for public goods and service
Target for 2006-2007:	1	
Principal Activities	Progress achieved	Targets reached
PPP development	<ul style="list-style-type: none"> <li>• USAID/Senegal EG Office approved the development of PPPs for the Cold Storage Freight Facility at the Dakar Airport and the Sangalkam Packaging Facility.</li> <li>• All the required bid procedures have been completed and the final selection of the strategic partner is expected to be confirmed.</li> <li>• The legal documents are expected to be signed on or about October 15, 2007.</li> </ul>	
<b>Total :</b>		<b>0</b>

The reason USAID EG is reporting 0 completed PPPs is because the legal agreements will be signed on or about October 15, 2007 for the PDMAS PPPs, the due date for our Annual Report. The date for final signature was determined by the PDMAS Bid Committee. A later date for signature was chosen to give the bidders more time to prepare their proposals.

The expected strategic partner is Groupement MENZIES/AHS (John Menzies plc). John Menzies plc, which is based in Scotland, manages cold storage units and other airport operations all over the world and its stock trades on the London Stock Exchange.

Once the final documents are signed, the program will amend this indicator target to 1 PPP created.

**PPP Indicator 2: Number of institutions benefiting from USAID assistance in developing PPPs**

- The USAID assistance was in the form of technical assistance and training
1. Office of the Prime Minister (AGS)
  2. USAID EG is working with the Dakar Chamber of Commerce for the creation of a PPP Unit within this institution.
  3. Agence de Développement Municipal (ADM),
  4. Ministry of Economy and Finance to support its newly created Direction d'Appui au Secteur Privé (DASP) which will host the PPP Unit;
  5. Conseil des Infrastructures to conduct a study to collect all the texts organizing PPPs in Senegal into a working manual;
  6. USAID EG is also supporting the GOS Ministry of Environment and Nature Protection to help finalize its negotiations with the African Parks Foundation. A memorandum of understanding will be signed between the GOS and the African Parks Foundation to finalize the arrangements.

<b>PPP Indicator 2:</b>	<b>Number of institutions benefiting from USAID assistance in developing PPPs</b>	
<b>Target for 2007:</b>	2	
<b>Principal Activities</b>	<b>Progress achieved</b>	<b>Targets reached</b>
<b>Assistance in PPP development, creation and management</b>	Six institutions benefited from the project training to increase their capacities in PPP creation, development and management through attendance of their representatives at seminars and study tours. These institutions are: The Prime Minister's Office (Committee for the Accelerated Growth Strategy), the Ministry of Economy and Finance, the Agence de Développement Municipal, the Ministry of Environment and Nature Protection, the Dakar Chamber of Commerce, and the Conseil des Infrastructures.	
<b>Total :</b>		<b>6</b>

### 4.3 CONSTRAINTS, OPPORTUNITIES, AND PRIORITIES FOR THE NEXT YEAR

#### CONSTRAINTS

There are a number of constraints affecting this component:

- The main constraint is the absence of a government-wide policy to develop PPPs. A strong visionary policy and a political commitment are needed from the highest level of Government in the use of PPPs as tools in economic development.
- There is a lack of capacity among high-level public sector officials on the potential benefits of developing PPPs. The private sector also needs to be educated on the necessity to bring the efficiency of business to public services delivery.

- A firm belief that private sector development is the key to accelerated growth is critical. There is still too much emphasis on public sector investment where the private sector should have the opportunity to intervene. A quick start to achieve this would be to place strong, visionary personnel in crucial government departments who understand the critical role of the private sector in promoting economic development. These are lessons learned from the South African model.
- In addition to the absence of a political vision from the highest government officials, there is a need to create sound public finance management, a need to create a solid regulatory framework with standardized PPP provisions which clearly indicate the risk sharing between the public and the private sector, and a need for an administrative framework adapted and capable of identifying and implementing PPP projects. The GOS is addressing some of these constraints by the creation of a PPP Unit in the DASP. USAID EG provided technical assistance to the DASP on strategic planning; however, it lacks a clear vision for private sector development. Until the PPP Unit is clearly designed and implemented, there is no focal point in the GOS for development of PPPs. The closest to the concept of a focal point right now is CEPOD, which is being given a mandate for capacity building on development of PPPs. APIX also, could play a significant role, but has not yet done so.
- A weakness in Senegal is the lack of a broad range of financing instruments such as loans, equity, balance sheet lending, mezzanine instruments (between equity and senior debt) and an understanding of project financing to support the financing of PPPs. These issues will be discussed at the Salon de la finance et de l'investissement from October 25 to 27, 2007 where USAID EG is a sponsor along with other donors. The purpose of the Salon is to discuss the weaknesses, strengths and needs in the financial sector in Senegal.

## **OPPORTUNITIES**

- The potential is enormous for creation of PPPs in delivery of social services and education, development of infrastructure, construction of government buildings, natural resource management, tourism and other sectors.
- The GOS and private sector institutions contacted are very enthusiastic about the PPP concept and want to work with USAID EG and other donors to help develop PPP projects.
- A fully functioning PPP Unit within the GOS is needed to resolve the constraints and to demonstrate to the private sector the business opportunities in developing PPPs. USAID EG and other donors will provide technical assistance to successfully integrate the PPP Unit within the Ministry of Finance's DASP.

## **PRIORITIES**

- Finalize the development of the PPPs with PDMAS.
- Finalize the legal documents and signing between the GOS and African Parks Foundation by December 2007 for PNNK.
- USAID EG will provide technical assistance to CEPOD who is responsible for capacity building on development of PPPs for the GOS. Under discussion is the possibility of sponsoring several workshops with PPIAF and other donors and CEPOD in 2007-2008. The Ministers of Agriculture and Tourism have asked for PPP workshops for their respective Ministries. Because of the need for PPPs to deliver social services, Ministries of Education and Health will also be targeted for capacity building. The goal will be to develop several social services-oriented PPPs targeting education and health.
- Discussions have been on going with CNES, CNP and UNACOI (representing 150,000 informal businesses) on workshops on PPP development, which may be done jointly with DASP and/or CEPOD and other donors in order to engage the private sector in developing PPPs.

# 5. POLICY REFORMS

## 5.1 TARGETED RESULTS AND PLANNED ACTIVITIES

### 5.1.1 GENERAL CONSIDERATIONS

The fundamental task of the Policy Reform Component is to facilitate the development and implementation of critical micro and macro level policy reforms that improve the Senegalese business environment, enhance trade and export competitiveness, and steadily increase export revenue and a new investment base. The component builds on democratic and economic reforms already started by the Government of Senegal (GOS) especially its Accelerated Growth Strategy (AGS), and Poverty Reduction Program, the agenda emanating from the donor dialogue managed by the Private Sector Working Group, Pillar 1 (accelerated growth/wealth creation) of the World Bank's Country Assistance Strategy for FY 2007- 2010 and USAID/Senegal's own policy dialogue with the GOS.

While this component is known as Public Policy Reform, USAID EG is more specifically targeting investment climate reforms in order to improve the macroeconomic and business environment, enhance export competitiveness and trade, and attract domestic and international investment. "Investment climate" as defined by the World Bank is a set of factors shaping opportunities and incentives for firms to invest productively, create jobs and expand. These are critical pillars of USAID EG's policy.

### 5.1.2 RESULTS TARGETED

Activities for the Policy Reform Component are based on results to which the following indicators correspond:

- (1) Number of significant USAID approved policy reforms that impact on accelerated growth, increased competitiveness and/or trade
- (2) Number of barriers to trade and investment removed
- (3) Number of USAID institutions that receive technical assistance to foster growth
- (4) Number of people benefiting from policy reform training

### 5.1.3. ACTIVITIES PLANNED FOR 2006 - 2007

- Complete the GOS Accelerated Growth Strategy.
- Define an institutional framework to coordinate the implementation strategy of the AGS.
- Support APIX to become a one-stop-shop for domestic and international investors. The implementation of the law to accomplish this has been delayed because of the need to create an institutional mechanism to resolve disputes between APIX and the technical ministry.
- Improve the ranking of Senegal in the World Bank *Doing Business 2007 Report* as the benchmark for indicator Starting a Business (cost and number of days and capital to start a business). Responsibility is under APIX.
- Improve Investment Incentives for a targeted sector such as garment making and integrate into the AGS. In this respect, (1) advise APIX on improving the investment package so that it is competitive with Ghana and work with the Executive Secretariat for AGS to integrate package into the AGS, (2) organize

fact-finding trip to Ghana to visit Ministry of Private Sector Development and President's Special Initiative, Ghana Investment Advisory Council, Ghana Investment Promotion Center and garment making companies.

- Support the Ministry of Labor to improve Doing Business indicator "Employing Workers" (examines flexibility of the labor regulations) and one of the themes addressed by the PSWG.
- Provide technical assistance to the Ministry of Labor to adopt and enforce the regulatory provisions required to implement effectively the 1997 Labor Code. There are 88 steps or decrees required to implement the Code.
- Function as facilitator for the PSWG and provide STTA to monitor implementation of the AGS and implementation of the PSWG themes.
- Organize a workshop on implications of fiscal discrimination of SMEs and define an action committee to work with GOS officials, and provide technical assistance to help write and adopt legislation to improve the environment for SMEs.

## 5.2 PROGRESS ACHIEVED

- With technical assistance from USAID EG, the National Steering Committee validated the AGS Action Plan on January 26, 2007. The language for the Loi d'Orientation for the AGS which needs to be sent to the National Assembly has been prepared by the Prime Minister's Office and will be forwarded by December 2007. Donors have coordinated a message to the GOS concerning their disappointment in the slowness of the reforms.
- The GOS has delayed in defining an institutional framework to coordinate the implementation of the AGS. Because of this delay, donors require that the GOS complete the institutional framework by January 2008, which is a condition precedent for receiving the donors' budget support. There is no additional need for technical assistance as the GOS has agreed and is required to complete this.
- The one-stop shop was implemented through the creation of the Bureau d'appui à la Création d'Entreprise (BCE) within APIX. The launch for the BCE was July 9, 2007. An international consultant was mobilized by USAID EG to prepare an action plan in February 2007. The inter-ministerial committee chaired by the Secretary General of the Ministry of Finance in February 2007 adopted the action plan proposed by the consultant for each of the 10 procedures required to start a business. APIX was tasked to implement the action plans. On July 19, 2007 APIX announced the establishment of the Bureau d'appui à la Création d'Entreprise (BCE) which reduced the number of days for starting a business from 58 to 2, reduced the number of procedures from 10 to 7, and reduced the cost of starting a business by 20.14 %. Currently, 389 companies have registered since June 2007 under this new system. Of this number, 126 represent foreign investment.
- USAID EG funded an APIX representative's visit to Ghana in July 2007 and a draft report was prepared comparing incentives for Senegal and Ghana. The report is to be finalized by the management of APIX. An international consultant has been targeted who specializes in investment incentives for the textile sector. He will be in Senegal in October on another assignment but has agreed to meet with USAID EG to discuss this activity. The Executive Secretariat for the AGS will work with USAID EG and APIX to integrate incentives into the AGS.
- At the time of the PSWG's letter to the Prime Minister in 2005, the President had signed 11 of 88 decrees needed to adopt the 1997 Labor Code. Because of the technical assistance given to the Executive Secretariat for the AGS and joint meetings among USAID EG and officials from the Ministry of Labor and USAID/Senegal, 14 additional decrees were signed by the President in 2006, leaving 63 actions to be undertaken to implement fully the Labor Code. An Action Committee was organized in 2006 with the AGS Executive Secretary, the Ministry of Labor, USAID EG and USAID and World Bank officials, which defined an action plan for the next 15 decrees to be signed before December 2007. The World

Bank has expressed interest to fund computers and printers and other equipment needed by the Ministry of Labor to meet this goal. USAID EG will mobilize technical assistance. A local consultant on labor laws has been recommended and contacted to organize the process.

- STTA was provided until February 2007 to the Executive Secretariat of the AGS and for implementation of PSWG themes and messages.
- STTA was provided to DASP in order to help formulate its strategic development plan.
- Discussion with stakeholders and donors is ongoing and the GOS has put in place a task force including PSWG representatives to prepare a development policy letter to support SMEs.
- Negotiated support from the World Bank to finance the participation of three GOS officials to attend the international conference on competitiveness, to be held in the US in October 2007 by the Competitiveness Institute. This will be the first time that an African francophone country has participated in this event. This is the first step in providing assistance on competitiveness to CEPOD who sent a representative and to the new Ministry of Competitiveness and Good Governance, represented by the Minister and the Director of Competitiveness.
- Conferences: USAID EG sponsored the Journée de l'Economie Sénégalaise, December 8-9, 2006, with Ministry of the Economy and Finance, CEPOD, CREA, Cheikh Anta Diop University, APIX and the Direction of Trade. The theme was "Growth and Competitiveness in Senegal: What is the role for current initiatives (AGS and Integrated Framework)?" The program was attended by over 400 civil servants from all ministries, private sector officials, and students and received wide media coverage. The USAID Mission Director presented a paper on "The Accelerated Growth Strategy in the Intervention Strategy for the United States in Senegal" USAID EG COP led discussions for two sessions: (1) the impact on development of markets from the southern Mediterranean region, and (2) gender analysis at the University Cheikh Anta Diop.
- USAID EG participated in the 2006 Presidential Investors Council.

**PR Indicator 1: Number of significant USAID approved policy reforms that impact on accelerated growth, increased competitiveness and/or trade**

During the reporting period, USAID EG focused on achieving the policy reform component Contractual Milestone for Policy Reform: “At least one significant, USAID-approved, policy reform that impact accelerated growth, increase competitiveness and/or trade.”

Policy Reform approved by USAID for 2007:

- Improve the ranking of Senegal in the *World Bank Doing Business Report* for 2007 based on the benchmark for the indicator “Starting a Business” (cost, number of procedures and number of days to start a business).
- Specifically to reduce the number of days for starting a business from 58 to 50.

PR Indicator 1:	Number of significant USAID approved policy reforms that impact on accelerated growth , increased competitiveness and/or trade	
Target for 2007:	1	
Principal Activities	Progress achieved	Targets reached
Technical assistance	<p>A. Technical Assistance was mobilized by USAID Program for Economic Growth (EG) and provided by an international expert in February 2007, who scoped activities, provided an action plan for each procedure and presented best practices for comparison. This was timely in that the World Bank and other donors also recommended that the GOS focus on this indicator.</p> <p>B. The expert and USAID officials met with the Secretary General of the Ministry of the Economy and Finance (MEF) to present a detailed roadmap or action plan on how to improve each of the 10 procedures to achieve a 10-day indicator, which was felt to be an achievable goal within a short period.</p> <p>C. The basic recommendations were “easy” changes to achieve 10 days, but also showed how Senegal could go further and provided guidance on how to achieve 2 days.</p> <p>D. The Secretary General called a meeting of the Inter-ministerial Council, which included the various ministries and agencies that had responsibility for each procedure. The Council essentially adopted EG’s recommendations and tasked the Agence Nationale chargée de la Promotion des</p>	

	Investissements et des Grands Travaux (APIX) to follow these recommendations and to achieve the more aggressive goal.  E. APIX announced on July 19, 2007 that it had reduced the number of days to start a business from 58 to 2 days.	
<b>Total :</b>		<b>1</b>

---

**PR Indicator 2: Number of barriers to trade and investment removed**

USAID EG has followed up with GOS on those barriers impeding on trade and investment, and which are identified by the USG led Private Sector Working Group (PSWG) of donors in the letter of June 15, 2005. These barriers relate to: infrastructure, taxation, access to land, fight against corruption, improvement of the judicial system, labor legislation, SMEs development, and policy coordination. USAID EG focused its efforts on the legislative reform for the Labor Code to expedite regulatory measures in this respect.

<b>PR Indicator 2:</b>	<b>Number of barriers to trade and investment removed</b>	
<b>Target for 2007:</b>	<b>1</b>	
<b>Principal Activities</b>	<b>Progress achieved</b>	<b>Targets reached</b>
	At the time of the PSWG's letter to the Prime Minister in 2005, the President had signed 11 of 88 decrees needed to adopt the 1997 Labor Code. Because of the technical assistance given to the Executive Secretariat for AGS and joint meetings among USAID EG, officials from the Ministry of Labor and USAID/Senegal, 14 additional decrees were signed by the President in 2006, leaving 63 actions to be undertaken to implement fully the Labor Code. Action plans are under discussion for the remaining 63 actions. USAID EG is collaborating with other donors including the World Bank, the African Development Bank, and France to help the GOS move toward the full implementation of the labor Code. This group of donors has joined efforts for the adoption of at least 21 additional regulatory measures before the end of 2008	
<b>Total :</b>		<b>14</b>

**PR Indicator 3: Number of USAID assisted institutions that receive technical assistance to foster growth**

USAID EG has assisted institutions such as GOS ministries, agencies, and private sector entities that can impact economic growth. The technical assistance is in terms of consultants, studies, technical guidance, training and development of communication strategies.

<b>R Indicator 3:</b>		<b>Number of USAID assisted institutions that receive technical assistance to foster growth</b>
<b>Target for 2007:</b>		<b>15</b>
<b>Principal Activities</b>	<b>Progress achieved</b>	<b>Targets reached</b>
Monitoring and implementation of the AGS, export promotion, and PPP capacity building	19 institutions received assistance to foster growth. These institutions are the following: the Steering Committee for AGS, APIX, ASEPEX, CREA, CEPOD, ADM, the Chamber of Commerce, the Direction d'Appui au Secteur Privé (DASP), the Ministry of Agriculture, PDMAS, the Ministry of Environment and Nature Protection, ANCAR, the University of Thiès, the Ministry of Commerce, ADEPME, the Conseil des Infrastructures, APROSEN, the Ministry of Tourism, and SODEFITEX.	
<b>Total :</b>		<b>19</b>

---

#### PR Indicator 4: Number people benefiting from policy reform training

During the reporting period, USAID EG has supported representatives from the GOS and the private sector who are the partners to push forward the policy reform agenda, through policy reform training. This training included workshops, seminars, forums, and study tours that likely provide the appropriate skills.

PR Indicator 4:	Number of people benefiting from policy reform training	
Target for 2007:	5	
Principal Activities	Progress achieved	Targets reached
Capacity building	10 persons benefited from policy reform training. These people are representatives from the Prime Minister's Office(1) (Steering Committee for the AGS), CEPOD (1), ASEPEX(3), APIX (1), and the Ministry of Economy and Finance (1), ADM (1), the Ministry of Environment and Nature Protection (2)	
<b>Total :</b>		<b>10</b>

### 5.3 CONSTRAINTS, OPPORTUNITIES AND PRIORITIES FOR THE NEXT YEAR

#### CONSTRAINTS

Activities were affected by the challenges in the political and economic climate during the period:

##### Political Climate

- Presidential elections were held in February 2007 with President Wade being given a mandate for another 5 years; voter turnout was 70% and Wade won 56% of the votes. However, the GOS had difficulties in managing the presidential campaign, its day-to-day operations, and advancement of its own policy reform agenda during the period, which stagnated.
- After the election, political tensions intensified between the President and opposition parties who called for a boycott of the June legislative elections resulting in only a voter turnout of 35%. The President's party still dominated the National Assembly with more than 131 out of 150 seats.
- Political tension could deepen due to the absence of dialogue between the Government and principal opposition parties. The opposition parties want to organize a national forum to discuss the current political, economic, and social situation of Senegal in order to force President Wade's Government to negotiate. At this time, no one can predict the results of this situation that might impact negatively on the course of policy reform.

- During the second half of June, the President named a new Prime Minister and a new government that included the creation of a new Ministry for Competitiveness and Good Governance, an important new partner for USAID EG.

## ECONOMIC CLIMATE

- After a sharp deterioration in 2006, the macroeconomic situation is expected to improve in 2007 with a GDP growth rate of 5% along with the resumption of inflation, which has negatively affected consumers. Furthermore, delays experienced on the final solution for the financial issues relating to the largest exporting firm, Industries Chimiques du Senegal, and the difficulties in the energy sector might have an impact on expected growth.
- Donors urged the GOS to negotiate a new adjustment agreement with the IMF following the expiry of the poverty reduction and growth facility (PRGF) in April 2006. The new program will be in the form of a policy support instrument (PSI). The PSI will provide extensive external monitoring of the government's reform efforts and economic policies but no financial support. There will be semi-annual reviews to signal to donors that agreed policies are on track, as well as a mechanism for notifying donors that a policy is off track or that there has been a misreporting of data. Any slippage may have a negative impact on the course of the program.
- The donors, frustrated by the lack of progress on policy reforms have indicated to the GOS that there is a need for a “champion” to push both for public and private reforms. This “champion” could be an institution or a person but has to be fully empowered to drive the implementation of the public and private sector policy reform agenda. (The public reform agenda is led by the European Union and the private reform agenda is led by the US.) The GOS made a commitment to the donors to have the institutional framework in place to implement the reform agenda by January 2008.

## OPPORTUNITIES

There are two major opportunities where the GOS could demonstrate its commitment to its public and private sector policy reform agenda. These are:

- Consultative Group meeting led by the World Bank and expected to take place in Paris on October 3 and 4, 2007.
- The second is the Presidential Investors Council scheduled for November 2007.

Performance by the GOS at these events will gauge the capacity and the political will of the GOS to implement its policy reform agenda during 2008.

## PRIORITIES

- **The World Bank Country Assistance Strategy (CAS)** presented to the World Bank Executive Board of Directors in May 2007, covering the period from 2007 to 2010, targets a 30% improvement in all *Doing Business* indicators. The CAS calls for donors to support this goal, which is consistent with the GOS objective to establish an “international class” business environment.
- **Institutional Framework for the AGS:** Continue to place pressure on the GOS along with other donors to formalize the institutional framework to implement the AGS.
- **Provide technical assistance to the AGS** once the institutional framework is in place to fine tune and implement the action plan
- **Momentum needs to be sustained:** Donors would like the GOS to keep the momentum created by the successful implementation of the starting a business indicator by giving a clear signal on labor reform by implementing the 1997 Labor Code. This is addressed by the “Employing Workers” indicator in the *Doing Business Report*, which examines flexibility of the labor regulations. In the CAS, the Bank has set the objective for 2008 of signing 21 regulatory actions including decrees, arrêtés, and notices. USAID EG

will work closely with the Bank in providing technical assistance to the Ministry of Labor to attain this objective.

- **Policy Reform Milestone 3.2** “A second significant, USAID-approved, policy reform that impacts accelerated growth, increases competitiveness, and/or trade.” For the second policy reform milestone USAID EG will pursue the signing of additional regulatory actions towards implementation of the Labor Code as cited above.
- **Policy Reforms within the Value Chains.** The BDS Technical Lead in concurrence with USAID indicated that designation of needed reforms for each value chain should be the work of the respective Action Committees. All recommended reforms will be integrated into the relevant clusters of the AGS. For instance, the action committees for cashew, mango, and bissap will provide input to the AGS Agribusiness Cluster committee on needed policy reforms and the woven textile action committee will make recommendations on relevant policies to the Textile and Garment Cluster. To assist the Cluster Committees to implement the reforms donors and USAID EG will provide technical assistance.
- **A comparative report on the investment incentives** offered by Ghana and Senegal and recommendations that could be given to the GOS to improve competitiveness with Ghana in attracting new investment is in the process of being finalized by APIX management. The report is based on a study tour to Ghana to meet with the Ghana Investment Promotion Center and garment making companies. Technical assistance will be hired in order to recommend improvements in the investment package to APIX.
- **USAID EG will continue to work with ASEPEX** that has a key role to play under the AGS. A memorandum of understanding between ASEPEX and the Ghana Export Promotion Council is being negotiated to exchange ideas and create a partnership that resulted from the study tour to Ghana in July 2007.
- **World Bank Doing Business Report 2008:** Based on recent meetings, USAID EG will collaborate with the World Bank, CNES, CNP and Chamber of Commerce to sensitize the public and private sector on how the regulatory performance of Senegal measures with other countries through a communications and sensitivity campaign once the 2008 report is released. The purpose is to show that many governments now compete to improve their rankings in order to attract investors, learn how to prioritize reforms, learn from global best practices and more importantly see the correlation between more business-friendly regulations and the increase in new enterprises and job creation. Technical assistance will be used to collaborate with the World Bank on this campaign
- **USAID EG will assist the DASP** but it lacks a clear vision for private sector development. The key people at DASP are not conversant with international best practices or other organizations like DASP for supporting private sector development. They do not have an established international network in this regard. This will be the focus of DASP’s capacity building. However, any assistance accorded must be done on a step-by-step basis and based on sound and consistent performance and purpose by the DASP. USAID EG will negotiate with DASP a memorandum of understanding to define overall technical assistance needs, including development of the PPP UNIT.
- **The Salon de la Finance et l’ Investissement** will take place October 25-27 , 2007 with support from USAID EG, and GTZ and KFW (German Government), ECOBANK, CAPAF (program de reinforcement de capacité des institutions micro finances), APIX, CNP and CNES. This is a conference on financial sector issues to be organized by ECOFinance Entreprise, a local consulting firm. The forum will offer an opportunity to USAID to deliver on behalf of the PSWG key messages to the GOS.
- **A New Ministry of Competitiveness and Good Governance** was created in June 2007 by the President. The Ministry’s role will be largely a crosscutting one. The Ministry wants to start national competitiveness monitoring (a Competitiveness Observatory), a national education and awareness program on

competitiveness, and will play an important role in the implementation of the AGS. Some areas of possible early support:

- (a) Assist with role, strategy, work plan definition
- (b) Provide access to many international models and best practices
- (c) Provide access to international networks of competitiveness initiatives and practitioners
- (d) Provide top-level training and assistance in vision-setting
- (e) Support a national competitiveness awareness program
- (f) Support the creation of a national competitiveness observatory
- (g) Serve as an ongoing technical guide and resource to the Ministry

# 6. CROSSCUTTING ACTIVITIES

Two technical components support the USAID EG program: monitoring and evaluation and communication and outreach. These components contribute globally to the achievement of the project results.

## 6.1 MONITORING AND EVALUATION

### 6.1.1 GENERAL CONSIDERATIONS

As a crosscutting activity, the Monitoring and Evaluation (M & E) component laterally supports the three technical components of the project to assist in achieving their targets and objectives, and seeks to respond to data and information needs for all technical activities for the USAID EG program. The M & E component also provides accurate and up-to-date information to the management component of the project, assists in the production of periodic project documents and reports, and plays a key role in providing timely and relevant information on the project progress to USAID.

### 6.1.2 PROGRESS ACHIEVED

- During the reporting period, The M & E component produced a Monitoring and Evaluation Manual, which serves as a source of reference for performance indicators, presents all relevant information on the indicators selected by the project, provides data collection tools to be used internally as well as in the field, and presents annual targets for performance indicators.
- The Monitoring and Evaluation component has also been involved in establishing an M & E system, working closely with the project technical advisors to determine baseline data and targets for the program's 21 performance indicators, working with USAID to refine project indicators, and developing a reporting system. In early 2007, USAID/Senegal received guidance from USAID/Washington to adopt new Economic Growth Operational Plan Indicators. As a result, indicators were modified for USAID EG and the Monitoring and Evaluation Manual is being revised to incorporate the modifications. The revision is in process and the Manual should be completed by end of October 2007.
- Drafted and finalized the terms of reference for a private firm to collect data for all the BDS indicators targets for 2007.
- Worked closely with the BDS Unit in selecting the firm conducting the data collection, which submitted its final report on September 26, 2007.

## 6.2. COMMUNICATIONS AND OUTREACH

### 6.2.1 GENERAL CONSIDERATIONS

USAID EG developed a comprehensive communications strategy to guide communications efforts for 2007.

The strategy targeted the three components of the program and aimed at developing stakeholders' awareness in order to bring about the changes in their attitudes and practices required to attain the increased economic growth objectives of the program. The central goal of this communications strategy was to strategize the dissemination by USAID/Senegal of specific messages promoting increased economic growth among the various stakeholders' groups concerned.

This strategy was well received by USAID/Senegal and the project has closely followed its planned strategy throughout the year.

In addition, as part of the overall communications approach, USAID EG communications activities are tracked and shared on a regular basis and a calendar identifying upcoming events is discussed with the USAID/Senegal Outreach and Communication Advisor.

The Communications Strategy covers mainly three areas:

- Media Relations
- Project Promotion
- Project Events

## **6.2.2. PROGRESS ACHIEVED**

### **Media**

- Training of 11 print and radio journalists on developing PPPs on October 31, 2006 in preparation of the 1<sup>st</sup> Workshop on PPP on November 3, 2006. Most of these journalists presented the views of USAID on the PPP and the economy in general insisting on the policy, legal and regulatory reforms required for the successful implementation of PPPs in media coverage.
- Training of five journalists on coverage of Journées de l'Economie Senegalaise on December 12, 2006
- The articles published by all the main newspapers focused generally either on the weaknesses of the economic strategy or on the economic “challenges” confronting the country, as analyzed by the various speakers.
- Five radio and television journalists covered the workshop launching the fight against fruit flies held on December 13, 2006. A film on the effects of fruit flies on mango was broadcast during prime time on national television.
- Field trip with two radio journalists to bissap fields during harvest on December 20, 2006. These journalists from Radio Oxyjeunes of Pikine, a poor suburban district of Dakar, aired a live program on the bissap harvest, discussing with the women farmers the cultivation techniques they used, the selection of seeds, the post harvest processes and their effects on increasing the value of the final product and raising their revenues. Radio Oxyjeunes broadcasted two other programs on the same theme the following days.
- Developed and distributed media kits to 15 print, radio, and television journalists on the joint USAID EG, Wula Nafaa, and the African Cashew Alliance (ACA) workshop held on February 8 and 9. The event was covered notably by the national RTS, the regional station African Democracy Radio (ADR) broadcasting in French and English in many West African countries (Senegal, Guinea, Guinea Bissau, Sierra Leone and Liberia) and the regional television network - African Independent Television (AIT) broadcasting also in French and English in the 16 countries of the Economic Commission of West African States (ECOWAS). Media coverage focused on the potential of the cashew sector for economic growth and the need for stakeholders to be informed of the best practices in order to harness that potential.
- Developed and distributed a press kit on USAID EG’s PPP component to four media outlets and to the Communication Advisor of the Dakar Chamber of Commerce to enable them to cover the February 27 signing of an MOU on PPPs between USAID EG and Dakar Chamber of Commerce. The journalists gained a better understanding of PPPs and as a result, informed articles were published in two national dailies and programs broadcast on two radio stations.
- Undertook a media field trip on March 19 and 20 with a print journalist and an Israeli expert to visit

Mango plantations in the Niayes area. As a result, the journalist wrote an informed article for the national daily newspaper (*Le soleil*) on the fruit flies threat to mangos and on USAID EG involvement in the mango sub-sector.

- Production and broadcast of interactive radio programs on the Casamance station of the national radio and television network RTS (from April to June 2007) on cashew post-harvest techniques. The objective was to raise awareness about the practices and techniques to be implemented by farmers, traders and exporters, before and after harvest, in order to increase the value of the nuts. The programs and jingles were in the two main languages spoken in the area: Mandingo and Diola.
- Developed and distributed media kits to 15 journalists on the joint USAID EG and the Dakar Chamber of Commerce held on July 17 and 18, 2007. Media coverage informed the public of the GOS position on PPP and the concerns and expectations of USAID, the Chamber of Commerce and other private sector and donor stakeholders.



Photo: First training workshop for economic journalists - July 25, 2007

- Held several meetings with representatives of the Comité des Journalistes Economiques du Sénégal (COJES) to prepare the first training workshop on economic issues for journalists, held in July 2007. As a result, the terms of reference for the trainers were drafted and a list of participants was developed.

## Strategic Communications

### Bissap Sub Sector:

**Message promoted:** *Earn more money by using pure, certified bissap seeds, now available in the marketplace.*

Contributed to the production of the following BDS publications:

- a brochure entitled « Production de bissap de qualité avec des semences certifiées », in partnership with the French firm DAGRIS (Developpement Agricole et Industriel du Sud).
- a « Manuel de formation sur la production du bissap », in partnership with SODEFITEX /BAMTAARE.
- a DVD Film on the best practices for bissap cultivation, post harvest techniques and processing. The development of the DVD film is in its final stage and should be released by October 2007.

### Cashew Sub Sector

**Message promoted:** *You can sell more cashews and put more money in your pocket if you harvest the cashew nuts only when ripe, dry them well and package them in jute bags.*

- The production of a film on cashew nuts to inform and develop awareness on the value formation of the sub-sector and sensitize producers on the best post harvest techniques to increase the quality of the nuts, started in April 2007. A script was developed, a film crew hired and shooting organized in the two main producing areas of the country (around Ziguinchor in the Casamance region and Sokone-Fatick region) in May and June. The film is at present almost completed. It is scheduled to be released by the end of October 2007 in DVD format and will be distributed to representatives of the various stakeholders groups, including interested donors and government entities.

Audience: producers, traders, exporters, donors and government agencies.

- A “Training Manual to improve the quality of the cashew nuts” in French, used in the training of trainers’ workshops organized since April to disseminate best post-harvest techniques.  
Audience: trainers, farmers/producers and technical support agencies.
- A “Practical guide on collecting, drying and conditioning neem seeds,” in Wolof and French and co-published by USAID EG and GANTEC, an American firm specializing in neem and organic products technologies.
- A “Guide on combating fruit flies in mango plantations,” produced in French and Wolof in partnership with the Ministry of Agriculture.
- A brochure entitled “Orientations pour un programme de lutte contre les mouches de fruit sur le manguier au Sénégal, » in partnership with USDA/APHIS.

## Events

These various events have been used to involve the media in order to disseminate the project messages to the public:

- 1<sup>st</sup> Workshop on PPP held on November 2-3, 2006.
- 1<sup>st</sup> Journees de l’Economie, held on December 12, 2006 and organized by the Research Centre for Applied Economics (CREA) at Cheikh Anta Diop University in collaboration with the Ministry of Economy and Finance.
- Launch of the National Program against Fruit Flies on December 13, 2006, in collaboration with the Ministry of Agriculture.
- First National Workshop on Cashew organized by EG USAID in partnership with the African Alliance on Cashew (ACA), held on February 8 and 9, 2007.
- Signing ceremony of the EG USAID and Dakar Chamber of Commerce MOU, held on March 27.
- Conference on PPP development co-sponsored by USAID EG and Dakar Chamber of Commerce on July 17 and 18, 2007
- Organized on July 25, 2007 the first training workshop for the economic journalists in partnership with the Collectif des Journalistes Economiques du Senegal (COJES). The workshop was attended by 15 journalists from the main print, radio and television media organization of the country. The session is the first of a four-session program whose overall theme is “Covering economic issues and economic growth programs in Senegal.” It is intended to raise the level of reporting on economic issues; assist journalists to better understand economic issues and the rationale of programs and strategies implemented in Senegal such as the Poverty Alleviation Strategies and the Accelerated Growth Strategy; help participants assess the legal and regulatory frameworks under which journalists operate in Senegal; and introduce or refresh journalists on techniques and methods of investigating for information. The next session will be held in October 2007.

# ANNEX I. DOCUMENTS PRODUCED DURING THE REPORTING PERIOD - BDS

SUB SECTORS	TITLE OF THE REPORT	DATE	AUTHORS
Mangos			
	1. Chaîne de valeur filière mangue	Sept 2007	Patrick Nugawela et Simon Dioh
	2. Rapport atelier de lancement lutte contre les mouches des fruits	15/05/07	Simon Dioh Consultant
	3. Rapport d'orientation pour un programme de lutte contre les mouches des fruits	23/04/07	Serge Quilici,
	4. Rapport de formation	21/06/07	COOPROFEL
	5. Rapport de formation	5/07/07	ONAPES
	6. Rapport de formation	27/07/07	ANCAR Ziguinchor
	7. Guide des bonnes pratiques de lutte contre les mouches des fruits.	03/04/07	Mbaye Ndiaye, et Mamadou Dabo
	8. Rapport d'activité projet de recherche sur les mouches des fruits		Université de Thiès
	9. Rapport d'activité projet de recherche sur les mouche des fruits	10/09/07	Université de Thiès
	10. Manuel d'utilisation des matériaux locaux	17/05/07	Mame Niang
11. Teere wengnou mango (Wolof)	03/04/07	Mbaye Ndiaye and, t Mamadou Dabo	
Artisanal Textile	1. Woven textiles Value Chain	Sept 2006	ATA
	2. Rapport formation stylisme et technique de montage		CETTEX Tunisie
	3. Rapport formation tissage traditionnel		Maurice Rivat
	4. Rapport de mission d'assistance technique pour le développement des produits		Docey Lewis
	5. Contribution à l'élaboration Du cahier des charges fonctionnel	11/09/07	Cabinet Gherzi
	6. Rapport formation teinture		BDS component
Neem			
	1. Rapport de formation	15 06 07	GANTEC
	2. Value Chain Neem Draft	June 07	Jessica Reynolds et Patrick Nugawela
	3. Guide des bonnes pratiques de collecte,	05/04/07	GANTEC

	séchage et conditionnement de graines de neem		
	Teere wawal domou neem (Wolof)	05/04/07	GANTEC
Bissap			
	1. Chaîne de valeur de la Filière Bissap	Sept 2006	USAID EG
	2. Chronogramme des activités	22 /06 / 07	NSPA
	3. Chronogramme des activités	08/06/ 07	ASNAP
	4. Rapport d'activité	11/09/07	NSPA
	5. Rapport d'activité	14/09/07	ASNAPP
	6. Rapport d'activité	14/09/07	BAMTARE
	7. Manuel des bonnes pratiques culturelles de bissap		SODEFITEX
Cashew			
	1. Chaîne de valeur anacarde	Sept 2006	Patrick Nugawela et Balde
	2. Mission report India on Cashew		Patrick Nugawela
	3. Manuel et données de référence	29 / 03 / 07	SENECOMEX
	4. Rapport sur les formations	22 / 05 / 07	SENECOMEX
	5. Rapport suivi formation	15/09/07	SENECOMEX
	6. Manuel d'amélioration de la qualité des noix de cajou au Sénégal		SENECOMEX
Banana			
	1.Rapport de mission 1	15 to 26/02/2007	Charles Prins
	2.Rapport de mission 2	11 to 24/04/2007	Charles Prins
	3. Rapport de mission 3	28/05 to 12/06/2007	Charles Prins
Sesame			
	1. Concept paper - production de semences de sésame blanc par la Fédération Yakaar Niani Wulli de Koussanar	Août 2007	ENDA PRONAT
Fonio			
	Concept paper - mise en marche production de fonio de la Fédération Yaakaar Niani Wulli de Koussanar	Septembre 2007	ENDA PRONAT
	Guide de production de banane	En cours	Charles Prins
	Rapport de mission 4	Septembre 2007	Charles Prins
Cotton			
	Rapport formation des chefs d'exploitation	Juin 2007	SODEFITEX
M & E	Monitoring and Evaluation/data collection for all subsectors	September 2007	Cabinet Access Finance Gestion

## B. DOCUMENTS PRODUCED DURING THE REPORTING PERIOD-PPPS

TITLE OF THE REPORT	DATE	AUTHOR(S)
Rapport sur le Séminaire portant sur le « Concept du PPP au Sénégal », Dakar	Nov. 2-3, 2006	Cabinet Gide Loyrette Nouel and Société Axelcium
Rapport diagnostic – Mission d'appui à la finalisation de la mise en location de la Gare de Frêt et du Centre de Conditionnement de Sangalkam dans le cadre du Programme de Développement des Marchés Agricoles du Sénégal (PDMAS)	April 2007	Société Axelcium
Règlement d'Appel d'Offres – Mise en exploitation de la Gare de Frêt attenante à l'Aéroport Léopold Sédar Senghor et du Centre de Conditionnement FELTIPLEX de Sangalkam; (PDMAS),	June 2007	Cabinet Gide Loyrette Nouel and Société Axelcium
Rapport sur la 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 »,	July 17-18, 2007	Marc Frilet
Rapport Diagnostic - Mission de conseil auprès du Gouvernement du Sénégal dans le cadre de la mise en gestion du Parc National du Niokolo Koba	June 2007	Société Axelcium and Habibatou Toure
Diagnostic stratégique du plan d'urgence proposé par l'Etat du Sénégal et la Fondation African Parks dans le cadre d'un PPP en vue de la gestion améliorée du Parc National du Niokolo Koba – Audit Technique, Version finale;	June 2007	Clark G. Lungren,

# C. DOCUMENTS PRODUCED DURING THE REPORTING PERIOD-POLICY REFORM

TITLE OF THE REPORT	DATE	AUTHORS
Le Cadre intégré d'assistance technique liée au commerce, instrument d'intégration des PMA dans le system commercial multilatéral	December 2006	Seydina A.S. Ndiaye, Ministère du Commerce
Les Nouvelles orientations stratégiques du DRSP II	December 2006	Mayacine Camara CREA
Schéma de développement de la Stratégie de croissance accélérée	December 2006	Aliou Faye CEPOD
Grand Travaux et SCA	December 2006	APIX
Flambée du prix du pétrole, quels risques sur la stratégie de croissance accélérée ?	December 2006	Sogue Diarisso, Direction de la prévision et des études économiques.
Performances des petites et moyennes entreprises au Sénégal	December 2006	Ibrahima Diouf, Directeur des PME
Performances compétitives des entreprises sénégalaises : quel rôle pour la SCA ?	December 2006	Pr. Aly Mbaye CREA
Exigences de Réussite de la SCA : Un programme d'action de qualité a un management approprie	December 2006	Edouard J G Dieme. MPG -Afrique
Genre et Enseignement supérieur:une analyse préliminaire de la situation a l'Université Cheikh Anta Diop	December 2006	Loubar Diouf Sene, Projet Leadership des Femmes de l'UCAD
Support to the Policy Reform Component on investment climate reforms targeting improvement in Senegal's ranking in the World Bank's <i>Doing Business Report 2007</i> . Trip Report	February 2007	Martin Webber, JE Austin Associates
Support to the Policy Reform Component on the following: Procedures to start a business – follow up on what had been decided and implemented by the GOS DASP – Assist DASP in thinking about its role; review and recommend improvement to the draft SOW to define DASP's strategy, work plan, organization and linkages Ministry of Competitiveness and Good Governance – provide assistance to USAID EG to engage the new Ministry about its role and needs Identify next steps in improving Senegal's <i>Doing Business</i> Indicators Identify other entry points for USAID EG and USAID going forward on <i>Doing Business</i> indicators, DASP, Ministry of Competitivity, and public education on competitiveness. Trip Report	August 2007	Martin Webber, JE Austin Associates

# ANNEX 2. CONSULTANTS

USAID EG used several consultants during the reporting period

## I. BDS Component

Sub sectors	Tasks	Consultant Name	Date
<b>Mangos</b>			
	Development of a manual for use of local materials in the fight against fruit flies	Mame Niang	May 2007
	Support to the development of an action plan for the fight against fruit flies	Serge Quilici	December 2006
	Development of a guide on best practices for the fight against fruit flies	Mbaye Ndiaye and Mamadou Dabo	March 2007
<b>Artisanal Textile</b>			
	Facilitation of ATA intervention ATA, local monitoring and product development	Aby Bà Seck	June 2007
	Technical assistance to selected enterprises for product development	Docey Lewis	June 2007
<b>Bissap</b>			
	Support to bissap production	Bamtaare	August 2007
	Production of bissap certified seeds	Ngouda Ba	June 2007
	US market study on bissap	Dr James Simon	June 2007
<b>Cashew</b>			
	Training of cashew producers	SENECOMEX	February 2007
	Film development	Boubacar Sow	February 2007
	Radio broadcasting	Ismaila Diedhiou	May 2007
	Facilitation of trainings follow up	Ibrahima Cissé	March 2007
	Facilitation of trainings follow up	Moise Bassene	Mars 2007
<b>Cotton</b>			
	Training of cotton producers	SODEFITEX	Avril 2007
<b>Fonio</b>			
	Value chain analysis (lead)	Ousmane Gueye	September 2007
	Value chain analysis (assistant)	Ousmane Balde	August 2007
<b>Sesame</b>			
	Value chain analysis	Sidy Gueye Niang	September 2007
<b>Milk</b>			
	Value chain analysis	Paul Sevier	Août 2007
<b>Banana</b>			
	Training in new production techniques	Charles Prins	February 2007
<b>Gum Arabic</b>			
	US market study on spray gum arabic	Dr Julien Vêlez	June 2007
<b>Neem</b>			
	Value chain analysis	Jessica Reynolds	April 2007

## 2. PPP Component

Consultant Name	Tasks	Dates
Laurent THORRANCE Axelcium	Expert on developing and financing PPPs, facilitator on PPP workshop held in Dakar	November 2 & 3, 2006
Grégoire LEMIESLE Gide Loyrette Nouel	Legal advisor on regulatory environment on PPP development, facilitator on PPP workshop held in Dakar	November 2 & 3, 2006
Laurent THORRANCE	Support to PDMAS for find private sector management of the Cold Storage Freight Facility and the Sangalkam Packaging Facility as a PPP	March 2007- October 2007
Hugh de la Forge Gide Loyrette Nouel	Support to PDMAS to find private sector management of the Cold Storage Freight Facility and the Sangalkam Packaging Facility as a PPP	March 2007- October 2007
AXELCIUM (Laurent THORRANCE)	Support to the GOS for private sector management of the Niokolo Koba National Park	March 2007- December 2007
Habibatou Toure	Legal support to the GOS for private sector management of the Niokolo Koba National Park	March 2007-December 2007
Clark LUNGREN	Support to the GOS for private sector management of the Niokolo Koba National Park	April 2007- December 2007
Marc FRILET	Facilitator for the PPP seminar for the Dakar Chamber of Commerce	July 17 & 18, 2007
Abdoulaye SAKHO	Preparation of a manual on PPP regulatory texts	June 2007- December 2007

### 3. Policy Reforms Component

Consultant Name	Tasks	Dates
Martin Webber JE Austin Associates	Technical Assistance to GOS Ministry of Finance on Doing Business Indicators "Starting a Business"	February 5-19, 2007
Martin Webber JE Austin Associates	Follow up on what had been decided and implemented for procedures to start a business Assist DASP to define a strategy, work plan, organization and linkages Begin to engage the new Ministry of competitiveness and good governance about its role and needs Identify next steps in improving Senegal's Doing Business Indicators	August 11-18, 2007

### 4. Crosscutting Activities

Ousmane Ndao, Monitoring and Evaluation Specialist  
Alymana Bathily, Communication Specialist





**U.S. Agency for International Development**

1300 Pennsylvania Avenue, NW

Washington, DC 20523

Tel: (202) 712-0000

Fax: (202) 216-3524

**[www.usaid.gov](http://www.usaid.gov)**