

AGENCY FOR INTERNATIONAL DEVELOPMENT		1. TRANSACTION CODE A = Add C = Change D = Delete		Amendment Number	DOCUMENT CODE 3
PROJECT DATA SHEET		<input type="checkbox"/> A			
2. COUNTRY/ENTITY AFRICA REGIONAL		5. PROJECT NUMBER 698-0413 13			
4. BUREAU/OFFICE AFR		<input type="checkbox"/> 06		5. PROJECT TITLE (maximum 40 characters) (ACOSCA) Support To Regional Organizations	
6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 05 31 88		7. ESTIMATED DATE OF OBLIGATION (Under 'B' below, enter 1, 2, 3, or 4)			
		A. Initial FY 85		B. Quarter <input checked="" type="checkbox"/> 2	
				C. Final FY 86	

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 85			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	263	737	1,000	447	1,252	1,699
(Grant)	(263)	(737)	(1,000)	(447)	(1,252)	(1,699)
(Loan)	()	()	()	()	()	()
Other U.S.						
1. CUNA/WOCCU	190	-	190	570	-	570
2.						
Host Country	-	54	54	-	197	197
Other Donor(s)	167	-	167	510	-	510
TOTALS	620	791	1,411	1,527	1,447	2,976

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) S-T	771	812		-	-	1,699	-	1,699	-
(2)									
(3)									
(4)									
TOTALS						1,699	-	1,699	-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) 920						11. SECONDARY PURPOSE CODE 220			
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)									
A. Code		COOP							
B. Amount		1,699							

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen the organizational development of ACOSCA through improving its income generating capability, expanding its training program, and emphasizing increased services to Francophone Africa.

14. SCHEDULED EVALUATIONS					15. SOURCE/ORIGIN OF GOODS AND SERVICES				
Interim		MM	YY	MM	YY	Final		MM	YY
		06	87						
					<input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify)				

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

AFR/CONT: TRattan *TR*

17. APPROVED BY	Signature William H. Naylor, <i>W. Naylor</i>			18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION				
	Title Director, AFR/RA							
			Date Signed MM DD YY 04/15/85			MM DD YY 04/15/85		

African Cooperative Savings and Credit
Association (ACOSCA) II

Subproject of SRO I - 698-0413.13

TABLE OF CONTENTS

Authorization Package for SRO	7 pages
Authorization Package for ACOSCA II	21 pages
PIO/T	3 pages
Attachment A (Project Proposal)	137 pages
Attachment B (Statement of work)	3 pages
Attachment C (A.I.D. Objectives for the Grant)	2 pages
Cooperative Agreement	9 pages

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input checked="" type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____ 2	DOCUMENT CODE 3
--	---	---------------------------------------	---------------------------

2. COUNTRY/ENTITY Africa Regional	3. PROJECT NUMBER 698-0413
---	--------------------------------------

4. BUREAU/OFFICE AFR _____ 06	5. PROJECT TITLE (maximum 40 characters) Support To Regional Organizations
---	--

6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 05 31 88	7. ESTIMATED DATE OF OBLIGATION (Under 'B' below, enter 1, 2, 3, or 4) A. Initial FY 79 B. Quarter 3 C. Final FY 86
---	---

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 79			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	860	-	860	10,193	-	10,193
(Grant)	(860)	(-)	(860)	(10,193)	(-)	(10,193)
(Loan)	(-)	(-)	(-)	(-)	(-)	(-)
Other U.S.						
1. CUNA/WOCCU	190	-	190	570	-	570
2. _____	-	-	-	-	-	-
Host Country	-	1,121	1,121	-	2,558	2,558
Other Donor(s)	1,000	-	1,000	4,510	-	4,510
TOTALS	2,050	1,121	3,171	15,273	2,558	17,831

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) ST	771	910		8,494	-	1699	-	10,193	-
(2)									
(3)									
(4)									
TOTALS				8,494	-	1699	-	10,193	-

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each) _____	11. SECONDARY PURPOSE CODE _____
12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code TNTR B. Amount 10,193	

13. PROJECT PURPOSE (maximum 480 characters)

To assist African Regional Organizations in regional planning, economic cooperation, and development of common resources. Economic integration and trade cooperation will be encouraged wherever possible.

14. SCHEDULED EVALUATIONS Interim MM YY MM YY Final MM YY 0 2 8 4 0 6 8 7	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input checked="" type="checkbox"/> Local <input type="checkbox"/> Other (Specify) _____
--	---

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

To increase LOP funding from \$8,494,000 to \$10,193,000 to allow for funding of 13th subproject (ACOSCA).

AFR/CONT: TRattan *[Signature]*

17. APPROVED BY	Signature <i>[Signature]</i> William H. Naylor, Jr. Title Director, AFR/RA Date Signed MM DD YY 04/15/85	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION MM DD YY 04/15/85
------------------------	--	--

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20503

26 APR 1985

ACTION MEMORANDUM FOR THE ASSISTANT ADMINISTRATOR FOR AFRICA

Thru: AFR/PD, Norman Cohen

From: AFR/RA, William H. Naylor, Jr.

Subject: Support to Regional Organizations I (SRO I), 698-0413;
African Cooperative Savings and Credit Association II
Subproject (ACOSCA II), 698-0413.13

Action Requested: Your approval is requested (1) to increase LOP authorized funding levels of SRO from \$8,621,000 to \$10,193,000, and extend its PACD from Mar. 31, 1988 to May 31, 1988; and (2) to authorize the ACOSCA II Subproject. The subproject will provide up to \$1,699,000 in grant funds for Credit Union National Association (CUNA). It is planned that \$1,000,000 will be obligated in Fiscal Year 1985 under a Cooperative Agreement with CUNA for subproject activities for the three-year period beginning June 1, 1985. The balance will be obligated over a two-year period from date of authorization.

Discussion: The Executive Committee for Project Review recommended approval and authorization of the ACOSCA II subproject as an additional but final activity under SRO I. This action is necessary to provide essential continuity in AID assistance to ACOSCA since SRO II will not be ready for authorization in the immediate future. To do this, the LOP funding level and PACD of SRO I must be changed as indicated above.

The SRO I Project currently has an authorized level of funding of \$8,621,000, with obligations of \$8,494,000 for subprojects 1-12, as shown in the respective authorization document. The difference of \$127,000 represents the amount recently deobligated from Subproject 2. The presently authorized amount of \$8,621,000 for SRO I is being increased to \$10,193,000 as a result of reducing the authorized amount for Subproject 2 from \$422,000 to \$295,000, and adding \$1,699,000 for a 13th subproject (ACOSCA II).

AFR received a grant application that requests A.I.D. to continue assistance to the credit union movement in Africa. The application was received from the African Cooperative Savings and Credit Association (ACOSCA), the ultimate recipient of the assistance and from the World Council of Credit Unions (WOCCU), the international apex credit union organization of which ACOSCA and CUNA are both affiliates. While CUNA is the primary recipient, the actual assistance to ACOSCA under the cooperative agreement will be carried out by WOCCU through current arrangements with CUNA. Through the CUNA/WOCCU relationship, A.I.D. will provide assistance to ACOSCA and through it to the African credit union national apex organizations in accomplishing project objectives.

At its inception in 1969, ACOSCA was comprised of 8 national affiliates throughout Africa. Subsequently, it has grown to include 24 affiliates, representing more than 10,000 individual credit unions with 1.6 million members, involving \$156 million in savings deposits and \$108 million in outstanding loans. A.I.D. has provided \$3.9 million in grant assistance to ACOSCA through CUNA since 1968, with additional arrangements that have included WOCCU since 1981.

The central issue during the ECPR related to the heavy dependence of ACOSCA on A.I.D. and other donor support after 17 years of A.I.D. assistance. Also, the prospects were clear that continued A.I.D. assistance would likely be required for several years beyond the period of this grant. The institutional growth of ACOSCA is slow if compared to that of the Credit Union Organizations of CUNA in the U.S. and COLA in Latin America. In part, this is because institutional development and growth were stunted during 1982-83 due to mismanagement and over-extension of the ACOSCA organizational structure. More basically however, the relatively slower pace of institutional growth for ACOSCA is attributable to special circumstances in Africa. Unlike the U.S. and Latin America, Africa did not have a substantial experience base with labor unions, and other social and fraternal orders in the private sector that have organizational systems and networks similar to that of credit unions. As a result of limited social and economic infrastructures in these areas, the credit union movement in Africa began at a much earlier point on the organizational development curve. To reach maturity will require more time and a longer term investment. Realistically, financial self-sufficiency for ACOSCA may require additional external investment for the next decade. Recent developments and current planning provide encouraging prospects for strengthening and accelerating institutional development in ACOSCA. The organization has established a realistic target of achieving 20% of total budgetary requirements through generated income by the end of the grant.

In 1983 ACOSCA implemented a major reorganization and change of leadership including the reduction of staff from 31 to 16, the closing of three branch offices, and a shift in program direction to a more narrow and manageable focus on training and risk management services. Since this reorganization, ACOSCA has greatly improved its track record as noted in increased dues payments and requests for services by its 24 national affiliates. The grant application builds on recent improvement and includes specific A.I.D. objectives for the grant, developed in response to the ECPR. Prospects appear good that ACOSCA will be able to utilize grant funds to enhance its institutional growth, efficiency and financial management and to provide overall leadership and support for the credit union movement in Africa.

Financial Summary: This project provides direct budgetary support to ACOSCA through CUNA/WOCCU in the amount of \$724,996 for institutional support and \$402,551 for training programs or a total of \$1,127,547 to ACOSCA. The remaining amount of \$571,110 consists of \$481,110 in technical assistance and \$90,000 in evaluation/baseline study services to be performed by WOCCU for ACOSCA. The AID project budget summary and first year funding is as follows:

<u>Line Items</u>	<u>FY 85</u> <u>(\$000's)</u>	<u>LOP</u> <u>(\$000's)</u>
Institutional Support	265	725
Training Program	120	403
Technical Assistance	164	481
Evaluation/Baseline Study	25	90
TOTAL	574	1,699

Selection of CUNA as Assistance Recipient: Section 13.2e(3) of Handbook 13 provides for applications invited from a single entity which the technical office deems unique or most appropriate to undertake the proposed effort, and requires specific Assistant Administrator approval when a noncompetitive award of assistance is being considered. AFR/RA deems CUNA to be uniquely qualified to undertake the project. In its capacity of national credit union apex organization, it has the responsibility for providing overall leadership for the entire credit union movement in the U.S. which includes working for favorable legislation and government regulations at the national and state levels, of overseeing and promoting uniform systems of accounting and protection against insolvency, as well as other related functions. These are analogous to ACOSCA's functions in the African context, and provide CUNA with the unique background which the project requires.

Socio-Economic, Technical and Environmental Considerations:

1. State-of-the-art technologies from the U.S. and international credit union entities are adapted for use in Africa. This includes organizational methodology from the local credit union level up through the levels of national apex affiliate organizations, and the ACOSCA regional organization, to the world movement represented in WOCCU. ACOSCA provides long-term leadership to the credit union movement in Africa, and training and technical services that would not be available at this time to national organizations or local credit unions. Also the CUNA/WOCCU relationship and the regional project mechanism in AFR/RA avoids the need for extensive AID/W and field project management.
2. The Bureau Environmental Officer has on Feb. 25, 1985 approved the project for a categorical exclusion from the environmental regulations.
3. The Human Rights Committee has cleared this project for authorization by memo of March 12, 1985.

5

Compliance with FAA Section 123(g): AA/FVA determined on Jan 21, 1985 that CUNA meets Section 123(g) requirements based on supplemental financial statements submitted by WOCCU. Section 611(a) of the FAA: The subproject meets the requirements of section 611(a) of the FAA.

Implementation: The implementation arrangements have been reviewed, and found to be realistic.

Evaluation: The monitoring, assessment, and evaluation arrangements described in the application have been reviewed and found to be acceptable. These arrangements include a baseline survey conducted during the first year, against which progress can be assessed, along with specific A.I.D. objectives included as an annex to the proposal. Progress will be monitored and reported to A.I.D. semi-annually.

Justification to the Congress: A Congressional Notification (CN) was proposed and submitted on March 11, 1985. The 15-day waiting period expired on March 26, 1985 without objections.

Waivers: Waivers may be required to permit the purchase of non-U.S. manufactured office supplies and equipment on an exceptional basis. These will be handled through ad hoc waivers where justified.

Local Cost Financing: While the project authorization includes funding for local cost financing, no disbursements will be made until the programming determinations required by Handbook 1B, Chapter 18 have been executed for the relevant countries.

Audit Recommendations: A March, 1983 audit of SRO - ACOSCA project No. 698-0413.04 concluded that ACOSCA was significantly off schedule and had failed to accomplish several major objectives. However, based upon mid-course corrections made during the 1983 reorganization, the audit recommended that the project should be continued. Also the audit provided specific guidance for possible A.I.D. follow-on assistance. The major elements of the audit guidance have been carried out or included in this project.

Payment Verification: ACOSCA currently has a letter of credit (TFCS/LOC) and the proposed cooperative agreement will be funded by amending it.

Statutory Checklist: The statutory checklist has been completed as attached.

Participant Training: Participant training will be carried out in accordance with the guidelines of Handbook 10, unless otherwise authorized by AFR/RA, after proper clearances.

Gray Amendment: The provisions of the Gray Amendment have been considered. WOCCU itself provides all of the outside technical services required by ACOSCA under the cooperative agreement. Other than the cooperative agreement, no assistance or acquisition is contemplated by A.I.D. However, to the extent feasible WOCCU will be encouraged to use entities covered by the Gray Amendment in carrying out the project.

Conditions Precedent and Covenants: The authorization includes three covenants by CUNA covering: (1) the submittal by ACOSCA/WOCCU to A.I.D., within six months after the obligation of the cooperative agreement, of a draft plan for financial management and income generation of ACOSCA ;(2) the submittal to A.I.D., in form and substance satisfactory to A.I.D., within one year after the obligation of the cooperative agreement, of a final plan for long-range income generation; and (3) the submittal of annual subproject budgets to A.I.D., in form and substance satisfactory to A.I.D.

Recommendations: (A) That you sign (1) the attached project authorization amendment for Support to Regional Organizations (698-0413) to increase the LOP authorized funding level to \$10,193,000, and (2) the attached subproject authorization for ACOSCA II (698-0413.13); (B) That you sign below to extend the SRO PACD to May 31, 1988.

Approved *Al Fore Jr*

Disapproved _____

Date 5/10/85

Attachments:

1. Second Amendment to Project Authorization
2. Subproject Authorization
3. Human Rights Clearance
3. Categorical Exclusion
4. Project Data Sheet/SRO
5. Project Data Sheet/ACOSCA
6. ACOSCA Application
7. Statutory Checklist

Clearances:

AFR/PD/CCWAP:GHazel (draft) _____
AFR/PD:LHausman (draft) _____
AFR/CONT:DFBrown (draft) _____
GC/AFR:BBryant (draft) _____
PPC/PDPR:CRichter (draft) _____
AFR/DP:GCauvin (draft) _____
DAA/AFR:ARLove _____

AFR/RA:FDiamond:mhc:2/28/85:632-9821:3507Y:
Revised AFR/RA:WWhitten:3/8/85:4/24/85 *W*

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D.C. 20503

SECOND AMENDMENT
TO
PROJECT AUTHORIZATION

Name of Entity: Africa Regional
Name of Project: Support to Regional Organizations
Project Number: 698-0413

1. Pursuant to Section 106 of the Foreign Assistance Act of 1961, as amended, the Support to Regional Organizations Project (the "Project") was authorized on April 30, 1981 and amended on March 6, 1984. That authorization is hereby further amended as follows:

a. Paragraph 3 of the authorization is amended to read as follows:

3. I hereby approve an overall project funding level of \$10,193,000 ("Approved Project Funding Level").

b. Paragraph 4 is amended to read as follows:

4. Individual subprojects will be specifically and individually authorized, provided, however, that the total amount of funds obligated under this project shall not exceed the Approved Project Funding Level. As of the date of this amendment, the following levels of obligations are planned:

<u>Subproject</u>	<u>Planned Obligations</u> <u>(in \$000's)</u>
01. Association for the Advancement of Agricultural Science in Africa (AAASA)	90.0
02. Economic Community of the Great Lake Countries (CEPGL)	295.0
03. International Centre of Insect Physiology and Ecology (ICIPE)	1250.0

<u>Subproject</u>	<u>Planned Obligations</u> <u>(in \$000's)</u>
04. African Cooperative Savings and Credit Association (ACOSCA)	2670.0
05. Economic Commission for Africa (ECA)	710.0
07. African Adult Education Association (AAEA)	52.0
08. Economic Community of West African States (ECOWAS)	1070.0
09. Eastern and Southern Africa Management Institute (ESAMI)	500.0
10. Organization for the Management and Development of the Kagera River Basin (KBO)	578.0
11. Gambia River Basin Organization (OMVG)	1029.0
12. Niger River Basin Authority (NBA)	250.0
13. African Cooperative Savings and Credit Association II (ACOSCA II)	<u>1699.0</u>
TOTAL	10193.0

c. Paragraph 6 of the authorization is hereby deleted.

2. Except as otherwise modified herein, the authorization shall remain in force.

5/10/85
Date


Mark Edelman
Assistant Administrator
for Africa

AGENCY FOR INTERNATIONAL DEVELOPMENT PROJECT DATA SHEET	1. TRANSACTION CODE <input type="checkbox"/> A = Add <input type="checkbox"/> C = Change <input type="checkbox"/> D = Delete	Amendment Number _____	DOCUMENT CODE 3
--	--	---------------------------	---------------------------

2. COUNTRY/ENTITY AFRICA REGIONAL	3. PROJECT NUMBER 698-0413 13
---	---

4. BUREAU/OFFICE AFR 06	5. PROJECT TITLE (maximum 40 characters) Support To Regional Organizations (ACOSCA)
--	---

6. PROJECT ASSISTANCE COMPLETION DATE (PACD) MM DD YY 05 31 83	7. ESTIMATED DATE OF OBLIGATION (Under 'B.' below, enter 1, 2, 3, or 4) A. Initial FY 85 B. Quarter <input checked="" type="checkbox"/> C. Final FY 86
---	---

8. COSTS (\$000 OR EQUIVALENT \$1 =)						
A. FUNDING SOURCE	FIRST FY 85			LIFE OF PROJECT		
	B. FX	C. L/C	D. Total	E. FX	F. L/C	G. Total
AID Appropriated Total	263	737	1,000	447	1,252	1,699
(Grant)	(263)	(737)	(1,000)	(447)	(1,252)	(1,699)
(Loan)	()	()	()	()	()	()
Other U.S.						
1. COMA/WOCCU	190	-	190	570	-	570
2.						
Host Country	-	54	54	-	197	197
Other Donor(s)	167	-	167	510	-	510
TOTALS	620	791	1,411	1,527	1,447	2,976

9. SCHEDULE OF AID FUNDING (\$000)									
A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE		D. OBLIGATIONS TO DATE		E. AMOUNT APPROVED THIS ACTION		F. LIFE OF PROJECT	
		1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan	1. Grant	2. Loan
(1) S-T	771	312		-	-	1,600	-	1,600	-
(2)									
(3)									
(4)									
TOTALS						1,600		1,600	

10. SECONDARY TECHNICAL CODES (maximum 7 codes of 3 positions each) 020	11. SECONDARY PURPOSE CODE 220
---	--

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each) A. Code 0000 B. Amount 1,600
--

13. PROJECT PURPOSE (maximum 480 characters)

To strengthen the organizational development of ACOSCA through improving its income generating capability, expanding its training program, and emphasizing increased services to Francophone Africa.

14. SCHEDULED EVALUATIONS Interim MM YY 06 87 Final MM YY	15. SOURCE/ORIGIN OF GOODS AND SERVICES <input checked="" type="checkbox"/> 000 <input type="checkbox"/> 941 <input type="checkbox"/> Local <input type="checkbox"/> Other (Specify)
---	--

16. AMENDMENTS/NATURE OF CHANGE PROPOSED (This is page 1 of a _____ page PP Amendment.)

AFR/CONT: TRattan *[Signature]*

17. APPROVED BY	Signature <i>[Signature]</i> Title Director, AFR/RA	18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION Date Signed MM DD YY 04/15/85 MM DD YY 04/15/85
------------------------	--	--

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C.

SUBPROJECT AUTHORIZATION

Name of Entity: Africa Regional
Name of Project: Support to Regional Organizations
Name of Subproject: Africa Cooperative Savings and Credit Association II
Project Number: 698-0413
Subproject Number: 698-0413.13

1. Pursuant to section 106 of the Foreign Assistance Act of 1961, as amended, I hereby authorize the Africa Cooperative Savings and Credit Association II Subproject for Africa under the Support to Regional Organizations Project, involving planned obligations of not to exceed \$1,699,000 in grant funds over a two-year period from the date of authorization, subject to the availability of funds in accordance with the A.I.D. OYB/allotment process, to help in financing foreign exchange and local currency costs for the subproject. The planned life of the subproject is three years from the date of initial obligation. The financing of local currency costs in any given country under the subproject shall be contingent upon the execution by the responsible A.I.D. officer of the programming determinations required under chapter 18A1c of A.I.D. Handbook 1, Supplement B.

2. The subproject will improve the income-generating capability of the African Cooperative Savings and Credit Association (ACOSCA), expand its training program, enhance its institutional growth, efficiency and financial-management capability, and enable it to provide overall leadership and support for the credit union movement in Africa.

It is expected that the subproject will be accomplished by means of a cooperative agreement with the Credit Union National Association ("CUNA"), which will, in turn, provide support to the World Council of Credit Unions ("WOCCU"), the international affiliate of CUNA, and ACOSCA.

3. The subproject agreement(s) which may be negotiated and executed by the officers to whom such authority is delegated in accordance with A.I.D. regulations and Delegations of Authority shall be subject to the following essential terms and covenants and major conditions, together with such other terms and conditions as A.I.D. may deem appropriate.

a. Source and Origin of Commodities, Nationality of Services.

Except as A.I.D. may otherwise agree in writing,

(1) Commodities financed by A.I.D. under the subproject shall have their source and, except for motor vehicles, their origin in a cooperating country or in the United States.

(2) Motor vehicles financed by A.I.D. under the subproject shall have their origin in the United States.

(3) Except for ocean shipping, the suppliers of commodities or services financed by A.I.D. under the subproject shall have a cooperating country or the United States as their place of nationality.

(4) Ocean shipping financed by A.I.D. under the subproject shall be financed only on flag vessels of the United States.

As used herein, "cooperating country" shall mean a country in which subproject activities take place and for which the programming determinations required by chapter 18Alc of A.I.D. Handbook 1, Supplement B have been executed.

b. Covenants. CUNA shall covenant to

(1) submit to A.I.D., within six months after the obligation of the cooperative agreement, a draft long-term plan for financial management and income-generation of ACOSCA;

(2) submit to A.I.D., in form and substance satisfactory to A.I.D., within one year after the obligation of the cooperative agreement, a final plan for long-range income generation; and

(3) submit annual subproject budgets to A.I.D., in form and substance satisfactory to A.I.D.

Date 5/10/85 Alexander R. Lane for
Mark L. Edelman
Assistant Administrator for Africa

Clearances: As shown on the action memorandum

0919H:03/25/85:GC/AFR:BBRYANT:632-0379

MEMORANDUM

DATE : February 28, 1985
TO : HA/MA, Mr. Fred Ashley
FROM : AFR/RA, Jerry Wood
Telephone Number: 632-8602
SUBJECT: Human Rights Clearance

The following project, to be authorized in AID/W []/ in the field [], is being submitted for clearance by the HR Committee (appropriate materials are attached):

Title : Support for Regional Organizations , ACOSCA II
Number : 698-0413.13
Country : Various*
LOP Amount : \$1,699,000

The above project was []/ was not [x] not one of those reviewed by the Working Group in , 1985.

HA concurrence is requested. If we are not notified within 15 days, we will assume concurrence.

* Benin, Botswana, Burkina Faso, Cameroon, Gambia, Ghana, Ivory Coast, Kenya, Lesotho, Liberia, Malawi, Mauritius, Nigeria, Rwanda, Sierra Leone, Senegal, Seychelles, Swaziland, Togo, Uganda, Zaire, Zambia.

TO : AFR/RA, Jerry Wood
Room No.: 4533NS
FROM : HA/MA,

- Proceed with authorization
 Request hold authorization pending further review

F. C. Ashley
Signature
3 / 12 / 85
Date

cc: PPC/PDPR, Marilyn Zak
Room 3894 NS

AFR/RA:MLS:3149Y

INITIAL ENVIRONMENTAL EXAMINATION

OR

CATEGORICAL EXCLUSION

Project Country: Regional

Project Title: Support for Regional Organizations, ACOSCA II

Funding: FY (s) 1985-87 \$ 1,698,657

IEE Prepared by: AFR/RA, FDimond

Environmental Action Recommended:

Positive Determination _____
Negative Determination _____

Categorical Exclusion:

This activity meets the criteria for Categorical Exclusion in accordance with Section 216.2 (C) and is excluded from further review because:

In accordance with A.I.D. Regulation 16 Section 216.2(c)(1)(i) and Section 216.2(c)(2) (x)
The subject assistance fulfills both the qualifications cited above and is granted a categorical exclusion and is exempt from any further environmental procedures.

Concurrence:
Bureau Environmental Officer

APPROVED Bessie L. Boyd

DISAPPROVED _____

DATE Feb. 25, 1985

Clearance: GC/AFR [Signature] Date 2/28/85

5C(2) PROJECT CHECKLIST

Listed below are statutory criteria applicable to projects. This section is divided into two parts. Part A. includes criteria applicable to all projects. Part B. applies to projects funded from specific sources only:
B.1. applies to all projects funded with Development Assistance loans, and
B.3. applies to projects funded from ESF.

Name of Country/Entity: Africa Regional
Project Title: Support to Regional Organizations SRO-ACOSCA II
Project No: 698-0413.13
Project Officer: AFR/RA, Jerry Wood

CROSS REFERENCES: IS COUNTRY CHECKLIST UP TO DATE? HAS STANDARD ITEM CHECKLIST BEEN REVIEWED FOR THIS PROJECT? Yes

A. GENERAL CRITERIA FOR PROJECT

- 1. FY 1985 Continuing Resolution Sec. 525; FAA Sec. 634A; Sec. 653(b).

(a) Describe how authorizing and appropriations committees of Senate and House have been or will be notified concerning the project; (b) is assistance within (Operational Year Budget) country or international organization allocation reported to Congress (or nor more than \$1 million over that amount)?

(a) The CN for this project was submitted on March 11, 1985 and expired on March 26, 1985.

(b) Yes

- 2. FAA Sec. 611(a)(1). Prior to obligation in excess of \$100,000, will there be (a) engineering, financial or other plans necessary to carry out the assistance and (b) a reasonably firm estimate of the cost to the U.S. of the assistance?

(a) No engineering plans are necessary. The application of WOCCU/ACOSCA includes a detailed financial plan for carrying out the assistance. The covenants included in the Action Memo provide for presentation of a long-term plan for financial management and income generation for AID approval during the first year, as well as annual budgets and reports on income and expenditures.

(b) The financial plan referred to above includes a reasonably firm estimate of the cost to the U.S. of the assistance.

15

3. FAA Sec. 611(a)(2). If further legislative action is required within recipient country, what is basis for reasonable expectation that such action will be completed in time to permit orderly accomplishment of purpose of the assistance?
No legislative action is required within the recipient countries.

4. FAA Sec. 611(b); FY 1985 Continuing Resolution Sec. 501. If for water or water-related land resource construction, has project met the standards and criteria as set forth in the Principles and Standards for Planning Water and Related Land Resources, dated October 25, 1973, or the Water Resources Planning Act (42 U.S.C. 1962, et seq.)? (See AID Handbook 3 for new guidelines.)
N/A

5. FAA Sec. 611(e). If project is capital assistance (e.g., construction), and all U.S. assistance for it will exceed \$1 million, has Mission Director certified and Regional Assistant Administrator taken into consideration the country's capability effectively to maintain and utilize the project?
N/A

6. FAA Sec. 209. Is project susceptible to execution as part of regional or multilateral project? If so, why is project not so executed? Information and conclusion whether assistance will encourage regional development programs.
This is a regional project.

7. FAA Sec. 601(a). Information and conclusions whether projects will encourage efforts of the country to:
- (a) increase the flow of international trade;
 - (b) foster private initiative and competition;
 - (c) encourage development and use of cooperatives, and credit unions, and savings and loan associations;
 - (d) discourage monopolistic practices;
 - (e) improve technical efficiency of industry, agriculture and commerce;
 - (f) strengthen free labor unions.
8. FAA Sec. 601(b). Information and conclusions on how project will encourage U.S. private trade and investment abroad and encourage private U.S. participation in foreign assistance programs (including use of private trade channels and the services of U.S. private enterprise).
9. FAA Sec. 612(b), 636(h); FY 1985 Continuing Resolution Sec. 507. Describe steps taken to assure that, to the maximum extent possible, the country is contributing local currencies to meet the cost of contractual and other services, and foreign currencies owned by the U.S. are utilized in lieu of dollars.
10. FAA Sec. 612(d). Does the U.S. own excess foreign currency of the country and, if so, what arrangements have been made for its release?
- (a) N/A
(b) N/A
(c) Project will encourage development and use of cooperatives and credit unions in developing countries.
(d) N/A
(e) Project will contribute to technical efficiency in industry, agriculture and commerce through training and loan services to low and middle income groups.
(f) N/A
- Effective credit unions enhance the investment climate by encouraging the participation of small private investors.
- Direct project activities are funded jointly by the U.S., ACOSCA and host country credit unions. Participants in each country pay credit union dues that represent a significant proportion of activity costs. Some administrative and activity costs are financed from resources mobilized by ACOSCA. Local currency costs in Ghana and Sudan will be paid by utilizing U.S. owned local currency.
- Yes, in Ghana and Sudan.

11. FAA Sec. 601(e). Will the project utilize competitive selection procedures for the awarding of contracts, except where applicable procurement rules allow otherwise? N/A
12. FY 1985 Continuing Resolution Sec. 522. If assistance is for the production of any commodity for export, is the commodity likely to be in surplus on world markets at the time the resulting productive capacity becomes operative, and is such assistance likely to cause substantial injury to U.S. producers of the same, similar or competing commodity? N/A
13. FAA 118(c) and (d). Does the project comply with the environmental procedures set forth in AID Regulation 16. Does the project or program taken into consideration the problem of the destruction of tropical forests? Yes, categorical exclusion obtained 2/28/85.
14. FAA 121(d). If a Sahel project, has a determination been made that the host government has an adequate system for accounting for and controlling receipt and expenditure of project funds (dollars or local currency generated therefrom)? N/A

15. FY 1985 Continuing Resolution Sec. 536. Is disbursement of the assistance conditioned solely on the basis of the policies of any multilateral institution?

B. FUNDING CRITERIA FOR PROJECT

1. Development Assistance Project Criteria

- a. FAA Sec. 102(b), 111, 113, 281(a). Extent to which activity will (a) effectively involve the poor in development, by extending access to economy at local level, increasing labor-intensive production and the use of appropriate technology, spreading investment out from cities to small towns and rural areas, and insuring wide participation of the poor in the benefits of development on a sustained basis, using the appropriate U.S. institutions; (b) help develop cooperatives, especially by technical assistance, to assist rural and urban poor to help themselves toward better life, and otherwise encourage democratic private and local governmental institutions; (c) support the self-help efforts of developing countries; (d) promote

(a) and (b) The project will promote the development of cooperatives and credit unions in the management of which low and middle income members will participate.

(c) The activities under the project will contribute to self-help efforts of the dozen countries where the program will operate. The existence of the project will encourage popular support of credit unions.

(d) The project will include participation of women in all countries.

- the participation of women in the national economies of developing countries and the improvement of women's status, (e) utilize and encourage regional cooperation by developing countries?
- (e) Regional cooperation will be encouraged through workshops and seminars with regional participation.
- b. FAA Sec. 103, 103A, 104, 105, 106. Does the project fit the criteria for the type of funds (functional account) being used? Yes
- c. FAA Sec. 107. Is emphasis on use of appropriate technology (relatively smaller, cost-saving, labor-using technologies that are generally most appropriate for the small farms, small businesses, and small incomes of the poor)? N/A
- d. FAA Sec. 110(a). Will the recipient country provide at least 25% of the costs of the program, project, or activity with respect to which the assistance is to be furnished (or is the latter cost-sharing requirement being waived for a "relatively least developed country)? N/A
- e. FAA Sec. 110(b). Will grant capital assistance be disbursed for project for more than 3 years? If so, has justification satisfactory to Congress been made, and efforts for other financing, or is the recipient country N/A

"relatively least developed"? (M.O. 1232.1 defined a capital project as "the construction, expansion, equipping or alteration of a physical facility or facilities financed by AID dollar assistance of not less than \$100,000, including related advisory, managerial and training services, and not undertaken as part of a project of a predominantly technical assistance character."

- f. FAA Sec. 122(b). Does the activity give reasonable promise of contributing to the development of economic resources, or to the increase of productive capacities and self-sustaining economic growth?

N/A

- g. FAA Sec. 281(b). Describe extent to which program recognizes the particular needs, desires, and capacities of the people of the country; utilizes the country's intellectual resources to encourage institutional development; and supports civil education and training in skills required for effective participation in governmental processes essential to self-government.

The project supports the strengthening of credit unions (institutional strengthening), which are freely supported by members in which they enjoy democratic participation. The credit unions are assisted through training activities for their leaders, so that they can serve the needs of individual credit unions and their members.

2. Development Assistance Project
Criteria (Loans Only)

- a. FAA Sec. 122(b). Information an conclusion on capacity of the country to repay the loan, at a reasonable rate of interest. N/A
- b. FAA Sec. 620(d). If assistance is for any productive enterprise which will compete with U.S. enterprises, is there an agreement by the recipient country to prevent export to the U.S. of more than 20% of the enterprise's annual production during the life of the loan? N/A

3. Economic Support Fund Project
Criteria

- a. FAA Sec. 531(a). Will this assistance promote economic and political stability? To the extent possible, does it reflect the policy directions of FAA Section 102? N/A
- b. FAA Sec. 531(c). Will assistance under this chapter be used for military, or paramilitary activities? N/A
- c. FAA Sec. 534. Will ESF funds be used to finance the construction of, or the operation or maintenance of, or the supplying of fuel for, a nuclear facility? If so, has the President certified that such use of funds is indispensable to nonproliferation objectives? N/A

- d. FAA Sec. 609. If commodities are to be granted so that sale proceeds will accrue to the recipient country, have Special Account (counterpart) arrangements been made?

N/A

5C(3) - STANDARD ITEM CHECKLIST

Listed below are the statutory items which normally will be covered routinely in those provisions of an assistance agreement dealing with its implementation, or covered in the agreement by imposing limits on certain uses of funds.

These items are arranged under the general headings of (A) Procurement, (B) Construction, and (C) Other Restrictions.

A. Procurement

1. FAA Sec. 602. Are there arrangements to permit U.S. small business to participate equitably in the furnishing of commodities and services financed?
N/A

2. FAA Sec. 604(a). Will all procurement be from the U.S. except as otherwise determined by the President or under delegation from him??
Yes, Commodities financed by the U.S. directly under this project shall have their source and origin in the cooperating countries or in the U.S.

3. FAA Sec. 604(d). If the cooperating country discriminates against marine insurance companies authorized to do business in the U.S., will commodities be insured in the United States against marine risk with such a company?
N/A

24

4. FAA Sec. 604(e); ISDCA of 1980 Sec. 705(a). If offshore procurement of agricultural commodity or product is to be financed, is there provision against such procurement when the domestic price of such commodity is less than parity? (Exception where commodity financed could not reasonably be procured in U.S.) N/A

5. FAA Sec. 604(g). Will construction or engineering services be procured from firms of countries which are direct aid recipients and which are otherwise eligible under Code 941, but which have attained a competitive capability in international markets in one of these areas? Do these countries permit United States firms to compete for construction or engineering services financed from assistance programs of these countries? N/A

6. FAA Sec. 603. Is the shipping excluded from compliance with requirement in section 901(b) of the Merchant Marine Act of 1936, as amended, that at least 50 per centum of the gross tonnage of commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers) financed shall be transported on privately owned U.S. flag commercial vessels to the extent such vessels are available at fair and reasonable rates? No

7. FAA Sec. 621. If technical assistance is financed, will such assistance be furnished by private enterprise on a contract basis to the fullest extent practicable? If the facilities of other Federal agencies will be utilized, are they particularly suitable, not competitive with private enterprise, and made available without undue interference with domestic programs? Technical assistance will be provided by WOCCU from its regular staff, recruited by WOCCU from the private sector.
8. International Air Transportation Fair Competitive Practices Act, 1974. If air transportation of persons or property is financed on grant basis, will U.S. carriers be used to the extent such service is available? Yes
9. FY 1985 Continuing Resolution Sec. 504. If the U.S. Government is a party to a contract for procurement, does the contract contain a provision authorizing termination of such contract for the convenience of the United States? N/A.

B. Construction

1. FAA Sec. 601(d). If capital (e.g., construction) project, will U.S. engineering and professional services be used? N/A
2. FAA Sec. 611(c). If contracts for construction are to be financed, will they be let on a competitive basis to maximum extent practicable? N/A

3. FAA Sec. 62C(k). If for construction of productive enterprise, will aggregate value of assistance to be furnished by the U.S. not exceed \$100 million (except for productive enterprises in Egypt that were described in the CP)? N/A

C. Other Restrictions

1. FAA Sec. 122(b). If development loan, is interest rate at least 2% per annum during grace period and at least 3% per annum thereafter? N/A
2. FAA Sec. 301(d). If fund is established solely by U.S. contributions and administered by an international organization, does Comptroller General have audit rights? N/A
3. FAA Sec. 620(h). Do arrangements exist to insure that United States foreign aid is not used in a manner which, contrary to the best interests of the United States, promotes or assists the foreign aid projects or activities of the Communist-bloc countries? Yes
4. Will arrangements preclude use of financing:
- a. FAA Sec. 104(f); FY 1985 Continuing Resolution Sec. 527. (1) To pay for performance of abortions as a method of family planning or to motivate or coerce persons to practice Yes

abortions; (2) to pay for performance of involuntary sterilization as method of family planning, or to coerce or provide financial incentive to any person to undergo sterilization; (3) to pay for any biomedical research which relates, in whole or part, to methods or the performance of abortions or involuntary sterilizations as a means of family planning; (4) to lobby for abortion?

- b. FAA Sec. 620(g). To compensate owners for expropriated nationalized property? Yes

- c. FAA Sec. 660. To provide training or advice or provide any financial support for police, prisons, or other law enforcement forces, except for narcotics programs? Yes

- d. FAA Sec. 662. For CIA activities? Yes

- e. FAA Sec. 636(i). For purchase, sale, long-term lease, exchange or guaranty of the sale of motor vehicles manufactured outside U.S., unless a waiver is obtained? Yes

- f. FY 1985 Continuing Resolution, Sec. 503. To pay pensions, annuities, retirement pay, or adjusted service compensation for military personnel? Yes

28

- g. FY 1985 Continuing Resolution, Sec. 505. Yes
To pay U.N. assessments, arrearages or dues?
- h. FY 1985 Continuing Resolution, Sec. 506. Yes
To carry out provisions of FAA section 209(d) (Transfer of FAA funds to multilateral organizations for lending)?
- i. FY 1985 Continuing Resolution, Sec. 510. Yes
To finance the export of nuclear equipment, fuel, or technology or to train foreign nationals in nuclear fields?
- j. FY 1985 Continuing Resolution, Sec. 511. No
Will assistance be provided for the purpose of aiding the efforts of the government of such country to repress the legitimate rights of the population of such country contrary to the Universal Declaration of Human Rights?
- k. FY 1985 Continuing Resolution, Sec. 516. Yes
To be used for publicity or propaganda purposes within U.S. not authorized by Congress?

AID 1350-1 (10-79)	UNITED STATES INTERNATIONAL DEVELOPMENT COOPERATION AGENCY AGENCY FOR INTERNATIONAL DEVELOPMENT	1. Cooperating Country Africa Regional	Page 1 of 3 Pages
		2. PIO/T No. 698-0413.13-3-5614603	3. <input checked="" type="checkbox"/> Original or Amendment No. _____
PIO/T	PROJECT IMPLEMENTATION ORDER/TECHNICAL SERVICES	4. Project/Activity No. and Title 698-0413.13 Support to Regional Organizations - ACOSC	

DISTRIBUTION	5. Appropriation Symbol 72-1151021.6		6. Allotment Symbol and Charge GDAA-85-31698-DG12/ 546-61-698-00-69-51	
	7. Obligation Status <input checked="" type="checkbox"/> Administrative Reservation <input type="checkbox"/> Implementing Document		8. Project Assistance Completion Date (Mo., Day, Yr.) 5/31/88	
	9. Authorized Agent: CM/ROD/AFR		10. This PIO/T is in full conformance with PRO/AG N/A Date _____	
	11a. Type of Action and Governing AID Handbook <input type="checkbox"/> AID Contract (HE 14) <input type="checkbox"/> PASA/RSSA (HE 12) <input type="checkbox"/> AID Grant (HB 13) <input checked="" type="checkbox"/> Other Cooperative Agreement		11b. Contract/Grant/PASA/RSSA Reference Number (if this is an Amendment) N/A	

12. Estimated Financing (A detailed budget in support of column (2) is attached as attachment no. VI)

Maximum AID Financing	A. Dollars	(1) Previous Year	(2) Increase	(3) Decrease	(4) Total to Date
				--	1,000,000.
	B. U.S.-Owned Local Currency				

13. Mission References

14a. Instructions to Authorized Agent
Prepare a new cooperative agreement in the amount of \$1,698,657 with Credit Union National Association (CUNA) to provide funding for activities to be implemented by the World Council of Credit Unions (WOCCO), on behalf of the Africa Cooperative Services and Credit Association (ACOSCA), the ultimate recipient, from June 1, 1985 through May 31, 1988.

Project approval documents, the WOCCU/ACOSCA proposal, AID objectives for the grant, budget and other background documents are attached.

14b. Address of Voucher Paying Office
AID/W AFR/RA:JWood

15. Clearances—Include type, name, office symbol, telephone number and date for all clearances.

A. The project officer certifies that the specifications in the statement of work are technically accurate AFR/RA, JWood <i>JWood</i>	Phone No. 632-8602	B. The statement of work lies within the purview of the initiating and approved agency programs AFR/RA, WSherwin <i>WSherwin</i>	Date 4/18/85	Date 4/26/85
C. AFR/RA, WWhitter <i>WWhitter</i> AFR/RA, FDimond <i>FDimond</i>	Date 4/18/85	D. Funds for the services requested are available <i>R. Hemphill</i>	Date 4/18/85	Date 5/10/85
E. AFR/DP, GCauvin <i>GCauvin</i> AFR/PD, TLee <i>TLee</i>	Date 4-25-85	AFR/RA, MSebsibe <i>MSebsibe</i> FM/PAD, GStoddard <i>GStoddard</i>		

16. For the cooperating country: The terms and conditions set forth herein are hereby agreed to

17. For the Agency for International Development

Signature _____ Date _____
Signature *William H. Naylor, Jr.* Date *5/10/85*
Title Director, AFR/RA

720

AID :350-1
(10-79)

1. Cooperating Country
Africa Regional

2. PIO/T No.

698-0413.13-3-5614603

Page 2 of 3 Pages

PIO/T

4. Project/Activity No. and Title
698-0413.13

Support to Regional Organization - ACOSCA

SCOPE OF WORK

18. THE SCOPE OF TECHNICAL SERVICES REQUIRED FOR THIS PROJECT ARE DESCRIBED IN ATTACHMENT NUMBER B
HERETO ENTITLED "STATEMENT OF WORK". And pages 1-7 of Attachment A

19. SPECIAL PROVISIONS

- A. LANGUAGE REQUIREMENTS (SPECIFY) French (as appropriate)
(IF MARKED, TESTING MUST BE ACCOMPLISHED BY AID TO ASSURE DESIRED LEVEL OF PROFICIENCY)
- B. ACCESS TO CLASSIFIED INFORMATION WILL WILL NOT BE REQUIRED BY TECHNICIAN(S).
- C. DUTY POST(S) AND DURATION OF TECHNICIANS' SERVICES AT POST(S) (MONTHS) To be determined mutually by cooperating parties. (See Attachment B Statement of Work)
- D. DEPENDENTS WILL WILL NOT BE PERMITTED TO ACCOMPANY TECHNICIAN.
- E. WAIVER(S) HAVE BEEN APPROVED TO ALLOW THE PURCHASE OF THE FOLLOWING ITEM(S) (COPY OF APPROVED WAIVER IS ATTACHED)
In accordance with standard AID procedures.
Waivers will be handled on an ad hoc basis
- F. COOPERATING COUNTRY ACCEPTANCE OF THIS PROJECT (APPLICABLE TO AID/W PROJECTS ONLY)
 HAS BEEN OBTAINED HAS NOT BEEN OBTAINED
 IS NOT APPLICABLE TO SERVICES REQUIRED BY PIO/T

G. OTHER (SPECIFY)

Within the total funds obligated, the grantee is authorized to increase or decrease funding by 20% for any yearly line item without the approval of AID. Changes of funding levels of more than 20% will require approval of AID. All such adjustments must be made within approved annual budget levels.

20. BACKGROUND INFORMATION (ADDITIONAL INFORMATION USEFUL TO AUTHORIZED AGENT)

The WOCCU Proposal dated October 29, 1984 is provided as attachment A and is hereby included by reference as a part of this PIO/T. Hereafter, it is referred to as the application. Should there be differences between the terms and conditions of this PIO/T and the WOCCU application, this PIO/T prevails.

21. SUMMARY OF ATTACHMENTS ACCOMPANY THE PIO/T (INDICATE ATTACHMENT NUMBER IN BLANK)

- Att A DETAILED BUDGET IN SUPPORT OF INCREASED FUNDING (BLOCK 12)
PP106-1i2
- N/A EVALUATION CRITERIA FOR COMPETITIVE PROCUREMENT (BLOCK 14)
- N/A JUSTIFICATION FOR NON-COMPETITIVE PROCUREMENT (BLOCK 14)
- Att B STATEMENT OF WORK (BLOCK 18)
- N/A WAIVER(S) (BLOCK 19) (SPECIFY NUMBER) See provision above.
- Att C AID Objectives for the Grant

AID 1350-1 (10-79)	1. Cooperating Country Africa Regional	2. PIO/T No. 698-0413.13-3-5614603	Page 3 of 3 Pages
PIO/T	4. Project/Activity No. and Title 698-0413.13 Support to Regional Organizations - ACOSCA		

22. Relationship of Contractor or Participating Agency to Cooperating Country and to AID

A. Relationships and Responsibilities AFR/RA has designated a project officer who has reviewed the plans and budgets attached hereto and will monitor WOCCU's overall implementation, participate in an annual review of project results, and coordinate trilateral evaluations (WOCCU, ACOSCA, AID). These functions are carried out under the general policy guidance of the Director, AFR/RA.

B. Cooperating Country Liaison Official

The ranking credit union organization leadership in each country as appropriate.

C. AID Liaison Officials REDSO/E will designate an AID liaison officer to serve on the Project Advisory Committee and maintain communication with ACOSCA. The overall project liaison responsibility is described in Section A above. At field level, each mission will be requested to designate a cognizant officer who will assist on field-related monitoring requirements, which should be minimal.

LOGISTIC SUPPORT

23. Provisions for Logistic Support

A. Specific Items (Insert "X" in applicable column at right. If entry needs qualification, insert asterisk and explain below in C. "Comments")

	IN KIND SUPPLIED BY		FROM LOCAL CURRENCY SUPPLIED BY		TO BE PROVIDED OR ARRANGED BY SUPPLIER *
	AID	COOPERATING COUNTRY	AID	COOPERATING COUNTRY	
(1) Office Space					X
(2) Office Equipment					X
(3) Housing and Utilities					X
(4) Furniture					X
(5) Household Equipment (Stoves, Refrig., etc.)					X
(6) Transportation in Cooperating Country					X
(7) Transportation To and From Country					X
(8) Interpreter Services/Secretarial					X
(9) Medical Facilities					X
(10) Vehicles (official)					X
(11) Travel Arrangements/Tickets					X
(12)					
(13)					
(14)					
(15)					

OTHER SPECIFY:

B. Additional Facilities Available From Other Sources

APO/FPO

PX

COMMISSARY

OTHER (Specify, e.g., duty free entry, tax exemption)

* This is the responsibility of WOCCU and ACOSCA, with cooperation by ACOSCA's affiliated organizations in country situations.

SUPPORT TO REGIONAL ORGANIZATIONS - ACOSCA

COOPERATIVE DEVELOPMENT ORGANIZATIONS (CDO's)
NAMES AND LOCATIONS: African Cooperative Savings and
Credit Association
Box 43278
Nairobi, KENYA
c/o Executive Secretary, ACOSCA

World Council of Credit Unions
P.O. Box 391
Madison, WI 53703 USA
c/o Director, Technical/Developmental
Services, WOCCU
(608) 231-7130

DATE OF SUBMISSION TO AID: October 29, 1984

DATE OF PROJECT START: January 1, 1985

TOTAL REQUEST: \$1,698,657

Table of Contents

<u>Section</u>	<u>Page</u>
I. PROJECT PURPOSE AND DESCRIPTION	1
A. Project Purposes	2
B. Beneficiaries	2
C. Project Design	3
D. Project Implementation	4
E. End of Project Conditions	6
II. PROJECT BACKGROUND	8
A. Cooperative Savings and Credit Movement in Africa	8
1. Social and Economic Conditions	8
2. National Apex Organizations	11
B. Africa Cooperative Savings and Credit Association (ACOSCA)	25
1. Background	25
2. 1968 - 80 Services	27
3. 1980 - 84 Subagreement	31
4. 1980 - 84 Analysis	33
III. PROJECT OBJECTIVES, SERVICES AND RESULTS	56
A. Proposed Objectives and Services	56
B. Institution Building	57
C. Training	58
D. Risk Management	61
E. Promotion	62
F. ACOSCA/Affiliate Technical Consultancies	64
G. Estimated Impact	65
1. Private Sector Development	65
2. Institutional Development	66
3. Technology Transfer	68
4. Policy Dialogue	69
IV. PROJECT DESIGN AND IMPLEMENTATION	72
A. Responsibilities of Organizations Involved	72
1. ACOSCA	72
2. CUNA	73
3. WOCCU	74
4. KAF	75
5. CUNA Mutual International	75
6. AID	75

<u>Section</u>	<u>Page</u>
B. Implementation Schedule	76
C. Project Monitoring and Evaluation	78
1. Monitoring	78
2. Evaluation	79
3. Base Line Data Survey	81

Tables and Charts

Table 1: ACOSCA Membership Profile, December 31, 1983	14
Table 2: Affiliates' Funding Partners	22
Table 3: Distribution List of ACOSCA Manuals	49
Table 4: Affiliate Participation in Training 1980-84	50
Table 5: Training Participants, June 1980-December 1984	51
Chart 1: Membership Growth, 1970-1980	15
Chart 2: ACOSCA Organization Chart, January 1983	39
Chart 3: 1985-87 ACOSCA Organization Chart	40

Appendices

<u>Appendix No.</u>	<u>Page</u>
I. Sub-Recipient (ACOSCA) Budget 1985-87	84
I-A Projected Income	85
I-B Projected Expenditures	86
I-B(1) Staff/Salaries and Benefits	87
I-B(2) Positions for Funding Under Proposed Project	88
I-C Training Budget	89
I-C(!) Training Budget Breakdown	90
II. Training Participant Feedback	91
III. Affiliate Master Lesson Plans	94
IV. Logical Framework	95
V. Project Implementation Schedule	103
VI. AID-Financed Project Budget Summary	106
VI-A ACOSCA Institutional Support	107
VI-B ACOSCA Training Program	108
VI-C WOCCU Technical Assistance to ACOSCA	109

<u>Appendix No.</u>	<u>age</u>
VII. Institutional Support Budget	110
VII-B Financing	111
VIII. Resident Advisor's Job Description	113
IX. Private and Voluntary Organization Experience	117
X. Training Strategy Lesson Plan	121

I. PROJECT PURPOSE AND DESCRIPTION

The project proposed in this document represents a continuation of those efforts financed by AID and assisted by the World Council of Credit Unions which have been successful in beginning a permanent institution building process for the Africa Cooperative Savings and Credit Association and its affiliates. The present project has shown positive results in the areas of organizational development and training and it is proposed herein that activities in these areas be furthered in order that a solid foundation be established from which ACOSCA may viably serve its national affiliates. The 1983 AID/WOCCU Evaluation of this ACOSCA project determined that "training is, by far, the most successful of ACOSCA's present activities". This three year proposed follow-on project will continue to support training activities, based on the belief that as a co-operative organization ACOSCA's future is dependent upon the ability of its membership to eventually support such a service-oriented organization. The adopted training strategy will also continue, whereby staff of each national affiliate are trained to codify existing functional systems into manuals and, in turn, return to their respective affiliates where these manuals are utilized to train credit union members and local credit union staff. Therefore, the eventual beneficiaries of this project will be all credit union members of ACOSCA's affiliates.

In addition to training, this project will also support ACOSCA's own institution building process, its loan protection and life savings insurance program, and its promotion efforts in up to five countries which have not, as yet, organized national organizations and affiliated to the Pan-African

organization. Technical assistance, while continuing in the training area, will also concentrate on financial management and planning in order that a realistic defined self-sufficiency strategy be developed and adopted by ACOSCA before the end of the project period.

A. Project Purposes

As a logical sequence to the successes of the present project, the project purposes of this phase are as follows:

- 1 Further development of the regional credit union association (ACOSCA) which is increasingly self-sufficient and better able to provide necessary services to affiliated national movements by means of sound organizational development, appropriate training which has an identifiable multiplier effect upon national movements, and expansion of the risk management program.
2. Initial promotion and development of up to five new national credit union movements. These efforts will be assisted by national affiliate staff who have demonstrated exceptional skills as a result of ACOSCA's trainings.

B. Beneficiaries

While the proposed project will directly benefit ACOSCA and its national affiliates, the beneficiaries will be the membership of the African credit union movement. This membership is predominantly rural, in the lower and lower-middle income category and will number 1.7 million individuals at the end of the project period. Such membership will benefit from this project in that the training courses offered will result in better services and more uniform practices by the credit unions to which they belong.

C. Project Design

Crucial to the design of a co-operative project is the relationship between such an institution and its members. Simply stated, if a co-operative association is able to provide competent services, confidence in it as a viable organization will increase, resulting directly in increased support by membership. In the case of ACOSCA, competent services must prioritize training of national affiliate staff, in order that the eventual strengthening of primary level societies leads to viability throughout the entire system. Since national and local staff sometimes lack the appropriate skill and experience, a Pan-African co-operative association may best provide such required assistance. In addition, such an association should act as the regional catalyst for the promotion of new national movements, in much the same way as the Credit Union National Association (CUNA) of the United States promoted movements where there were no state leagues from 1934 through the 1970's.

ACOSCA recognizes that it does not possess all of the necessary technical and financial means to provide such services to its members and potential members. It has therefore requested that external assistance be provided for this three year period. During this period, the designed objectives and services will be as follows:

1. Continue to strengthen the organizational development of ACOSCA;
2. Develop a financial management plan and self-sufficiency strategy so that ACOSCA can better support its operations from earned income;

3. Continue such services to affiliates as training, short-term technical assistance, risk management, and promotion;
4. Coordinate diversified donor support in order to ensure continued external assistance while ACOSCA adopts a financial management plan which will lead to eventual self-sufficiency.

Implementation of these design objectives depends on:

1. Provision of a resident advisor for a period of 36 months, who will have primary responsibilities in the financial management and planning function, while providing periodic assistance in the training area.
2. External financial support necessary to fund the operations of ACOSCA, and support the resident technician, as well as consultancy services.

Other than training costs, it is projected that ACOSCA's earned income will cover 21.4% of its operating budget at the end of the third year.

The project proposes donor support for three years as follows:

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Total</u>
Institutional Support	\$265,100	\$197,863	\$262,033	\$ 724,996
Training Budget	120,100	136,896	145,555	402,551
Technical Assistance	153,437	160,930	166,743	481,110
Evaluation/Base-Line Data Collection	<u>25,000</u>	<u>35,000</u>	<u>30,000</u>	<u>90,000</u>
Total	\$563,637	\$530,689	\$604,331	\$1,698,657

D. Project Implementation

Crucial to the implementation of this cooperative savings and credit project is the relationship between ACOSCA and its 24 affiliates as well as other continental and international organizations either serving or having an interest in cooperative savings and credit move-

ment(s). Simply stated, if ACOSCA is able to deliver timely and relevant services, confidence in it as a useful and needed continental apex organization for savings and credit societies will increase. The by-product of being useful and needed by the user/member organizations will be their increased support.

ACOSCA's recognition of being useful and needed by the 24 national movements depends upon its delivery of relevant technical assistance and training programs to national affiliate staff and, as appropriate, to government cooperative representatives. The eventual result of this technical assistance and training to the national affiliate representatives is the financial and managerial strengthening of individual credit unions. In turn, their national movements are also strengthened with the ultimate benefits being received by the national apex organizations for savings and credit societies and ACOSCA.

There are varying levels of skills, knowledges and competencies among both the national and primary society levels. Therefore, ACOSCA as a continental (regional) cooperative association can assume the "expert" role in offering assistance "tailored to" the specific skill needs of the national representatives. By focusing exclusively on cooperative savings and credit needs, ACOSCA can deliver a limited number of technical assistance/training services which cannot be obtained nationally. In addition, ACOSCA's commitment to train a cadre of African technicians in essential movement operations, and then place them, upon request, on short-term consultancies in affiliates or emerging movements, offers two presently unavailable opportunities for providing:

1. African technical assistance, and
2. alternative career growth potentials for national representatives who, by virtue of living in developing countries, have few options for sharpening their skills outside the national movement.

E. End of Project Conditions

The project will result in both qualitative and quantitative changes. Qualitative changes will include increased technical capabilities acquired by national affiliate staff through participation in ACOSCA-sponsored workshops and then demonstration of the technical expertise through on-site training of society officials (multiplier effect) on those skills, knowledges, competences acquired at the ACOSCA level. Further demonstration of the "Train the Trainer/Technical Assistance" approach will be short-term consultancies between ACOSCA member affiliates using affiliate trained personnel considered "specialists" in a particular area and thus qualified to render relevant assistance to neighboring or across continent ACOSCA affiliates.

Although neither complete technical nor financial self-sufficiency will be achieved during the project period, defined and measurable strategies will be developed in each area at the ACOSCA level. Additional financial assistance will be required after this project period, however, the assistance will be on a reduced level. This reduced funding level will be based upon ACOSCA's inauguration of a series of fee generating strategies during the project period. One such strategy will be "Fees for Services" in which ACOSCA will issue,

to all affiliates, a listing of services plus cost that it is able to deliver to affiliates. In addition, the announcement will identify time periods and affiliate/ACOSCA consultancies available in each area. Once an affiliate requests such assistance, an agreement will be signed by the affiliate, ACOSCA and the assigned consultants. The agreement will profile in detail the particulars of the assignment, plus financial arrangements (method of payment of the agreed upon services), time period, monitoring/evaluation mechanisms, and a pre-announced time schedule.

ACOSCA projects that by the end of the project, domestic savings of the primary societies of its 24 affiliates will have exceeded \$200 million, an increase of approximately 25%, total membership will reach 1.7 million, and over 11,000 cooperative savings and credit societies will be affiliated to ACOSCA's continental network.

II. PROJECT BACKGROUND

A. Cooperative Savings and Credit Movement in Africa

1. Social and Economic Conditions

Africa is approximately 11,500,000 square miles. The continent's population is estimated at 470 million. ACOSCA has affiliates based in 24 countries with more than half of the continent's population (289.5 million).

The early flush of victory, of independence that the African nations experienced during the last twenty or so years is giving way to the practical needs of keeping governments/countries "afloat". The once glorious accolades about nation-building, achievements under national development plans, and rates of increases in economic indicators are giving way to modest efforts by governments to gain or retain their levels of social and economic growth recorded during the early years of independence.

"Despite all efforts made by its leaders, Africa still remains the least developed continent", as stated in the Organization of African Unity (OAU) Lagos Plan of Action for Economic Development in Africa 1980-2000. The Plan states further:

"It (Africa) has 20 of the 31 least developed countries in the world. Africa is susceptible to the disastrous effects of natural and endemic diseases of the cruellest type ...

"The structural weaknesses of African agriculture in agricultural globality are well known: low production and productivity and rudimentary agricultural techniques. This situation obviously gives rise to insufficient agricultural growth especially of food production, in the face of rapid growth and has resulted in serious food shortages and malnutrition in the continent.

"The Gross Domestic Production of the (African) countries is only 2.7 per cent of the world's, per capita income averages U.S.\$166.

"In the 20 years from 1960 to 1980 the average annual rate of growth continent wide has been no more than 4.3 per cent, a figure which hides divergent realities ranging from 7 per cent growth rate for the oil exporting countries down to 2.9 per cent for the least developed countries. Yet, if the world economic forecast for the next decade is to be believed, overall poor performance of the African economy over the past 20 years may even be a golden age compared with future growth rate."

Built into the individual national struggles to devise sound social and economic strategies that addressed the problems cited in the OAU Plan is the emergence and growth of the Africa cooperative movement. Many African countries recognized during or soon after independence that the cooperative movement represented a natural vehicle for generating and mobilizing local savings and credit sources to foster self-help and self-reliance among the disadvantaged or poorer sectors of the society.

In most countries, traditional savings societies were operating prior to independence. Following independence, these savings societies, along with the fledging promotion efforts for savings and credit cooperative societies, soon evolved into efforts to convert the former into the latter. Today, there are still savings societies; however, many among their number had been legally recognized during the mid and late 1960s.

The introduction of cooperative savings and credit societies brought a realistic option for the generation and mobilization of local funds and, in turn, the provident and productive lending of these funds to the members of each registered society. The circulation of local funds and the full use of them for needs directly related to the well being of the society member and his or her family started a groundswell of acceptance that, indeed, a structure did exist for uplifting the social and economic well being of significant segments of a country's population.

During the 1960s, efforts to organize cooperative savings and credit societies began in earnest with the assistance of foreign groups as well as Africans. CUNA International (now the World Council of Credit Unions), along with other private groups, played a key role in assisting local groups to organize into cooperative savings and credit societies and to assist such groups in forming national promotion committees, the initial step in forming a registered national (apex) association for the societies.

During the same period, the emerging national promotion committees/national associations began to hold a series of conferences and seminars to explore the possibility of forming an apex organization of savings and credit national associations. The numerous conferences resulted in the formation of the Africa Cooperative Savings and Credit Association (ACOSCA) in 1968.

2. National Apex Organizations

Like their primary societies, the formation of national apex organizations often followed shaky starts in the beginning. However, determination and need by the societies for a national organization to address their interests and concerns provided the foundations necessary to have 8 such registered organizations be the organizers of ACOSCA in 1968. The Savings and Credit Union League of Tanganyika Ltd. (SCULT) now Union of Cooperative Societies, registered in 1961, is recognized as the first credit

union league in Africa. Today, there are 24 nationally registered promotion committees and/or national associations operating in Africa and all are affiliated to ACOSCA.

These national apex organizations vary in structure, size, savings, loans, members, capital base, foreign assistance, size and range of services to affiliates. MACOSCLE (Mauritius) is a two-person (1 manager, 1 secretary) operation serving 41 cooperative savings and credit societies while UCSCU (Uganda) has 35 employees, servicing 569 primary societies.

Structure

The structures of the apex organizations vary from their appendage to government or quasi-government organizations such as SACCDO (Central Bank) of Ethiopia and the Cooperative Bank for Botswana. In other circumstances, the apex organization is an office or an appendage to a national cooperative union such as in Gambia, Swaziland and Tanzania.

The following illustrates the mix of structures of the 24 national apex organizations for savings and credit societies:

- a. Government registered and independent national associations
Cameroon, Ghana, Kenya, Lesotho, Liberia, Malawi, Mauritius, Nigeria, Senegal, Sierra Leone, Togo, Uganda and Zambia.
- b. Apex organizations integrated into national cooperative unions
Gambia, Swaziland and Tanzania.

c. Apex organization either within government or quasi-government structures

Botswana, Ethiopia, Rwanda, Upper Volta, Ivory Coast, Benin and Zaire.

d. Island credit union as the apex organization

Seychelles

Table 1 presents a profile of the African movement today and the chart which follows illustrates the growth rate in membership between 1970 and 1982.

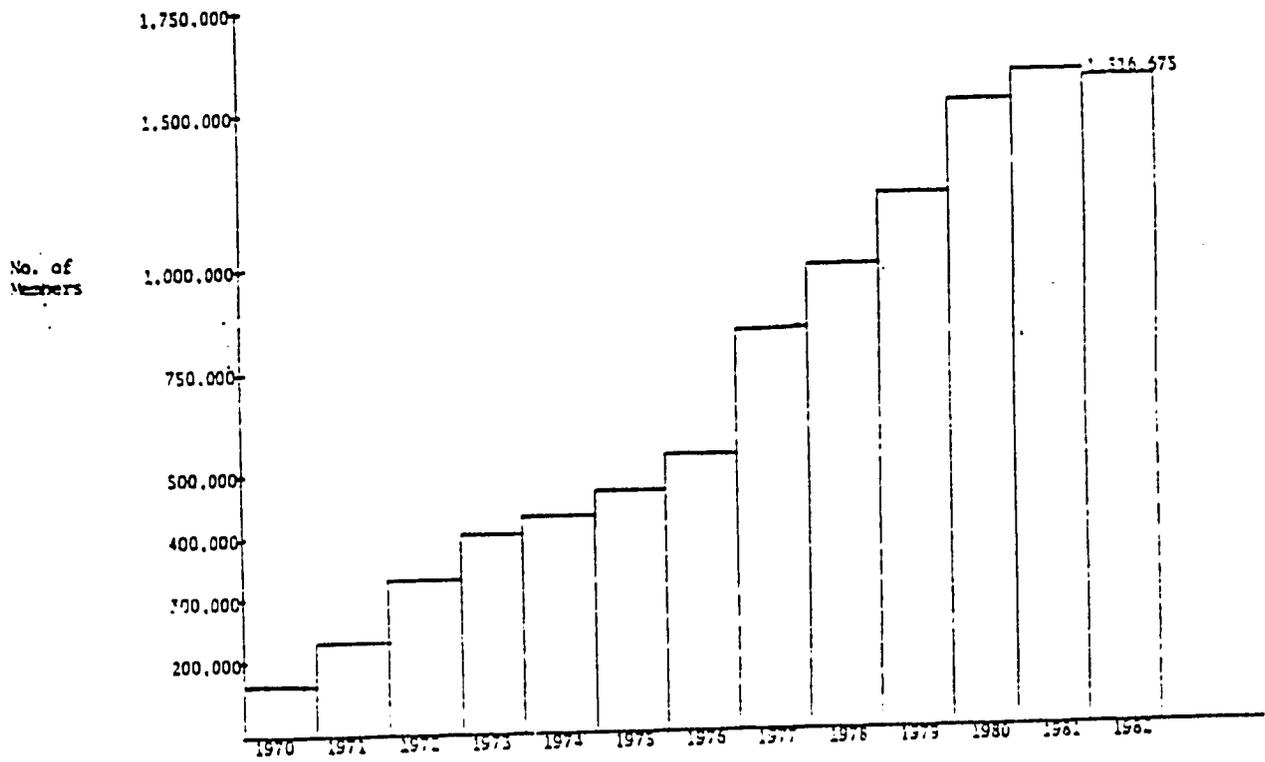
Table 1

ACOSCA Membership Profile
December 31, 1983

AFFILIATE	NUMBER OF CREDIT UNIONS	NUMBER OF MEMBERS	SAVINGS/ DEPOSITS (US\$)	LOANS OUTSTANDING (US \$)
1. BENIN	16	767	17,775	2,315
2. BOTSWANA	22	2,514	103,947	47,572
3. BOURKINA FASSO	31	1,562	150,791	37,820
4. CAMEROON	220	50,042	11,159,356	7,799,474
5. ETHIOPIA	160	27,556	3,672,532	3,969,111
6. GAMBIA	53	2,198	57,864	N/A
7. GHANA	265	52,130	22,146,550	14,315,771
8. IVORY COAST	69	9,004	725,866	468,496
9. KENYA	728	300,000*	38,000,000*	36,000,000*
10. LESOTHO	59	25,588	1,357,428	1,014,437
11. LIBERIA	48	12,000	3,967,180	2,930,000
12. MALAWI	37	11,836	439,633	467,277
13. MAURITIUS	58	13,910	615,510	549,633
14. NIGERIA	6,958	645,541	30,886,535	16,790,896
15. RWANDA	64	60,399	10,644,447	4,609,837
16. SENEGAL	22	2,600	113,000	7,173
17. SEYCHELLES	1	2,031	325,000	382,000
18. SIERRA LEONE	239	21,724	799,930	670,056
19. SWAZILAND	25	1,222	40,626	14,266
20. TANZANIA	450	61,028	11,008,343	10,637,035
21. TOGO	111	10,169	573,792	450,388
22. UGANDA	590	175,200	2,648,327	1,917,100
23. ZAMBIA	79	86,065	9,833,935	1,466,743
24. ZAIRE	188	34,949	7,426,148	4,173,258
TOTALS	10,493	1,610,035	156,140,723	108,720,658

*Estimates

CHART 1



Graph showing Savings and Credit Co-operatives Membership for the period 1970 - 1982

The continental figures illustrate growth often in spite of national problems that would traditionally curtail expansion of financial institutions. There is a phenomenon, however, evident in many African countries that in spite of internal turmoil and ideological changes of governments, cooperative savings and credit societies remain unaffected. In these countries, such societies may not totally implement cooperative principles and may not effectively service their members, yet they provide an alternative savings and credit facility particularly for the rural populations.

For ACOSCA, the 24 national apex organizations provide a continuous challenge, not only in understanding national intent and practices towards them but also in identifying the strengths and weaknesses of each and providing suitable technical assistance/ training and promotion services. As has already been noted, the national apex organizations are ACOSCA's affiliates and its direct service population. In servicing the affiliates, ACOSCA does not concern itself directly with appropriateness of national structures except where procedures and practices within the structures may be inhibiting effective delivery of services to the primary societies. When such procedures and practices are discussed between ACOSCA and its affiliates, it is done within a technical assistance training environment of institution building and primary society servicing.

Services

The national apex organizations vary in size and types of services they provide to their members. Common types of services offered to the primary societies are:

- | | |
|--|--|
| A. Sale of Stationery and Supplies | 21 of 24 affiliates |
| B. Society promotion, study group education, society registration training | all affiliates to varying degrees of effectiveness. |
| C. Primary Societies' Education and Training Program | all affiliates with varying degrees of effectiveness. |
| 1. Member education and training programs | |
| 2. Board/committee/officer training e.g. | |
| Board of Directors/Executive Education | |
| Loan or Credit | |
| Supervisory or Audit | |
| Interlending (central finance) | |
| 3. Treasurer/Bookkeepers' training | |
| 4. Societies' paid employees such as bookkeepers, secretary/manager | |
| D. National Association Training | |
| Board/committees | Management |
| Employees | Department Heads |
| Volunteers, e.g., Peace Corps, Danish, Dutch Volunteers | Technicians |
| | Support Staff |
| | Field Officers |
| Government Cooperative Officers' Training | About half of affiliates provide such training, however more should be done. |

- | | |
|---|--|
| E. Interlending "Credit Union" for Credit Unions | Uganda, Zambia, Cameroon, Ghana, Nigeria* (*operative in state leagues not at NACCUN level). |
| F. Insurance (life savings and loan protection) | Mauritius, Lesotho, Malawi, Kenya, Seychelles, Uganda Liberia, Zambia, Cameroon, Ghana (own national program). |
| G. Supervision, Inspection and Annual Audits of Societies | |

The primary responsibility of the national associations is to ensure that the societies are financially solvent and managerial effective in servicing fully their members. The criteria of ensuring financial solvency and managerial effectiveness become the central focus or duties of the associations' field staff (field officers, auditors or a combination thereof).

The field staff, therefore, provides 3 types of on-site assistance and/or regulatory management in addition to the other duties as listed above.

The three duties are as follows:

Supervision:

- a. Most national associations' field staff complete on-site contacts with the societies within their assigned work areas. The scope of the contacts vary depending upon the structure, level of difficulty/requirements of the internal field support system established by the national association, by the skill level of the individual field officer and by the level of difficulty of problems confronting the field officer within each society.

- b. These contacts are designed, in most instances, to provide one-to-one assistance to the official, volunteer or employee handling the society's operations. The contacts also include attendance at meetings of the society's board of directors, loan, audit and/or education committees.

- c. The routine supervisory contacts represent the cornerstone of continuously monitoring and evaluating the effectiveness of societies' servicing members.

Inspection and Annual Audits:

- i. All national associations' field staff perform some auditing functions. The scope of the audits vary with either their regulatory authorities or with the associations own competencies to perform such procedures.

- ii. Inspections are audits which may vary in scope from the annual audit or be synonymous with it. The names may differ according to definitions in national statutes and, sometimes, as specified in the agreements between the regulatory authority and the national association regarding the delegated annual auditing/inspection responsibilities of the latter.

- iii. Presently CAMCCUL (Cameroon) has the only delegated authority among the 24 affiliates to perform the annual audits of the societies. For most affiliates, the auditing activities are limited to those procedures implemented during supervisory contacts or in response to government's request to follow up on a society, usually resulting from exceptions noted on the government or commercial audit report.

- iv. Other affiliates leave the total auditing function to the regulatory and authorized commercial auditors (cooperative union auditors) as in Kenya and Zambia. In some countries, the annual audits are done by the national association, however, they

are submitted to the government for review, approval and signature before being released to the societies' officials. Finally there are cases where 2 audits are performed on each society. One by government and one by the national association. (The national association feels that the government audit is not adequate, thus the necessity for a second audit.) Unfortunately, there are also national movements who have societies which have neither been audited nor whose books are current.

Small Farmer Production Credit

For most national associations, involvement in such a program has been mixed for a variety of reasons; such as nationally-sponsored schemes which work directly with the farmer and may compete with the savings and credit societies. Presently Cameroon and Lesotho have SFPC programs funded, by either WOCCU with on-site technical assistance/or other donors and Uganda has a pilot SFPC program assisted by Rabobank (the Netherlands).

Liaisons with Cooperative Organization and Government Regulatory Authorities

As with the other service areas, variances occur among the national associations regarding their active involvement/joint programming, problem solving activities with the regulatory authorities, cooperative federations and/or unions and cooperative educational facilities. The reasons for the variances are historical, educational and managerial on all sides. Often, the appointed persons or civil service employees of the regulatory authorities have either no or minimal knowledge about savings and

credit societies. This omission causes problems on a national level as little effort is made by governments to identify the existing factors that are inhibiting the movement's growth or conversely recognizing and assisting savings and credit movements whose growth in many countries is exceeding that of other types of cooperatives.

Foreign Assistance

Over the years, all 24 national associations have received some type of foreign assistance and are still the recipients of often significant amounts of financial and technical assistance. Table 2 partially profiles the organizations presently assisting the affiliates.

Government Cooperative Authorities

The role of government cooperative authorities in the Africa cooperative savings and credit movement is significant both in terms of support or lack thereof.

AFFILIATES' FUNDING PARTNERS
(Partial List)

Table 2

	U.S. C.U. Move- ment	KAF	ILO	ICCO	CDF	SDID	WOCCU	CREDIT MUTUEL	VOCA	RABO- BANK	Volun- tceer Orgns.	CLUSA	Managerial Contracts with NA
Benin													
Botswana		X			X				X				
Cameroon	X	X			X		X				X		
Ethiopia													
Ghana											X		
Ivory Coast						X		X					
Kenya		X									X		X
Lesotho	X						X		X		X		
Liberia		X			X								
Malawi		X					X				X		
Mauritius	X				X								
Nigeria	X												
Rwanda						X		X					X
Sierra Leone		X			X		X						
Senegal													
Seychelles		X			X								
Swaziland	X								X				
Tanzania		X											
Togo							X	X					
Uganda	X								X	X			
Gambia												X	
Upper Volta						X							
Zaire						X							
Zambia		X							X	X			
ACOSCA		X		X		X	X						

Of the 24 national movements, only Kenya and Zambia have specific Ministries of Cooperative Development. For the remaining ministries/departments, there are varying responsibilities, often including agriculture, in addition to cooperatives. In Ethiopia, Tanzania and Rwanda, the government, movement and political party are either one or closely aligned. For Benin, Upper Volta, Senegal, and Zaire, there are, at this point, unclear relationships regarding where the responsibilities of government cooperative authorities end and the movement's responsibilities begin.

As was noted earlier, the mix of "movement" structures vary among the ACOSCA affiliates. However as was also noted previously, ACOSCA's interest is in assisting the national organizations, whatever their structure, to increase their capabilities in delivering technical services to primary societies.

The cooperative authorities vary in their support and understanding of the role savings and credit societies play both within the cooperative sector and nation building. Often, the government support is in direct proportion to the following factors:

1. Initial government support of the cooperative movement.
2. Growth of the cooperative movement, including savings and credit societies, and its impact upon the national economy.
3. Level of recognition of savings and credit societies within the Cooperative Statutes.

4. National priorities which may concentrate on the agricultural sector and industrial sections with little attention to coordinating and stimulating ways of mobilizing local savings.
5. Other interests which may affect government's level of support for savings and credit societies.

During the present project period, ACOSCA has instituted a series of activities to assist the national associations in establishing, in some instances, better lines of communications with the appropriate supervising authorities. These efforts include:

1. Cooperative officers' participation in ACOSCA-sponsored training.
2. Cooperative officers' participation in Exchange Programs.
3. Cooperative commissioners conference in 1982.
4. ACOSCA's membership on the International Cooperative Alliance's (ICA) Eastern Regional Council (comprising cooperative representatives from 9 Eastern and Southern African countries), and attendance at the ICA Ministerial Conference, held in May 1984 in Botswana (comprising ministers of cooperatives of Mauritius, Botswana, Lesotho, Malawi, Swaziland, Zambia, Kenya, Tanzania, Zimbabwe, Uganda and Somalia).
5. Revision of the Cooperative Statute in Liberia to include recognition of credit unions as a result of the LCUNA Manager's attendance at the ACOSCA one-month Management Systems Design Workshop.

During the proposed project, ACOSCA will continue to institute procedures to increase coordination among ACOSCA, government supervisory authorities and national associations.

B. Africa Cooperative Savings and Credit Association (ACOSCA)

1. Background

In the mid-nineteen sixties several interested parties including financial institutions, CUNA International Inc. (now the World Council of Credit Unions), church organizations and some development agencies held a series of conferences to consider methods of stimulating African peoples and their governments in the mobilization of local savings through self-help. At a Nairobi conference in 1968, delegates from eight African countries decided to form a Pan-African organization to promote the formation and effective operations of cooperative units for mobilizing savings among both rural and urban masses.

The Africa Cooperative Savings and Credit Association (ACOSCA) was the name agreed upon for this organization and its headquarters was established in Nairobi, Kenya, in 1969. ACOSCA is registered under the Friendly Societies Act of Kenya as a non-profit organization.

ACOSCA's membership is made up of registered national associations of savings and credit cooperatives (credit unions) and promotion committees for credit unions in independent African countries. ACOSCA's initial affiliates were Cameroon, Ghana, Kenya, Lesotho, Nigeria, Tanzania, Uganda and Zambia.

Today, there are 24 ACOSCA affiliates as shown below:

<u>Eastern Region:</u>	Ethiopia, Uganda, Tanzania, Seychelles, Kenya, Zambia.
<u>Southern Region:</u>	Malawi, Swaziland, Mauritius, Lesotho, Botswana.
<u>Western Region:</u>	
<u>Anglophone:</u>	Nigeria, Gambia, Cameroon, Sierra Leone, Ghana, Liberia.
<u>Francophone:</u>	Rwanda, Upper Volta, Zaire, Benin, Togo, Senegal, Ivory Coast.

ACOSCA operates through a Board of Directors elected by the affiliated national associations at Biennial conferences. The Board runs the affairs of the Association through an Executive Secretary (chief executive officer) under whom other staff work.

Several Agencies have come to the aid of ACOSCA through the intermediation of the World Council of Credit Unions, based in Madison, Wisconsin, U.S.A. to which ACOSCA is affiliated. At the outset, the United States Agency for International Development through the Credit Union National Association, approved funding to support the Head Office and the Southern Regional Training Center in Maseru. Other donors included: the CUNA Mutual

Insurance Society, Misereor, the Dutch Lenten Fund, the Michigan Credit Union League, Rabobank, Bread for the World, Catholic Relief Services and the Konrad Adenauer Foundation.

Governments of the various African countries have also shown keen interest in ACOSCA's work and have been involved in the development of their movements to varying degrees. Not only have they provided the registration facilities for national associations and the primary societies, but governments have also seconded staff, run a host of seminars, and provided supervisors and promoters. Presently government officers are seconded to the national associations in Cameroon, Zambia, Uganda, Nigeria and Sierra Leone.

2. 1968 - 80 Services

The objectives of ACOSCA were established in its bylaws as follows:

- Coordinating the activities of cooperative savings and credit societies of the various African countries and the adjacent islands;
- Assisting in the organization and promotion of cooperative savings and credit societies in all independent African countries and the adjacent islands;
- Assisting such societies in their operational and technical problems by providing services so as to ensure the establishment of successful organizations;
- Assisting in obtaining legal recognition of cooperative savings and credit societies either under existing laws or through the enactment of new legislation;

- Assisting in the establishment of national associations of cooperative savings and credit societies and help them to plan and carry out their programs so as to enable them to attain self-sufficiency in the shortest time possible.

Training was one of the early services that ACOSCA offered. Five centers were established to serve each of ACOSCA's (four) regions. The Nairobi, Kenya Center trained national association and government cooperative department personnel for the Eastern Region. Also, advanced courses organized by ACOSCA were held at the Cooperative College of Kenya, Langata, Nairobi for the Eastern Region representatives. The Maseru Center was based at the Cooperative Extension Center of the University of Lesotho. The center trained participants from the Southern Region affiliates. The Bukavu, Zaire Center served Burundi, Rwanda and Zaire. The center in Bamenda, Cameroon trained personnel from Western Region English speaking affiliates. The Bobo Dioulasso Center catered to the French speaking affiliates of ACOSCA and others in the immediate neighborhood. Courses at these Training Centers started in 1971. The duration of the courses was originally 3 - 6 months of basic credit union training but this was later reduced to about 2 months of advanced credit union management training. Of the approximately 350 graduates who had been trained at the ACOSCA Regional Centers over the 5-year period 1970-75, 82% of these were actively involved in the movement. The majority were employees of the national associations or volunteers and promoters serving the primary societies, while the others were government supervisory staff.

Between 1975-80, the Centers experienced difficulties which resulted in some Centers being closed or rendered either inoperative or ineffective due to loss of staff and/or funding. By the end of 1980, only the Southern Region Training Center (Maseru, Lesotho) was providing any type of training or technical assistance to its designated affiliates. As will be discussed in subsequent sections of this proposal, ACOSCA changed its training approach beginning in 1981.

In 1974 ACOSCA launched a Risk Management Program (life savings and loan protection) to provide security to primary societies and national associations. This program was worked out with the partnership of CUNA Mutual Insurance Society, the world-wide credit union insurance company. The Loan Protection Insurance covers all members for their loans and facilitates liquidation of a loan balance, without loss to the society, on a member's death or disability. Life Savings Insurance provides for benefits equivalent to the eligible savings of a member on his/her death or disability. Subject to contract limitations, this coverage virtually has the advantage of doubling a member's savings if he/she dies or is disabled. Under both contracts, premium rates are usually below what could be obtained in the local insurance market, if the insurers quote at all, and premiums are paid by the societies -- the members do not pay directly. The Risk Management Program is administered from the ACOSCA Head Office. Under the program, the participating national associations earn a commission (4%), as does ACOSCA (6%). The bulk of the premiums

is accumulated to meet recurrent claims and for reserves. The expenses of the ACOSCA Risk Management Department are met by the CUNA Mutual Insurance Society which also guarantees the funding of excess liability of the premium funds accumulated by national associations.

Between 1968-80 ACOSCA effectively represented the African credit union movement at the Pan-African level and abroad. Many contacts were made by ACOSCA on behalf of its affiliates to donor agencies and organizations for financial and other assistance. Direct contacts with the governments helped many interested groups to become recognized as promotion committees and eventually become registered national associations. Appeals from ACOSCA to most governments for help in organizing and promoting smooth, effective operations of the societies in several countries has, in many cases, proved very useful. ACOSCA has continued to be affiliated with the World Council of Credit Unions (WOCCU) from whose moral and financial support, expertise and knowledge, ACOSCA has drawn. ACOSCA's successes have been and are largely due to USAID financing and WOCCU's unflinching support and encouragement. In 1974, ACOSCA itself was given international recognition by the Government of Kenya and an agreement was signed by both parties which continues, in effect and is renewable every 5 years.

During this period, ACOSCA arranged for international seminars, both locally and abroad. More advanced courses, particularly at the Coady International Institute and in West Germany, provided participants with a broad knowledge of the movement. A regular newsletter and promotional materials were produced, as well as general guidelines on several aspects of credit union activities. A bilingual section at the Head Office was established in 1975.

3. 1980 - 84 Subagreement

ACOSCA's formalization of its first five year development plan and its subsequent efforts to implement the plan (1976-1980) met with mixed results. Although the goals were realistic, action-oriented and appropriate (at the time), their implementation required a body of technical skills, knowledges and competences that were either presently unavailable or below standard. Thus the goals as integrated into the 1976-80 Development Plan fell short of the desired results.

It should be noted, however, that although the goals met with mixed results ACOSCA continued to receive substantial amounts of financial assistance from funding partners. In addition, the period saw at least 2 and sometimes 3 resident advisors based at ACOSCA's head office.

Based upon the ACOSCA planning process, the World Council of Credit Unions began a series of consultations and studies during the mid-1970s. The aim of the fieldwork was to jointly prepare a long-term project, funded by AID, that would substantively address some of the plan's goals in addition to implementing an institutional building process within ACOSCA. The joint effort culminated in the signing in early 1980 of a Five-Year AID/WOCCU(CUNA)/ACOSCA Project (1980-84), hereafter referred to as the 'Subagreement'. This Subagreement, to a great extent, took the goals of the ACOSCA Five Year Development Plan and refined them into action-oriented activities.

The Subagreement was divided into three major components:

1. Institutional support for ACOSCA (specifically the Head Office and the Southern Region Office, Maseru, Lesotho). Under this component, the Subagreement supported:

- salaries, benefits, and allowances for (originally) 20 positions, and

- administrative support (communications, stationery, supplies, furniture, equipment, vehicle maintenance, insurance, etc.)

2. Institution Building

The Subagreement described specific actions to be taken in developing ACOSCA as a confederation capable of responding efficiently and effectively to members' needs. In addition, this component also described goals for increasing ACOSCA's self-sufficiency ratios during the life of the project.

3. Education and Training

The third component was the establishment of a continental cooperative savings and credit training program that would comprise an institutional training system at both the ACOSCA and national association levels.

The component initially described the continental system as working through the existing decentralized ACOSCA training systems (Regional training centers). However, a variety of factors impacted upon the deficiency of this approach thereby producing the current training strategy of centralization, comprising:

- a. Systems development,
- b. 'Train the Trainer', and
- c. Developing a cadre of African experts on savings and credit societies, to provide direct training, technical assistance at the national, regional and continental levels.

As stated previously, the Subagreement incorporated some of ACOSCA's stated goals in the belief that a 'total' project approach of institutional building would revitalize the confederation and set a course of substantive actions during the 1980s. Each of the three components is addressed in subsequent parts of this Section.

4. 1980 - 84 Analysis

During the 1980-84 period ACOSCA experienced a series of reversals which had been developing for a long time. The culminative results of institutional and program deficiencies led to a series of near disasters almost resulting in ACOSCA's demise. This Section addresses the factors which led to the near demise and the corrective actions taken. The recovery by ACOSCA speaks to the confederation's new fiber which will become the essence of the proposed project's efforts (1985-87).

In 1980 ACOSCA was experiencing a managerial/board upheaval which lasted all year and was climaxed by the involved participants vacating their positions at the 1980 biennial conference. The conference also elected a new slate of officers and established an interim management committee. The circumstances leading to the upheaval unfortunately began years before. Establishing ACOSCA was, indeed, an excellent step, yet the growth and demands of the confederation was not in concert with the growth and demands of its affiliates. Instead of ACOSCA becoming a confederation truly responsive to the needs of its affiliates, it became by 1980 an "inward" looking organization that spent an inordinate amount of time on internal problems.

Some immediate factors accelerating these organizational difficulties were that no one was really in charge within the Secretariat, financial conditions were shaky and foreign partners were beginning to request more accountability of their resources.

Thus, the implementation of the Subagreement began inauspiciously with a few doubters about the project's ability to mature and reach any of its targeted goals.

During 1980-81 ACOSCA focused on evolving a continental training strategy as the means to begin delivering direct relevant services to the affiliates. Thus, while ACOSCA was

grappling with internal organizational problems, it was also developing a training strategy that was to prove a catalyst for change both within ACOSCA, and between ACOSCA and its affiliates.

Beginning in 1981, ACOSCA's affiliates began questioning their dues payments (the only services being provided were training and risk management). In addition, private discussions of concern between ACOSCA and its funding partners accelerated into public through 1) a donors meeting held in June 1982 in Nairobi and 2) the ACOSCA Biennial Conference in Ibadan, Nigeria in November, 1982. In both circumstances, the funding partners expressed concern about ACOSCA's ability to handle its affairs. Some funding partners were stopping funding by a certain date and other partners threatened funding terminations if ACOSCA did not handle its problems expeditiously and qualitatively.

At the Ibadan meeting a newly elected board of directors heard the voices of both the affiliates and funding partners. Consequently, in February 1983, the ACOSCA board, alternates and senior staff met for one week to embark upon the first in a series of institution building workshops during 1983 to 1) save ACOSCA from liquidation, 2) structure a plan of action and budget that described methods for reducing outstanding debts, collecting dues, streamlining operations, and redirecting resources to delivering relevant

services for its affiliates, 3) monitor results of the plan and modify it accordingly throughout the year, and 4) continue to plan for the future as current conditions improved.

The results of the 1983 institution building process by the ACOSCA board and secretariat produced:

- 1) a confederation reduced in staff from 31 to 16 employees,
- 2) centralized operations into one office (as a result of the closing of 3 regional offices),
- 3) a reduction of its outstanding debts from \$279,363 as of February 1983 to \$105,000 as of May 1984.
- 4) the termination of all functions/services within ACOSCA either not covered by funds and/or not facilitating effectively its 2 prioritized services of affiliate training/technical assistance and risk management. The functional areas and accompanying structures made redundant in February 1983 were central finance and regional offices, with modification in the central administration.
- 5) the reallocation of funds from non-productive areas to the 2 prioritized services which produced a reverse in the ratio of administrative expenses (overhead) to program (productive expenses). In February 1983 the ratio was 60% for administration to 40% for programs. By December 1983, the ratio was 45% for administration and 55% for programs. And,
- 6) a defined strategy for the collection of both current assessed dues and dues in arrears. Methods discussed and being employed include:
 - a) Personal contacts with officials of central banks of those countries where currency regulations prohibit the transfer of hard currency outside of the countries.

- b) Opening of joint accounts with affiliates in those countries where currency restrictions prohibit funds transfer. On an individual basis, ACOSCA works out agreements on how the ACOSCA dues will be used. For example, in some affiliates, the monies are used to pay the expenses of ACOSCA employees while performing either technical assistance and/or training duties in the country. Another example is the affiliate using the dues to pay some of its employees' expenses when attending an ACOSCA course either in-country or outside. (E.g., the affiliates' buying the air tickets of employees approved to attend ACOSCA workshops in Nairobi. It should be noted, however, that buying tickets cannot occur in all affiliates as some governments require the tickets to be bought with foreign currency.)
- c) Requesting affiliates to request assistance from their funding partners for the latter to pay the dues on the affiliates' behalf, with the affiliates reimbursing the funding partner the equivalent amount.

Before February 1983, the following affiliates could not remit dues to ACOSCA because of national currency restrictions: Ghana, Tanzania, Zambia, Mauritius, Cameroon, Sierra Leone. By December 1983, using one or more of the methods described previously, these affiliates had paid their assessed dues.

As the AID Evaluation documented, the drastic actions taken by the ACOSCA policymakers and implementors saved the confederation. The drastic changes, although admittedly painful for the employees made redundant (released), allowed ACOSCA to 'tighten its belt', reduce its outstanding obligations, improve its

credibility among both the affiliates and funding partners, increase service delivery to affiliates and begin to exercise a new role and image on the continent.

Former/Current Organizational Structures

Charts 2 and 3 diagram the ACOSCA organizational structure as of January 1983 and as of February 1983 or following the first Institutional Building Workshop.

The changes in the organizational design represent not only ACOSCA's resolve to reduce its expenses but also a philosophical change on how to deliver services. The original concept of decentralization, as expressed in ACOSCA's Regional Offices and Training Centers offered the traditional structure of an apex organization for savings and credit or other cooperative movements. However, in Africa the traditional structures from other parts of the world may or may not work. For ACOSCA, the decentralized structure did not work for environmental and technological reasons; such as:

- 1) the inability to reach by telephone or telex some of its regional staff caused ACOSCA undue delays in issuing instructions or receiving timely reports.

Chart 2
 ACOSCA ORGANIZATION CHART, JANUARY 1983

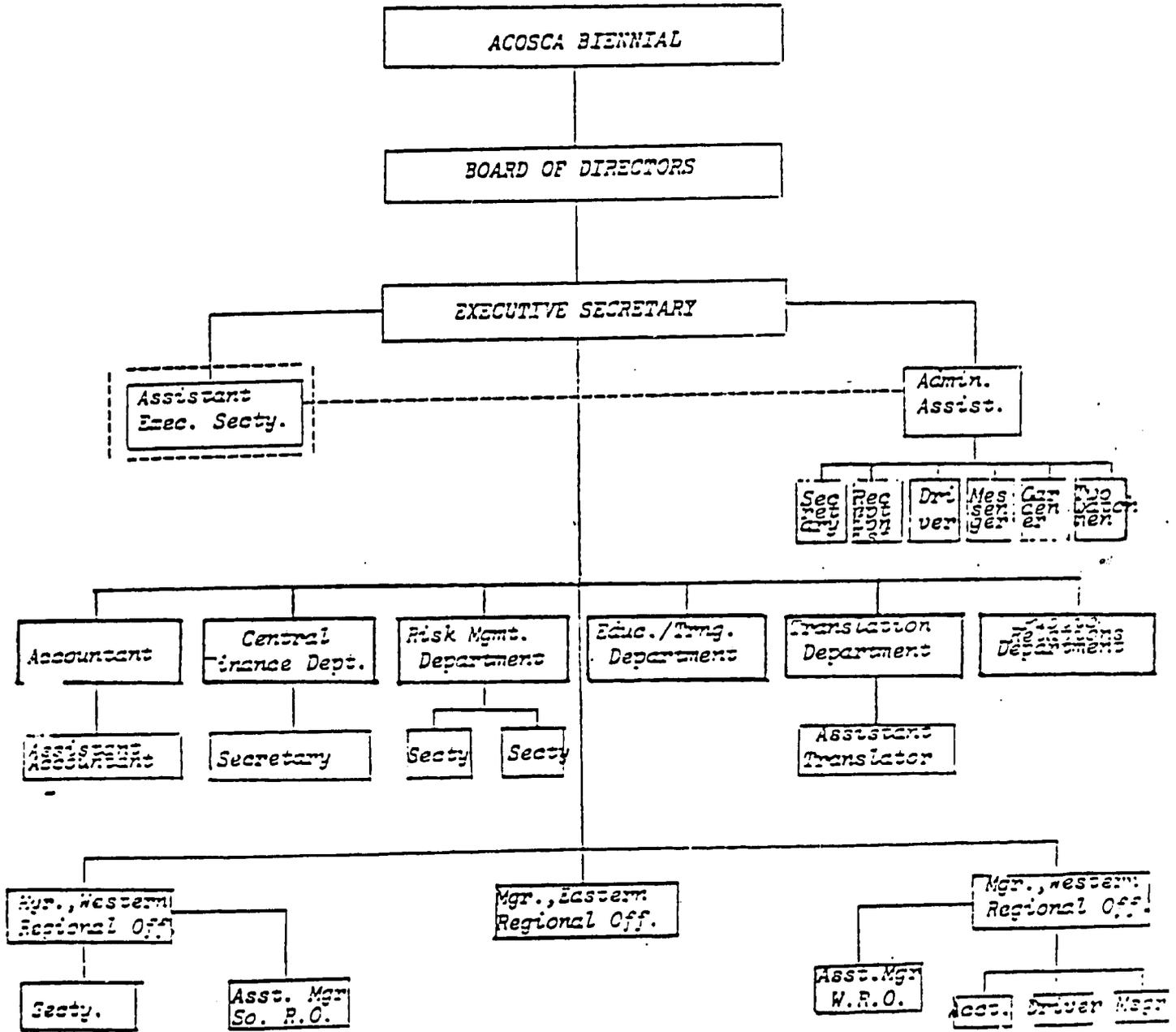
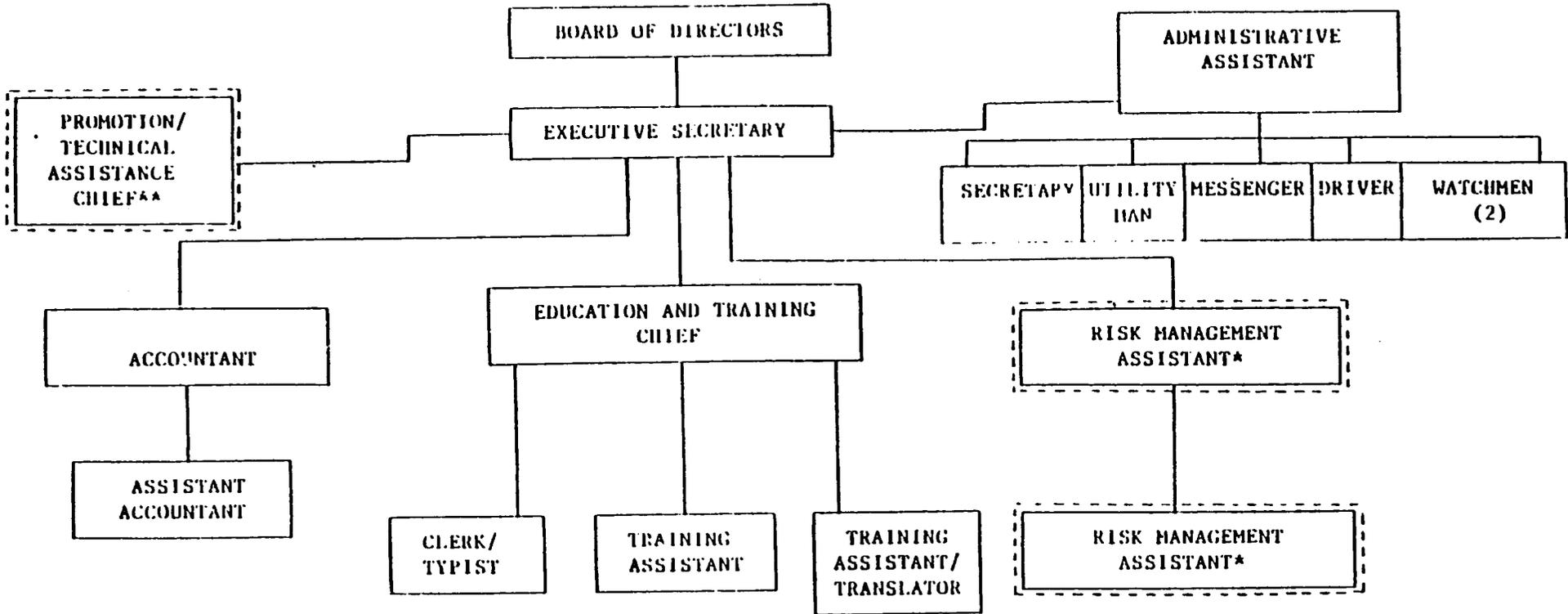


CHART 3

1985 - 1987

ACOSCA ORGANIZATIONAL CHART



* EXISTING POSITION, FUNDED BY CUNA MUTUAL.

** PROJECTED POSITION, TO BE FUNDED BY NEW DONOR AGENCY

- 2) the wide geographical disbursement of the regional staff and lack of communication among them and the head office produced 'a feeling of isolation' among the regional staff.
- 3) ACOSCA head office staff did not have a 'feel of what the regional staff was doing'.

The absence of a centralized planning process and effective management allowed external funding sources to, many times "select what they wanted to fund" without the benefit of interrelating the funding levels and accompanying services to overall ACOSCA needs. This piecemeal pattern of institutional building led to the 1970s/early 1980s organizational chart that illustrates 31 positions, representing seven different funding sources (WOCCU/AID, the Konrad Adenauer Foundation - KAF, the Cooperative Development Foundation - CDF, the Société de Développement International Des-jardins - SDID, CUNA Mutual, Credit Mutuel, and Misereor). Having so many funding sources in and of itself is not bad. However, when multiple funding sources work within an institutional vacuum resources are depleted without reason, rationale or accountability. Consequently, ACOSCA's financial difficulties were greatly accelerated during 1981 and 1982 with the withdrawal of the 5 of the previously listed 8 funding partners. These 5 funding partners supported 14 of the 31 positions. Their withdrawal, coupled with ACOSCA's

own internal difficulties produced a cause/effect relationship, that generated the 1983 Institutional Building Workshops.

ACOSCA's experience with multiple funding sources and the decentralized structure gave way to a centralized structure based upon the organization's assessment of the critical needs of the affiliates, its own capacity to meet any, some or all of the critical needs and the methodology, resources required and time frames of implementation for addressing the prioritized critical needs. Therefore, ACOSCA during 1983 defined its operational objectives in two areas which resulted in the following prioritized services to affiliates:

- 1) Delivery of systems development, technical assistance/training to affiliate personnel.
- 2) Life Savings, Loan Protection and Fidelity Bonding coverages to affiliates through approved insurance agreements with ACOSCA/CUNA Mutual.

ACOSCA's streamlining of its operations to reflect approved changes in direction and prioritized services produced the structure illustrated by Chart 3. Presently, the confederation has 16 positions. Fourteen of the positions are funded under the Subagreement with the balance funded by CUNA Mutual.

In addition to the action cited above the ACOSCA Board of Directors also agreed in February 1983 to advertize and fill the position of Executive Secretary (Managing Director) on a permanent basis. Since December 1980, the position had been filled on an 'acting' basis. The 'acting' reference created or contributed to some of the managerial difficulties covered under the previous discussion. In July 1983, an Executive Secretary was hired on a two-year contract, subject to renewal by the Board of Directors. The Executive Secretary assumed his duties in October 1983. During the first six months of 1984, the Executive Secretary participated in a series of consultations with WOCCU, SDID, CUNA Mutual, CDF, AID/Washington and CIDA (Canadian International Development Agency) representatives in the United States and Canada. He has also visited ACOSCA affiliates in Ethiopia, Uganda, Botswana, Zambia and Togo. In July 1984 he held a three week seminar/meeting with affiliate managers (22 of 24) to discuss issues of mutual importance between ACOSCA and its affiliates.

Technical/Training Services 1980 - 84

As described in the previous section, the technical/training services under the Subagreement are centralized into a series of technical workshops which address

the systems essential to the operations of cooperative savings and credit societies and their apex organizations.

This approach was introduced as a result of the training needs identification and analysis process during 1980-81. The simple fact revealed during the analysis was that significant numbers of primary society and apex officials were, in essence, working in vacuums. At both levels, very few realistic and effective operational systems were in place thus producing fatal flaws in effectiveness and productivity of member services. The omission of operational systems also made the delivery of skill transfer training a moot point as such training can only occur when the base upon which it is designed is in place.

The Subagreement's third component, therefore, shifted from establishing a continental training system to instituting a continental technical assistance/training capability. This change is significant in terms of what is actually needed by affiliates and ACOSCA's evolving expertise to deliver services to its affiliates in an effective, professional and qualitative manner.

From 1981 through 1984, ACOSCA has had a significant impact upon the following operations, functions of its affiliates, as expressed in the completion of 87 technical manuals with all ACO... affiliates producing at least 1 manual and the 14 English speaking affiliates producing 5 manuals each during the 4 year period:

a. National Association Management Movement Operations

i. Legal Review of:

Provisions for the promotion, organization, registration, operations, amalgamations, administrative actions and dissolutions of primary societies.

Board/Committee duties and responsibilities.

Accounting system, required books and records.

Scope and frequency of inspections and audits.

ii. Movement Organizational Structure

Relationships to government cooperative authorities, other cooperative organizations and educational institutions.

iii. Strengths/weaknesses in cooperative statutes with identification of those sections needing revisions.

iv. General administrative systems; such as: communications, correspondence, filing, stationery and supplies, furniture and equipment, transport, international travel, sale of goods, supplies, inventorying, safety, health and security.

- v. Financial Management Systems that include national association accounting system, annual planning, budgeting, and reporting process, interlending, risk management accounting procedures.
- vi. Personnel Management that includes: recruitment, hiring, placement (job descriptions), supervision, annual performance appraisals, salary, benefits and allowances, leave, types of appointments, grievances and appeals, disciplinary measures, performance and conduct.
- vii. Movement Training System that includes: steps in Training Process, Curriculum Design, Delivery, Monitoring and Evaluation of Results, Internal Policies regarding Trainee Notification, Selection Criteria, Venue Selection, Training Delivery, Follow up and Evaluation Mechanisms, Planning and Budgeting, Resource Utilization and Completion of Curriculum Design of a 40 hour training program currently being delivered by the participant.
- viii. National association field services program that includes: job description for field officers, internal procedures for operating field offices/branch offices, types of activities to be completed each time a contact is made with a primary society, methods of reporting them, types of follow ups and corrective actions taken, listing of subjects covered with primary society's board/committee members, paid employees and members.

b. Direct Primary Society Operations

- 1. Credit Union Accounting System(s) based upon: national statutes, policies, practices, procedures and international standards of accounting. Practical Exercise of three months of transactions in a society which includes year-end closings, preparation of financial statements, calculation of dividends, postings to General Ledger Accounts and Individual Ledgers.

- ii. Credit Union Auditing System(s) based upon: national statutes, policies, practices, procedures, and international standards of auditing. Practical exercise of completing the 20 audit steps on a fictitious primary society.
- iii. Credit Union Lending System(s) based upon: national statutes, policies, practices, procedures and international credit practices.

These technical operational areas were delivered through the following one-month Manual Production/Instructor Workshops:

<u>Workshop Titles</u>	<u>No. of Workshops (No. of Participants)</u>	<u>Total No. Person Days</u>
Credit Union Accounting	4 (21*) *7 Francophone	630
Credit Union Auditing	4 (21*) *7 Francophone	630
National Association Management Systems	3 (11)	333
Training Systems	1 (16)	480
Credit Committee/Manual	3 (14)	<u>420</u>
		2,493 person days

*Projected 1984 totals

These workshops plus the other training activities totalled 5,046 person days of training/technical development financed by the AID/WOCCU Subagreement during 1980-84. This component reached its targeted goals just 2 years into this 5 year project. Table 3

profiles the In-Country Distribution List of ACOSCA Manuals. The figures represent the number of copies of each manual produced by ACOSCA before the trainees left the workshops. The exception are the figures shown for Tanzania. KAF is underwriting the costs of the national association's production of each of its manuals. The manuals are being run off by ACOSCA, using its (Subagreement financed) photocopy machine. KAF is reimbursing ACOSCA for the cost of the paper, plus overhead. (The CUNA Foundation, the Michigan and Indiana Credit Union Leagues and the University Federal Credit Union in Texas have played a significant role in printing additional copies of manuals for those affiliates who were unable to do so.)

Table 4 profiles the Affiliates' Participation in ACOSCA Training 1980 - 84 while Table 5 profiles Statistical Data Regarding Total Number of Participants, by Affiliates, Governments, Observers and Official Languages for 1980 - 84.

The indicators of ACOSCA's success with its training/technical assistance are as follows:

- a. National standardization of credit union accounting systems with national association trainers in accounting, capable of teaching accounting to credit union officials, bookkeepers, field officers and cooperative officers on either a one-to-one basis or in formal training sessions.

IN-COUNTRY DISTRIBUTION LIST OF ACOSCA MANUALS

TABLE 3

	MANAGEMENT SYSTEMS MANUALS							
	Accounting Manuals	Auditing Manuals	Training Officers Manual	Organ. Design	Internal Adminis- tration	Perso- nel	Field Servi- ces	Financial Management Central Finance Insurance
Ghana	13	13	20	50	50	50	50	50
Cameroon	6	6	-	-	-	-	-	-
Liberia	13	13	20	33	33	33	33	33
Nigeria	13	13	-	50	50	50	50	50
Sevchelles			20	-	-	-	-	-
Tanzania	201	201	170	165	165	165	165	165
Botswana	13	13	20	25	25	25	25	25
Mauritius	13	13	20	15	15	15	15	15
Ethiopia	-	-	-	10	10	10	10	10
Malawi	13	13	20	15	15	15	15	15
Sierra Leone	13	13	20	15	15	15	15	15
Swaziland	13	13	20	-	-	-	-	-
Zambia	13	13	20	50	50	50	50	50
Kenya	5	13	60 (5) KUSCCO -10 more	-	-	-	-	-
Uganda	13	13	20	50	50	50	50	50
Lesotho	13	13	20	* -	-	-	-	-
Gambia	-	-	20	-	-	-	-	-
Ivory Coast	-	-	-	-	-	-	-	-
Rwanda	-	-	-	-	-	-	-	-
Togo	-	-	-	-	-	-	-	-
Taire	-	-	-	-	-	-	-	-
Upper Volta	-	-	-	-	-	-	-	-
Senegal	-	-	-	-	-	-	-	-
Benin	-	-	-	-	-	-	-	-
WOCCU	15	15	16	9	9	9	9	9
KAF	-	-	16	1	1	1	1	1
ACOSCA	15	15	16	15	15	15	15	15

AFFILIATE PARTICIPATION IN ACOSCA TRAINING 1980 - 1984

TABLE 4

	REGIONAL TRAINING	IN-COUNTRY TRAINING	TRAIN THE TRAINER 1981	AUDITORS' SEMINAR 1981	NA MANAGEMENT'S 1982	CENTRAL FINANCE/RISK MANAGEMENT 1981/82	ACCOUNTING WORKSHOP 1982/83	AUDITORS WORKSHOP 1982/83	MANAGEMENT MANUALS 1983/84	TRAINERS MANUALS 1983	CREDIT COMMITTEE WORKSHOPS 1984	EXCHANGE PROGRAMME	COMMISSIONERS' CONFERENCE 1982	NA MANAGERS' SEMINAR 1984	NA SUPERVISORS 1984
			(2)	(1)	(1)	(1)	(3)	(3)	(3)	(1)	(3)		(1)	(1)	(2)
BENIN			✓				*	*				0		*	
BOTSWANA	✓		✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	
CAMEROON			✓	✓	✓	✓	✓	✓				0		*	
ETHIOPIA	✓		✓	✓	✓				✓		*			*	
GAMBIA										✓				*	
GHANA		✓	✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
IVORY COAST	✓		✓		✓		*	*						*	
KENYA	✓	✓	✓	✓	✓	✓	✓	✓		✓	*	0	✓	*	*
LESOTHO	✓		✓	✓	✓	✓	✓	✓		✓	*		✓	*	*
LIBERIA	✓		✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
MALAWI	✓		✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
MAURITIUS	✓			✓	✓	✓	✓	✓	✓	✓	*			*	*
NIGERIA		✓	✓	✓	✓	✓	✓	✓	✓	✓	*	0		*	*
RWANDA			✓		✓		*	*				0		*	
SENEGAL			✓		✓		*	*						*	
SEICHELLES	✓				✓					✓	*			*	
SIERRA LEONE			✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
SWAZILAND	✓		✓	✓	✓		✓	✓	✓	✓	*			*	*
TANZANIA	✓		✓		✓		✓	✓	✓	✓	*			*	*
TOGO		✓	✓		✓	✓	*	*				0		*	*
UGANDA	✓		✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
UPPER VOLTA			✓											*	
ZAIRE			✓		✓									*	
ZAMBIA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	*		✓	*	*
ZIMBABWE			✓												

✓ Attendance in Continental Training/1 month Workshops
 * Projected 1984 attendance in Continental Training/1 month Workshops

STATISTICAL DATA REGARDING TOTAL NUMBER OF PARTICIPANTS, BY NATIONAL AFFILIATES, GOVERNMENTS AND OBSERVERS, BY OFFICIAL ACOSCA LANGUAGES IN ATTENDANCE AT ALL ACOSCA TRAINING PROGRAMMES, JUNE 1980-DECEMBER 1984

TABLE 5

COUNTRY	TOTAL	NATIONAL AFFILIATE	GOVERNMENT	FRENCH	ENGLISH	BI-LINGUAL
1. Benin	2	1	1	2		
2. Botswana	16	12	4		16	
3. Cameroon	7	7				7
4. Ethiopia	9	5	4		9	
5. Gambia	1		1			1
6. Ghana	67	63	4		67	
7. Ivory Coast	3	3		3		
8. Kenya	95	44	51		95	
9. Lesotho	54	52	2		54	
10. Liberia	9	8	1		9	
11. Malawi	37	34	3		37	
12. Mauritius	36	33	3			36
13. Nigeria	36	31	5		36	
14. Rwanda	7		7	7		
15. Senegal	4	3	1	4		
16. Sierra Leone	9	7	2		9	
17. Seychelles	4	4				4
18. Somalia*	2		2		2	
19. Sudan*						
20. Swaziland	5	1	4		5	
21. Tanzania	8	8			8	
22. Togo	51	48	3	51		
23. Upper Volta	4	3	1	4		
24. Uganda	15	12	3		15	
25. Zaire	1		1	1		
26. Zambia	44	41	3		44	
27. Zimbabwe*	2		2		2	
TOTALS	529	420	108	72	408	48

* OBSERVERS

Production of standardized accounting records and forms that will facilitate collection of relevant data by the national affiliates.

- b. National standardization of credit union auditing systems with national association trainers in auditing capable of teaching auditing to credit union supervisory committee members, board members, field officers and cooperative officers on either a one-to-one basis or in formal training sessions.

Production of standardized records and forms that will facilitate collection of relevant data by national affiliates to use in strengthening the supervisory, inspection and auditing functions of the affiliates and supervising authority.

- c. National standardization of credit union lending systems with national association trainers in lending practices capable of teaching lending to credit union loan committee members board members, societies' members, field officers and cooperative officers on either a one-to-one basis or in formal training sessions.

Production of standardized records and forms that will facilitate receipt of complete data by credit committees regarding the 'creditworthiness' of the loan applicants.

- d. Standardization of national association management systems in the areas of:

- Legal Review
- General Administration
- Financial Management
- Personnel Management
- Movement Training
- Interlending
- Risk Management
- Field Services

These interrelated systems are codified into national association management manuals of operations.

The success of the workshop approach is measured several ways:

- i. At the conclusion of the workshops through unstructured comments.

- ii. Completion of 6 months follow up questionnaires by the workshop participants.
- iii. On site visits by ACOSCA representatives to assess the implementation progress of the systems.

The comments/observations found in Appendix II represent sample responses by the workshop participants, and/or production of materials/lesson plans based on the manuals.

The technical nature of the workshop subjects requires that the completed manuals be approved by the appropriate national supervisory authority and/or organization. As of December 31, 1983, 13 credit union accounting manuals had been approved by such appropriate authorities. Fifteen affiliates have written credit union accounting manuals. These manuals are being used as Master Lesson Plans in conducting accounting/bookkeeping training for primary society officials as illustrated in Appendix III for Liberia and Zambia. Ten of the fifteen auditing manuals completed during 1982/1983 have been approved by the supervisory authorities. All have been either accepted or are in the process of being reviewed by the national affiliates. Auditing training is, in effect, using the same techniques as for the credit union accounting training.

All nine Management Systems Manuals completed during 1983 and early 1984 have been approved, are operational, and staff training is in process, as shown for Zambia and Malawi.

Fifteen training (movement) manuals were completed in early December 1983. Early reports indicate that 8 of the 15 were operational immediately with the 40-hour curriculum contained in each manual put into use upon return by the training officer or field officers.

Using the workshop technique has enabled ACOSCA to produce national movement experts in the relevant subjects at reduced costs in human, financial and time resources; yet, yielding significant, relevant, and immediate results to the involved movements. Additionally, the development of an African cadre of trained technical credit union and national association experts has produced skills needed not only at the national level but also at the ACOSCA level. For example, ACOSCA trained national association representatives have been used as co-trainers in the following ACOSCA workshops:

Credit Union Accounting - February 1983

Train the Trainer Workshop - November 1983

National Association Managers Seminar - July 1984;

and will be used in the accounting and auditing workshops for French-speaking affiliates to be held from September - December 1984.

ACOSCA's training/technical assistance strategy is explained in full in the Lesson Plan delivered in October 1982 at an ACOSCA Commissioners/Registrars Conference. This Lesson Plan can be reviewed in Appendix X.

The philosophy, intent and direction the strategy has taken under the 1980-84 Subagreement will be the same under the proposed project.

III. PROJECT OBJECTIVES, SERVICES AND RESULTS

A. Proposed Objectives and Services

This thirty-six month assistance program will focus on:

1. Institutionalizing ACOSCA further as an organization capable of carrying out all tasks essential to delivering effective and relevant technical services to members and their affiliates; and institute a series of strategies designed to increase operational self-sufficiency to a level of at least 20% by the end of the project period, and 100% within a determined time-frame.
2. Training of national association personnel and policy makers to carry out all those tasks necessary to promote and develop economically strong and service-oriented credit unions/movements.
3. Providing short term technical assistance and training for personnel and leaders of existing movements to enable them to implement all tasks necessary to:
 - a) Increase the membership, growth in share, savings, deposit and loan volume of existing movements; institute regular monitoring and corrective action of societies' books of accounts, regular and effective inspections and audits, delinquency control and financial counselling; interlending and investment strategies,
 - b) Design an effective planning strategy for developing new national credit union movements
4. Providing technical assistance and training for national association board members and personnel, and credit union leaders responsible for members' life savings and loan protection insurance and societies' fidelity bonding coverage in up to seven participating affiliates and planned expansion into three countries during the life of the project.
5. In the training program, national associations will be required to increase their contributions from the present \$50 to \$70 per week.

In addition, ACOSCA will sign a number of short term consultant agreements over the life of the project which will earn income for ACOSCA as well as giving ACOSCA trained-affiliate personnel an opportunity to utilize their skills for the benefit of the African movement.

Institution Building

One of the principal objectives of the present project has been organizational development. The 1983 AID/WOCCU Evaluation of this project found great strides made in this area, from the completion of job task analyses to a revision of ACOSCA's accounting system (which was then codified in manual form by October of that same year).

Especially with respect to the lack of such rudiments prior to the project period these accomplishments are quite laudable. However, there still remains a number of deficiencies in this area, which this proposed three year effort will attempt to address. These will include:

- improvement in the system for collecting, analyzing, and disseminating data on affiliates,
- the development of systems for utilizing such earned income as dues and risk management commissions which are held in accounts in member countries and cannot be transferred to Kenya due to exchange controls, and
- the development of an overall planning and financial management system which would better enable the Board of Directors to prepare complete and coherent annual operating and financial plans and allow the Board to deal with donor agencies on a unified basis.

The last activity actually will encompass the design and implementation of a long-term technical and financial self-sufficiency strategy, which will be monitored by both the Board and donor agencies on a periodic (i.e., at least annually) basis. Such a strategy will take the form of a development plan to be completed by the end of the

project's first year. This plan will provide the basis for monitoring all aspects of organizational development from the ongoing implementation of administrative systems to ACOSCA's increased generation of earned income.

C. Training

Given the limited functional knowledge and experience of many credit union officials, training within the African cooperative savings and credit movement is critical to its longevity. With major assistance from AID and WOCCU, under the present project ACOSCA created an Education and Training Department which has designed and implemented a Train the Trainers approach to develop the managerial and technical competencies of national affiliate staff. This staff, in turn, has the responsibility for training primary society staff and officers in designated systems within their own countries.

As described earlier, this training strategy was developed as a result of a training needs assessment conducted at the beginning of the current project period. The assessment identified the continental absence of defined financial and managerial systems at both the society and national levels. The absence of such essential systems was, of course, identified as a major causal factor in ACOSCA's constrained development, and, as such, remedies would have multiplier effects throughout the continental network.

It is the wish of ACOSCA that this skills transfer training be continued and expanded into other relevant functional areas. During the 1985-87 period, with funding from all sources ACOSCA proposes to conduct 12 workshops per year (of which 5 will be funded through this project, with the remainder to be potentially financed by other donors), using the present Education and Training Department staff, WOCCU technical resources, ACOSCA/WOCCU consultancies and ACOSCA/Affiliate consultancies. This training will be given, not only to movement employees, but also to civil servants whose official capacity involves providing services to savings and credit cooperatives in their respective countries.

The 1985-87 program projects courses in the following areas:

(National Association) Accounting Manual Workshop (French)
Auditing Manual Workshop
Management Systems Design Workshop (French)
Training Management Workshop (French)
Financial Planning Management Workshop
Credit/Loan Committee Workshop (French)
Credit Union Promotion Management Workshop
Credit Union Promoters Workshop
Board of Directors Manual of Operations
Principles of Management Workshop
Accounting Instructor Training
Auditing Instructor Training

Risk Management Quota Share Program

Training of Trainers (Cooperative College Principals)

Training Officer Instructor Workshop

Affiliate Exchange Program

Each of these courses will follow the same format as those already deemed so successful by ACOSCA and its affiliates.

It should be noted here that the training program has already demonstrated excellent examples of inter-agency collaboration. For instance, KAF will continue to sponsor the affiliate exchange program, assist in funding in whole or in part some training programs, and provide funds for ACOSCA/Affiliate consultancies. KAF also contributes substantially to the printing of manuals for those affiliates where they have projects. ICCO (Interchurch Coordination Committee for Development Projects - Netherlands) provides funds for printing training materials and manuals. It is anticipated that a cooperative relationship between the Desjardins International Development Society (SDID) and the World Council would continue in assistance to ACOSCA with training for French-speaking affiliates. Other, unanticipated donors may also provide complementary inputs. In 1983, for example, the CUNA Foundation and the Credit Union Leagues of Indiana and Michigan contributed individual donations of \$7,000 for the printing of auditing manuals for four of the affiliates. Finally, CUNA Mutual International is expected to provide expertise for the workshop concerning risk management.

Although the WOCCU advisor will provide some assistance to the training function, by the end of the project period, ACOSCA will be able to continue its training service to member affiliates, without permanent technical assistance.

D. Risk Management

ACOSCA's Risk Management Department was created in 1973 under an agreement between ACOSCA and the CUNA Mutual Insurance Society. The establishment of this department's service arose out of the need to provide protection to members who saved with and borrowed from their societies. With the introduction of loan protection and life savings insurance coverage, credibility in the national and regional movement has subsequently grown. This insurance coverage has been extended to nine of ACOSCA's twenty-four affiliates through 1983 and new programs are to begin in three more countries in 1984. The number of claims paid during the present project through mid-November 1983 was 2,151. Under the current agreement between ACOSCA and the CUNA Mutual Insurance Society, an agency commission of 6% and 4% of the gross premium income is payable to the national affiliates and ACOSCA respectively. This contributes to the income generation capabilities at both levels. In addition, the program provides an expense allowance for the administration of this insurance coverage through the premiums generated locally.

During this proposed three year project, ACOSCA's risk management program will be extended to three more affiliates (Nigeria, Sierra Leone, and Togo) and program administration will become more decentralized in those countries which have, over time, demonstrated an ability to manage their own contracts. In addition, systems development training workshops will be held for those affiliates participating in this program. The CUNA Mutual Insurance Society has indicated that it will be willing to provide technical assistance to such workshops.

E. Promotion

One of ACOSCA's primary objectives (as stated in its Constitution and By-Laws) is to "promote and organize national cooperative savings and credit organizations in liaison with applicable African governments and interested parties".

Initially, a priority was set in this area, as attested by the fact that 24 national organizations were affiliated to ACOSCA in only 14 years. However, efforts in promoting new movements have been temporarily deemphasized over the past few years, as a result of the 1980 institutional analysis of affiliates which established parameters for the present AID-funded project. This analysis found that the performance of ACOSCA's affiliates and their member credit unions had been, in general, less than adequate, due mainly to:

- the absence of defined financial and managerial systems
- a proliferation of dormant and non-viable societies, and

- a lack of human and financial resources at the national level.

Based on these findings ACOSCA decided to strengthen the capabilities of its affiliates to manage their national movements, by means of a series of one month technical workshops. The first series of workshops in society accounting/auditing will be completed by the end of 1984. Because the next series (management/training/lending) was begun in the latter part of 1983, it is projected to be completed by the end of 1985.

Through these future trainings, as well as the risk management program, ACOSCA is demonstrating its belief that promotion of the credit union movement is an ongoing process. Although ACOSCA will continue technical training activities during 1985-87, since these basic skills will have been imparted at the national and local levels, the needs of potential movements in other countries will once again be addressed.

The promotion program projects a resultant affiliation of five new national movements by the end of 1987. (Several possible target countries are: the Sudan, the Central African Republic, Zimbabwe, Burundi, and Congo-Brazzaville.) In this area, ACOSCA will play the role in which it has been quite successful throughout its existence, that of a continental cooperative development catalyst. Strategies will necessarily vary from country to country. However, either senior ACOSCA staff or national affiliate consultants to ACOSCA will assess promotion needs in those countries which have formally requested promotion assistance and where the potential for growth is the highest.

F. ACOSCA/Affiliate Technical Consultancies

ACOSCA firmly believes that there are specific types of expertise available among its affiliate personnel that should be recognized, developed and used through short-term consultancies in those affiliates requesting such types of assistance.

ACOSCA's present 'Train the Trainer' strategy can now be tested beyond the confines of a 'trainer' only working with his or her own credit union movement. Several of the ACOSCA-trained individuals are capable of providing short-term consultancies either alone or as part of an ACOSCA team with affiliates desiring assistance in a variety of areas. These technical assistance short-term consultancies will be used during the proposed project period as a means to match skills with needs within the ACOSCA family thereby recognizing Africans' abilities to assist Africans. Additionally, ACOSCA would like to begin dialogue with several organizations working with affiliates on becoming the 'contractor' for providing certain services for the affiliates. Through these efforts ACOSCA intends to increase its expertise as a technical service organization, capable of delivering certain services expertly to affiliates. ACOSCA foresees this as an initial step towards its eventually playing the role of coordinator of bilateral assistance to its affiliates.

G. Estimated Impact

1. Private Sector Development

ACOSCA is a private institution developed through private initiative to provide financial savings and credit services to the private sector in Africa.

The vast majority of people in Africa are employed by the private sector, be it in indigenous, small scale enterprises such as farming or small business, or medium scale operations such as manufacturing, agricultural marketing and credit co-operatives, mining, etc. The long term goal of ACOSCA is to increase the productivity and income of this population through credit union development. This goal is to be achieved through the mobilization of relatively small amounts of privately-owned domestic savings and making these funds available for predominately rural investment in order to stimulate income generation activities for individuals. Such investments are especially crucial in those areas where other financial institutions may not be accessible.

The ultimate impact of the proposed project is on private sector development in affiliated African countries. This will be achieved through the promotion of a continental co-operative savings and credit network owned and operated by Africans - at the regional, national, and local levels.

2. Institutional Development

This proposed project is the result of institution building workshops held in 1983 with ACOSCA's elected Board of Directors. Through these workshops, the African credit union movement's representatives identified and prioritized those objectives to be achieved by their regional association over the next few years, in order that member needs be best addressed by a stable organization.

The thrust of activities by ACOSCA over the last few years has been to improve the ability of national affiliates to better serve their member credit unions and individual owners. This logical strategy is based on the fact that the entire continental network interacts in much the same way as links in a chain, each dependent on the other. Such a relationship can be termed very appropriate to its environment, since it has quite obviously become "accepted", as evidenced by the more than 1.5 million voluntary members affiliated throughout 24 countries to an institution in existence for only 14 years.

As a private sector institution, the credit union network must, by definition, be adaptable to any environmental fluctuations. Since most of these may be affected by expressions of users needs, such implied changes are almost automatic - the users are also the member owners. Periodic analyses of ACOSCA's functional environment by its Board through biannual workshops will guarantee any such timely adjustments.

ACOSCA has, since February 1983, wisely measured its own institutional capacity to render needed services to its member organizations, especially vis-a-vis its access to resources. These assessments have resulted in a continuing policy of focusing on doing a few things well, rather than attempting to render all requested services to all members. The response to this strategy has been quite favorable from affiliates, as evidenced by their contributions to ACOSCA's education fund and attempts to collaboratively devise, with ACOSCA, creative ways of paying annual dues. Projected future services (e.g., promotion and technical consultancies to affiliates) will not run the risk of overextending ACOSCA's present human resources since capable affiliate staff will be utilized.

Credit unions are the simplest form of co-operatives. They provide a facility where members may lend their savings to other members. As such, no complicated systems or procedures are necessary, and further, no capital and/or commodity infusions must be maintained. The long term viability of the system depends only on its ability to pay for these financial services. Thus, self-sufficiency, though realistically not a near term probability at the regional level, will be relatively easier to attain than might be the case were more variables involved.

Finally, the credit union is not only a local, national, and regional African institution. ACOSCA forms part of world-wide network of savings and credit co-operatives in 74 countries

through the World Council of Credit Unions. The knowledge that similar organizations have also been voluntarily organized throughout the globe only serves to reinforce the faith of African credit union members in their role as important "links" in this socio-economic co-operative chain.

3. Technology Transfer

As mentioned above, credit unions have been able to succeed through Africa. This is mainly because, with their largely voluntary staff, simple procedures, responsiveness to members interests, and reliance on community and co-operative spirit, they are, in effect, a technology appropriate to Africa.

This technology was born in Europe nearly 100 years ago, later grew in North America, and eventually, around the world, because wherever the credit union ideas was seen to address a felt need, the institution was adapted to the respective surroundings. It is the adaptability of this technology which largely contributes to its viability.

Although credit unions are relatively simple institutions, the minimal level of formal education in most African Countries, especially where rural societies are located, has constrained their development. Therefore, ACOSCA has prioritized training at all levels. At systems development workshops, national affiliate participants are trained not only to codify procedures in func-

tional areas, but also to develop the skills whereby they may, upon return to their respective countries, impart this knowledge to staff and officers at the local society level. Thus, the proposed project will continue to adapt the components of the credit union technology to country-specific needs in order that it may best be transferred to individual credit unions.

4. Policy Dialogue

ACOSCA recognizes that, although credit unions are private institutions, national policies must be conducive to their growth. To be fair, regulations and/or supervisory agencies which may seem to inhibit savings and credit co-operative development may sometimes only be the result of a lack of knowledge and understanding of credit unions on the part of public officials.

Therefore, an integral part of all activities undertaken by ACOSCA involves entering into a policy dialogue with the proper government authorities in affiliated countries. For instance, as manuals are developed for each functional system, appropriate references to existing laws in each country are made when explaining general procedures. (All training participants are required to bring all relevant legal texts to the workshops.) When a manual is introduced to an affiliate, if the subject is a legally referenced system, implementation is predicated upon approval by the appropriate supervisory agency. This process may

take a bit longer than may be desired, however, it also serves as a justifiable means for ensuring an ongoing policy dialogue within each country.

A review of the appropriate laws and regulations through the workshops, as well as a recently commenced legal analysis exercise by the World Council of Credit Unions, has revealed that only two of ACOSCA's affiliates (Rwanda, Zambia) are regulated by credit union specific laws. Although the other affiliates do have co-operative laws, acts, and/or decrees, such texts were usually written with the needs of agricultural/marketing co-operatives in mind and are, therefore, not particularly relevant to credit unions. ACOSCA is now requesting copies for all such documents from affiliates with the envisioned result being an adaptable model text. Fortunately, ACOSCA's new Executive Secretary has had experience supervising both types of legislation and is keenly aware of how best to encourage any such adaptations with Registrars and Directors of Co-operative Departments, having previously been in that position himself.

Finally, ACOSCA plans to open participation in several of the proposed workshops to civil servants from affiliated countries. In late 1982 a seminar was held for 17 Registrars and Directors of Co-operative Departments. The evaluation of these sessions revealed that, when given the opportunity to be exposed to what the credit union institution is, these officials were much more comfortable with the prospect of granting them more autonomy and

exerting less control. By demonstrating a desire to take the dialogue a step further, i.e.; sharing through the workshops during the 1985-87 period, ACOSCA hopes that increased knowledge on the part of these officials will lead to more co-operative efforts for its affiliates.

IV. PROJECT DESIGN AND IMPLEMENTATION

A. Responsibilities of Organizations Involved

This project will include the participation of the Africa Cooperative Savings and Credit Association (ACOSCA), the World Council of Credit Unions (WOCCU), the Credit Union National Association (CUNA), CUNA Mutual International, the Konrad Adenauer Foundation (KAF), and the United States Agency for International Development (USAID).

Primary responsibility for implementing the project lies with ACOSCA. Technical support will be provided primarily by WOCCU, with some short term technical assistance from CUNA Mutual International. Financial support will be provided primarily by USAID, with other contributions from KAF and CUNA Mutual International.

1. ACOSCA

ACOSCA's objectives for the 1985-87 period have been developed by its elected leadership by means of periodic institution building workshops. ACOSCA thus acknowledges its primary responsibility for the achievement of these objectives, which are essentially, improvement of services to affiliates so that they, in turn, may contribute in large measure towards ACOSCA's ultimate goal of self-sufficiency.

Accomplishment of these services and objectives will rest with the present staff of ACOSCA, under the supervision of the Executive Secretary, with technical services to be provided by the WOCCU advisor and periodic consultancies.

The Executive Secretary has responsibility for overall direction of ACOSCA, within the policy framework established by the elected Board of Directors. The Chief of Training will direct ACOSCA's training programs, including developing appropriate strategies and materials to meet identified needs, as well as evaluating training programs. The Risk Management Officer will have the primary responsibility for continuing implementation and expansion of the loan protection and life savings program for designated affiliates. Besides management and administrative responsibilities, it is noted here that ACOSCA's emphasis during this period will be in the provision of high quality services to members, in order that such services may generate revenue; e.g., dues and fees. By the end of the second year of this project, ACOSCA will have developed a self-sufficiency strategy and identified the resources and time frame within which it may be achieved.

2. CUNA

The responsibility of CUNA will be as the administrator of the AID grant. In this respect, CUNA will be responsible for maintaining accurate and up-to-date financial records, in compliance

with AID audit standards. All technical services will be provided by the staff and/or consultants of the World Council of Credit Unions (WOCCU) and ACOSCA.

3. WOCCU

WOCCU's primary responsibilities will be to provide a long term technician for the project. (See Appendix XIII for a detailed Job Description.) This person's responsibilities will be primarily in the area of training. Such total long term assistance will be for a period of 36 months. In addition, short term consultancies will be provided to assist with specialized training programs and offer financial management and planning assistance, especially in the development of a self-sufficiency strategy.

In addition to these responsibilities, WOCCU will provide the primary technical and administrative backstopping for the project, using the technical expertise of its U.S.-based staff. Staff with specialized skills in planning, project design and evaluation, institutional analysis, financial management, training, credit union promotion, accounting, and other areas will be available as needed. WOCCU staff are also scheduled for the formal evaluation and monitoring of the project, in collaboration with ACOSCA, AID, and other primary project participants.

4. KAF

The Konrad Adenauer Foundation (of the German Federal Republic) has already committed itself to financial support of ACOSCA during 1985 and 1986. The amount designated for these years is \$560,000 DM, or approximately \$224,000. This will be used to finance international seminars, exchange programs among affiliates, and field officers for selected affiliates. Since the KAF representative has an office in ACOSCA's headquarters, continued daily collaboration is assured.

CUNA Mutual International

The CUNA Mutual Insurance Society's International Division will continue to sponsor ACOSCA's risk management services to designated affiliates. Such support is crucial to future financial self-sufficiency projections since this activity is presently the source of the largest amount of earned income over the next few years. In addition, CUNA Mutual will provide appropriate technical assistance to ACOSCA for those training workshops dealing primarily with the risk management program.

6. AID

AID's contribution to the project will be the financial support of ACOSCA, its training programs, and WOCCU technical assistance, as well as participation in the project evaluation scheduled for the latter half of the second year.

B. Implementation Schedule

A detailed implementation schedule is presented in Appendix V. The following section briefly summarizes the priority activities during the three year proposed project.

Year One

Year One's priority activity will be the design and pilot testing of at least one new income generating activity for ACOSCA. The necessary activities to be undertaken by the Executive Secretary and the WOCU advisor and consultants will include: a review and improvement in the system for collecting, analyzing and disseminating data on affiliates, the development of systems for utilizing such earned income as dues, and risk management commissions which are held in accounts in member countries and cannot be transferred due to exchange controls, and the development and inauguration of a "fees for services" activity which more than covers the cost of such an exercise. At the end of the first quarter, the initial base line data survey will take place, upon which ACOSCA's impact on its affiliates and their members will be measured in the short, medium, and long terms. During the year, at least five training programs will take place, based on the same type of strategy used in the 1981-84 period, with an increased emphasis given to French-speaking affiliates. This year will also mark the initiation of ACOSCA promotion and technical assistance consultancies, where possible utilizing in-kind human resource contributions of affiliates for the benefit of lesser developed movements.

By the middle of Year One, ACOSCA's internal and affiliate information systems will be in place, as will be at least one new revenue generating activity. Based on this, the Executive Secretary and WOCCU advisor and consultants will begin to design a technical and financial self-sufficiency strategy which would result in 100% viability within a defined time-frame.

On a day-to-day basis, Year One will include preparations for the training programs and technical consultancies, along with a continuation of the institution building workshops for the Board of Directors and ACOSCA's Biennial Meeting of all affiliates.

Year Two

ACOSCA's Year Two activities will be essentially a continuation and refinement of those undertaken in Year One. Again, at least five training programs will take place, as well as an increased number of promotion and technical assistance consultancies. By this year the Risk Management program will be fully functioning in three additional affiliates. The Board workshops will continue and be focused upon the design of a long term development plan, based on the strategy noted above. During Year Two's third quarter, the project's mid-term evaluation will take place, with the participation of all major donors and representatives of ACOSCA staff and leadership.

Year Three

At the beginning of Year Three, the project evaluation's recommendations will be implemented and information systems will be fine-tuned. In addition, one additional income-generating activity will be designed and tested. Training activities will continue at the same level and, if feasible, the number of promotion/technical assistance consultancies will be increased.

The base line data survey will be updated during the second quarter of Year Three and its resultant conclusions will provide the final input for the finalization of ACCSCA's long-term development plan. The final activity of the year will be the repatriation of the resident advisor.

C. Projection Monitoring and Evaluation

1. Monitoring

WOCCU's U.S. based staff and field technician will be responsible for the monitoring of the project. One of the basic requirements for effective monitoring is a good project design that quantifies and qualifies the exact outcomes to be produced by any given time. Another is the work plan submitted periodically by the project technician. If these two documents are well prepared, it is a fairly straightforward task to chart the progress of the project toward its stated goals and objectives. By simply

comparing what actually took place with what was projected, the project monitor can note any shortcomings, and, if appropriate, suggest alternative strategies in responding to the technician. For more serious problems that imply the inability to achieve stated objectives, the project monitor will prepare a paper outlining the problem, and propose alternative solutions for WOCCU's review. Management and the project monitor will then decide upon an appropriate course of action, which is communicated to the technician. In some instances, on-site field visits by one or more WOCCU staff may be required.

2. Evaluation

The project's logical framework is presented in Appendix IV. This will be used as the basic means of project evaluation, by which it may be determined if the proposed outputs have been achieved, if progress has been made toward the achievement of the stated purposes, and if it has an impact on the stated goal.

In the project design and evaluation used by WOCCU, there are three distinct elements: monitoring, assessment, and evaluation. The monitoring system, described above, constitutes the means for continuing control over project implementation. The reports submitted by the field technician may propose changes in project implementation, subject to approval by WOCCU, but the basic design remains unchanged. A comprehensive report analyzing project progress is prepared by WOCCU and submitted to the donor agency annually.

If the technician reports signal shortcomings that will impair the progress towards achieving the stated objectives, WOCCU will initiate proceedings to conduct a full-scale assessment of the project. Such an assessment, though, is unlikely since this proposal calls for a mid-project joint WOCCU/AID evaluation, which will, in addition to measuring progress to date, specify project objectives for the remainder of the project period.

Evaluations are joint undertakings of all principal project participants, in this case to include ACOSCA (represented by staff and elected leadership), WOCCU, and AID. Using the project design document and other related materials, an evaluation design is prepared. A draft evaluation design is usually prepared, for review and comment by the other participants, before the final evaluation design is delivered. The design identifies the substantive elements to measure, the project issues that need clarification, and the methodology to be employed. All would jointly participate in obtaining the necessary information, clarifying the issues, and preparing the analysis. The evaluation report is then prepared, again with an opportunity for review and comment by the other participants before final preparation and submission. All attempts are made to present an objective evaluation, noting all shortcomings, in order to deliver a realistic product that can lead to a fully successful project.

Assessment or evaluation findings may result in either:

- a. Changes in project implementation strategies with no modification of project design, or
- b. Modification of project design, or
- c. No changes in either design or implementation.

Changes in implementation strategies would require consultation among all principal project participants. Modification of the design would, in addition, likely require the consent of the donor agency, resulting in an amendment to the grant agreement.

Assessments and evaluations focus on the purpose and goal-level objectives of the project, attempting to identify not only the degree to which they were achieved, but also the causal factors involved. All unexpected outcomes and their causes are recorded. The strength of the linkages from outputs to purpose to goal is evaluated along with the validity of the assumptions.

3. Base Line Data Survey

As part of this project, ACOSCA, with the assistance of the WOCCU advisor and appropriate short term expertise, will design data collection systems, undertake studies, and perform analyses to evaluate ACOSCA's social and economic impact on its affiliates, their member credit unions, and credit union members. Initial emphases in this activity will be placed upon the establishment

of a reliable information gathering system at the ACOSCA level, as well as an examination of the actual and potential multiplier effect of ACOSCA's training strategy as implemented since 1981. This activity will eventually become a fully integrated component of ACOSCA's institutional evaluation and planning process.

- a. Purpose: To directly improve ACOSCA and project performance and generate research findings of use to the African credit union movement's future development, as well as form the basis for an ongoing institutional evaluative process.
- b. Objective: To evaluate the socio-economic impact of ACOSCA through its activities at the primary (national affiliate), secondary (credit union), and tertiary (member) levels.
- c. Outputs: A reliable data collection system and two reports. The first report (base line data collection) by the middle of the first year and the second report by the middle of the third year.
- d. Key variables to be Examined at the Beneficiary Levels: family income, personal savings, credit use, loan delinquency, decision making participation, financial self-sufficiency, number of beneficiaries, income distribution, employment generation, capitalization.

- e. Methodology: Data collection using three random sample surveys of ACOSCA beneficiaries and non-beneficiaries will be conducted towards the beginning of the project period and towards the end of the project period. Data will be collected from three national associations, up to six credit unions (in each of these countries) and several members of each of these societies, along with non-credit union "control" groups. Central variables will include: beneficiary profile (assets, size, etc.), capitalization, loan use, education, and use or non-use of services provided by related cooperative organization.
- f. Resources: A consultancy team selected by WOCCU/ACOSCA, including enumerators and WOCCU/ACOSCA technical and logistical support.

APPENDIX I

Sub-Recipient (ACOSCA) Budget 1985-1987
(000's U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Projected Income	54	62	81	197
Operating Budget	350.96	293.316	378.159	1022.435
Financial Self-Sufficiency % (Income/Operating Expenses)	15.4	21.1	21.4	19.3
Training Programs Budget	120.1	136.896	145.555	402.551
Total Projected Expenditures	471.06	430.212	523.714	1424.986
% Age Income/Total Expenditures	11.5	14.4	15.5	13.8

APPENDIX I-A

PROJECTED INCOME

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Total</u>
Affiliate Dues	40,000	45,000	60,000	145,000
Risk Management Commission	4,000	5,000	6,000	15,000
Other Receipts*	<u>10,000</u>	<u>12,000</u>	<u>15,000</u>	<u>37,000</u>
	54,000	62,000	81,000	197,000

*Other receipts include:

Rentals (offices in ACOSCA compound)
Sales of Stationery/Manuals
Fee for Service (Short Term Consultancies
with Affiliates
Training Education Fund

APPENDIX I-B

PROJECTED EXPENDITURES
(U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Salaries and Benefits	188,960	186,816	207,159	582,935
Travel/Transportation	35,000	36,000	42,000	113,000
Communications	8,000	9,000	10,000	27,000
Stationery/Supplies	4,000	4,500	5,000	13,500
Board/Biennial Meetings	65,000	20,000	80,000	165,000
Computer and Supplies	20,000	3,000	2,000	25,000
Other Direct Costs	<u>60,000</u>	<u>65,000</u>	<u>75,000</u>	<u>200,000</u>
TOTAL	385,500	325,258	423,498	1,134,256

APPENDIX I-B (1)

Staff/Salaries and Benefits
(U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>
1. EXECUTIVE SECRETARY	40,960*	31,458	44,031*
2. CHIEF EDUCATION AND TRAINING	25,000	26,250	27,563
3. ACCOUNTANT	17,000	17,850	18,743
4. ADMINISTRATIVE ASSISTANT	14,000	14,700	15,435
5. SECRETARY	11,000	11,550	12,128
6. ASSISTANT ACCOUNTANT	9,000	9,450	9,923
7. EDUCATION & TRAINING ASSISTANT	8,000	8,400	8,820
8. TRANSLATOR	9,000	9,450	9,923
9. TYPIST/TELEPHONE OPERATOR	6,000	6,300	6,615
10. DRIVER	2,500	2,625	2,756
11. MESSENGER	2,000	2,100	2,205
12. UTILITY MAN	1,500	1,575	1,654
13. WATCHMAN (2)	2,500	2,625	2,756
14. CHIEF RISK MANAGEMENT	21,000	22,050	23,153
15. RISK MANAGEMENT ASSISTANT	8,500	8,925	9,371
LEAVE ALLOWANCE (LOCAL STAFF)	<u>11,000</u>	<u>11,508</u>	<u>12,083</u>
TOTAL	188,960	186,816	207,159

* Salaries and Benefits for Executive Secretary position includes provision for Gratuity Payments in the case of the position being filled by new persons at the end of each 2 year Contract.

APPENDIX I-B (2)

Positions for Funding Under Proposed Project

1. OFFICE OF THE EXECUTIVE SECRETARY

Executive Secretary

2. EDUCATION AND TRAINING DEPARTMENT

Chief, Education and Training
Training Assistant/Translator
Training Assistant
Typist

3. ACCOUNTS DEPARTMENT

Accountant
Assistant Accountant

4. ADMINISTRATION

Administrative Assistant
Secretary
Driver
Messenger
Gardener/Utility Man
Day Watchman
Night Watchman

APPENDIX I-C

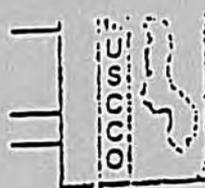
Training Budget
(U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Trainee Costs	64,600	72,600	81,100	218,300
ACOSCA Instructor Costs	11,200	12,500	13,930	37,630
Consultant Services	17,900	20,246	11,075	49,221
Administration	18,400	23,550	29,450	71,400
Translation/Interpretation	<u>8,000</u>	<u>8,000</u>	<u>10,000</u>	<u>26,000</u>
TOTAL	120,100	136,896	145,555	402,551

APPENDIX I-C (1)

Training Budget Breakdown
(U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>
<u>TRAINEE COSTS</u>			
International Travel	25,000	28,750	33,000
Local Travels	1,400	1,600	1,800
Accomodations	20,000	22,000	24,000
Subsistence	18,000	20,000	22,000
Miscellaneous Costs	<u>200</u>	<u>250</u>	<u>300</u>
Sub-Total	64,600	72,600	81,100
<u>ACOSCA INSTRUCTOR COSTS</u>			
Internal Travel	3,000	3,450	3,950
Local Travel (In-Country)	200	250	300
Per Diem & Other Direct Expenses	<u>8,000</u>	<u>8,800</u>	<u>9,680</u>
Sub-Total	11,200	12,500	13,930
<u>CONSULTANT SERVICES</u>			
International Travel	6,400	7,300	4,000
Per Diem	5,860	6,446	3,500
Consultant Fee	<u>5,640</u>	<u>6,500</u>	<u>3,575</u>
Sub-Total	17,900	20,246	11,075
<u>TRAINING ADMINISTRATION</u>			
Communications, Supplies and Stationery	2,400	2,600	2,800
Printing	4,350	6,500	9,000
Trainee Site Rentals	800	950	1,100
Secretarial Services (Hired)	2,700	2,900	3,100
ACOSCA Secretarial Services (Over-Time)	2,900	3,100	3,300
Excess Baggage (Materials)	<u>5,250</u>	<u>7,500</u>	<u>10,150</u>
Sub-Total	18,400	23,550	29,450
<u>TRANSLATION/INTERPRETATION</u>			
Translation and Interpretation	<u>8,000</u>	<u>8,000</u>	<u>10,000</u>
Sub-Total	<u>8,000</u>	<u>8,000</u>	<u>10,000</u>
Total	120,100	136,896	145,555



MALAWI UNION of SAVINGS & CREDIT CO-OPERATIVES, Ltd.

P.O. BOX 651 LILONGWE 1 Malawi Tel. 721002

13th March 1984

Our Ref: 97/84

The Executive Secretary,
ACCSCA House,
P.O. Box 45278,
MANKHOI - FRELMO.

RECEIVED 19 MAR 1984

Dear Sir,

Re: MANAGERS' WORKSHOP
JANUARY 21 TO FEBRUARY 18 1984

I write to inform you that I arrived back home safely.

My management operations manual is already in use. Various forms from the internal administration and personnel manuals have already been stenciled, duplicated and are in operation.

I already find an improvement in the day to day management of the organisation. Copies of the management manual have already been distributed to members of staff, board members and the Registrar. A one week session on the manuals: accounting, auditing, training and managers' manuals will be held during the second week of April for all members of staff and possibly some members of the Registrar's office.

The manual(s) will be presented by the officer who prepared it. This is to enable all members attending the session to fully understand the contents and purposes of the manuals and also to invite their constructive views and comments if any.

I have also distributed the accounting auditing and the training manuals as they were originally prepared i.e. (without anybody's views incorporated) to the Registrar and other parties.

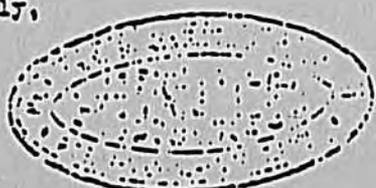
The auditors manual is already in use, the 1983 fiscal year's audit of Credit Unions which is now nearing completion is based on the auditors manual.

During our regional seminars this year the accounting manual will be introduced to the Credit Unions and the planning and methodology of the training seminars will be based on the training manual.

Once again, I should thank ACCSCA for organising these workshops through which national associations are able to produce manuals of operations of their own. This is an achievement and a pride to the national associations. Something produced out of one's effort and sweat no matter how small ought to be appreciated: therefore we are proud of our-selves for producing the manuals and we would like to share this pride with you for initiating the workshops and for rendering every assistance we needed during the process.

Wishing ACCSCA Long Live.

Yours faithfully,



P.D. Kanya
P.D. Kanya

APPENDIX II
Training Participant Feedback

COOPERATIVE SAVINGS AND CREDIT ASSOCIATION
(ACOSCA)

DEPARTMENT OF EDUCATION AND TRAINING
MANAGEMENT DESIGN WORKSHOP
7 APRIL - 6 MAY 1983

UNSTRUCTURED COMMENTS/EXPERIENCES REGARDING
THE MANAGEMENT DESIGN WORKSHOP

The workshop has been very useful indeed. As a matter of fact, it is regrettable that this type of training was not made available to the Africa co-operative savings and credit movement ten years back.

The reason why I am saying so is that much would have been achieved if the leaders, more so the managers of the movement, had been exposed to the skills that have been unveiled during these four weeks. Both time and resources, both human and financial, have been wasted in the course of the ten years and of our struggle to direct and guide the movements' growth and development using the "trial and error" method.

However, it is "better late than never." Let me say also that the seminar, apart from the papers we have been handed and read, the fact that managers from different backgrounds and experiences have been brought together has had yet another significant outcome. To have been given a unique occasion which have been longing for almost ten years to meet and exchange experiences. Much of this has been done in the rooms of the hotel Villiers.

JOSEPH BIKALE
GENERAL SECRETARY
UGANDA

In my opinion, this workshop has been one of the best, the most useful that I have ever attended. I only wished this workshop had come the year I was appointed manager of my Association.

This workshop has strengthened my position as manager and has also added to my confidence in management. I feel better equipped now than ever before in my knowledge of management. This workshop has shown that my potentials as a manager had not been tested and I sincerely believe that there will be a great change in my Association for the better, despite the fact that a few individuals may try to put impediments in my way.

This workshop has shown that given the right motivation, the right atmosphere like we had here, a lot can be achieved which will go to improve the working conditions of the whole of my Association.

A. C. AZEKE
GENERAL MANAGER
GHANA

The workshop managed to bring into my understanding certain management functions I did not know or I was not sure of. One of the interesting contributions the workshop made, was that it enabled us to put together management thoughts, plans and systems of operating each on paper.

I go home feeling very encouraged to work in the credit union movement then before because I feel I now have some of my management skills and requirements on paper and I can always refer to them whenever I want to follow a system through.

A. J. OBI MALUSOYA
GENERAL MANAGER
ZAMBIA

The workshop is very interesting in the sense that I personally was happy to be involved in writing a Management System Manual for NACFIN.

I observed that NACFIN has a lot to do in connection with the amendments in the By-laws of NACFIN and more to be added to rules and regulations of NACFIN.

I also observed that I have to bring my education officer up to date to enable him to carry out his duties more efficiently. I also saw the need to have more forms to enable NACFIN to operate in some areas very efficiently.

MICHAEL E. OZUOBI
EXECUTIVE SECRETARY
NIGERIA

About 5 operational manuals were produced in that span of time which is an indication of the instructor's willingness to disseminate instructions to the participants and the participants' willingness to accept them.

I believe we have not only written down manuals but have been trained in a way that we can also impart the knowledge acquired to others. The manuals are not going to be considered as ideas just because they look fine, we hope to implement the contents according to individual needs.

The workshop seems to be the first of its kind as far as management is concerned. It is very important especially because without proper management, other manuals such as acc. plans, auditing acc. etc. will be of little use.

REV. MARTIN A. BAH
MANAGING DIRECTOR
LIBERIA

Best Available Document

21 Participants

M. L. P.

LIBERIA CREDIT UNION NATIONAL ASSOCIATION (LCUNA) LTD.

SUBJECT: CREDIT UNION ACCOUNTING

TYPE OF PRESENTATION: LECTURE, SEMINAR, PRACTICAL EXERCISES

VISUAL AIDS: CHALK BOARD AND HAND OUTS

INTRODUCTION:

One of the major factor in the growth and development of Credit Unions is the quality of the financial record-keeping system. Credit Unions are financial institutions which accept funds from members in forms of shares, and savings from which they give loans as their primary service in order to carry on this service properly and effectively, there must be accurate and timely financial statement which can assist management to prevent malpractices and to enable them to make better business decisions.

In addition, the need to set up a uniform standardized book-keeping system is of prime importance. The system will make the job of our mobile auditors much easier and the services consequently will be offered faster.

LCUNA as a mother organization has realised that it is only through education that this movement like anyother cooperative movement can and will grow. It is for this reason that LCUNA has organized this two days intensive seminar for Treasurers, Secretary Managers and Book-keepers in zone two to acquaint them with the whole credit union accounting system and also to introduce the new Accounting Manual to them.

As Treasurers, Secretary Managers and Book-keepers, much of the credit unions development depends on you. The efficiency of your work depends upon education and training which will not only benefit your credit union but also increase your stock of knowledge and the whole Liberia Credit Union Movement in General.

During this session we will cover the application of the law, the Basic Accounting Principles and end up with a Practical exercise.

1 DEVELOPMENT:

The Application of THE LAW The application of the Co-operative Act 1936, the bye-laws and the rules and regulations affecting the Accounting Systems should be discussed with participants i.e.

- a) Entrance Fees Bye-Law Article 13 Section 1
- b) Shares " " " " II Sec. 3
- c) Non members loans Coop. Act S.130
- d) Reserves Bye-law Article 13 S.1
- e) Dividends Coop. Act 1936 S.136
- f) Investments Coop. Act 1936 S.133 - 93 -

Affiliate Master Lesson Plans

APPENDIX III

CUSA - GAMBIA
MASTER LESSON PLAN

SUBJECT: CREDIT UNION ACCOUNTING: TARGET: CREDIT UNION TREA/
MANAGERS.

LESSONS: PRACTICAL EXERCISE ON ALL CREDIT UNION BOOKS OF
ACCOUNTING. TIME: 8.00 HOURS

TYPE OF PRESENTATION: Lectures and practicals.

- VISUAL AIDS:
1. Membership application form.
 2. Loan application form
 3. Cash in Voucher and "Savings" slips
 4. Cash out Voucher withdrawal slips
 5. Membership pass books (twice)
 6. Membership Ledger Cards (Twice)
 7. Money in book
 8. Money out book
 9. Journal Book
 10. General Ledger Book
 11. General Ledger Trial Balance
 12. Bank Reconciliation
 13. Financial Statement.
 14. Year end closing of the books of Accounts
 15. Appropriation and Dividend Calculations.
 16. New year opening balance.

TIME

INTRODUCTION

A new Credit Union is being formed. Promotion meetings have been held several times with the Field Officer in the area. By-laws have been drafted and application for registration has been made and registration fee sent along with the application forms. All the members have filled in the membership application forms and are being admitted as they come.

CUES

APPENDIX IV

LOGICAL FRAMEWORK

PROGRAM GOAL

To increase the rate of growth of total membership, savings, and loan volume of credit and other financial services within the rural and urban sectors throughout the African continent.

MEASUREMENT OF GOAL ACHIEVEMENT

By the end of the project:

1. Total savings and credit co-operative membership through affiliated national movements will be approximately 1.7 million.
2. Total savings and deposits of affiliated members will be approximately \$200 million.
3. Total amount of loans outstanding to affiliated members will be approximately \$138 million.
4. Five more national movements will have been promoted, bringing the total number of national affiliates to 29.
5. Loan protection and life savings programs will be operational in at least fourteen of ACOSCA's affiliates.

MEANS OF VERIFICATION

Periodic preparation and analysis of statistical and financial reports by ACOSCA and its affiliates.

BASIC ASSUMPTIONS RELATED TO GOAL ACHIEVEMENT

1. Continuation of government support in countries where affiliates operate.
2. Stable or improving economic environment with some decrease in inflation rates.

PROJECT PURPOSES

1. Development of a regional credit union association (ACOSCA) which is increasingly self-sufficient, and better able to provide necessary services to affiliated movements.
2. Initial promotion and development of five new credit union movements.

MEANS OF PURPOSE ACHIEVEMENT

By the end of the project:

1. Approximately 29 national movements will be affiliated with ACOSCA.
2. A development plan will be approved and put into action which targets technical and financial self-sufficiency within a defined time-frame.
3. At least five training programs per year, with an average of five participants each, will be held for national affiliate representatives.
4. Approximately nine promotion/technical assistance consultancies will be undertaken by ACOSCA.
5. Ninety percent of ACOSCA's affiliates will submit acceptable financial statements.
6. ACOSCA's Training Department will demonstrate a capability to design, implement, and evaluate training programs for ACOSCA staff and affiliates, without full-time external assistance.
7. ACOSCA will have reached a level of financial self-sufficiency which exceeds 15%.

MEANS OF VERIFICATION

1. ACOSCA and national affiliate statistics, verified by evaluation.
2. Training manuals, materials and evaluations of training programs, as well as performance of a trainee sample.
3. ACOSCA and national affiliate financial statements.

ASSUMPTIONS

1. ACOSCA membership will grow by over 20%.
2. Savings in credit unions will increase by approximately 25%.
3. Loans outstanding will increase by about 25%.
4. Technical assistance to ACOSCA will continue and produce expected results.
5. ACOSCA affiliates will pay dues on time.
6. Other African countries will be interested in forming new national associations.

PROJECT OUTPUTS

(See table)

MEANS OF VERIFICATION

1. Monitoring reports by Technical Advisor and ACOSCA Senior staff.
2. Compiled affiliate statistical and financial reports.
3. Risk Management Officer's report
4. Project assessment and evaluation reports

ASSUMPTIONS

All necessary financial and human resources will be made available to accomplish outputs 1 to 20, in addition to that:

Re outputs 1, 2

ACOSCA's ability to assist in formation and organization of national associations, and its viability as a Pan-African organization will encourage the formation and affiliation of leagues.

Re outputs 3 to 6

Growth in membership, savings and deposits, loans outstanding and reserves is based on the last three years demonstrated growth of credit union development.

Re output 7

Reorganization of ACOSCA, the activities of the new Executive Secretary, and the demonstrated training and risk management services rendered by ACOSCA will persuade affiliates to pay their dues.

Re output 8

Risk Management will be extended to 3 more countries and the quota share system will be implemented.

Re output 10, 11

ACOSCA will be able to collect dues, risk management commission and other income and that affiliates will be able to transfer funds out of their respective countries.

Re output 12

ACOSCA and CTNA Mutual will take action in the quota share system and allow countries on the waiting list and others to participate in the program.

Re outputs 13, 14, 19, 20

Training material will be prepared and affiliate national associations will be able to send competent participants in order to attain the skill and be able to write manuals in the different fields.

Re output 15

The African credit union movement will demonstrate increased confidence in ACOSCA's ability to provide appropriate short term technical assistance.

ACOSCA PROJECTED OUTPUTS

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>End of Project</u>
1. Number of new affiliates	1	2	2	5
2. Total number of affiliates	25	27	29	29
3. Number of credit unions	10,600	10,750	11,000	11,000
4. Number of members (000's)	1,650	1,675	1,700	1,700
5. Savings and deposits (\$000's)	170,000	180,000	200,000	200,000
6. Loans outstanding in credit unions (\$000's)	117,000	124,000	138,000	138,000
7. Dues paid to ACOSCA (U.S.\$)	40,000	45,000	60,000	145,000
8. Risk Management Commission (U.S.\$)	4,000	5,000	6,000	15,000
9. Other income (U.S.\$)	10,000	12,000	15,000	37,000
10. % of total ACOSCA operational costs paid from income	15.4	21.1	21.4	19.3
11. % of total ACOSCA operational and training costs paid from income	11.5	14.4	15.5	13.8
12. Number of countries participating in Risk Management program	9	11	12	12
13. Number of training programs held	5	5	5	15
14. Number of person days training	500	500	500	1500
15. Number of ACOSCA promotion/technical assistance consultancies	2	3	4	9

ACOSCA PROJECTED OUTPUTS, cont.

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>End of Project</u>
16. Number of new income-generating activities tested by ACOSCA	1	--	1	2
17. Long term (self-sufficiency) development plan documented, approved and implemented	--	--	1	1
18. Base-line data surveys conducted	1	--	1	2
19. Number of training manuals developed	25	25	25	75
20. Number of Board of Directors Institution Building Workshops	2	2	2	6

PROJECTED INPUTS

<u>SOURCE</u>	<u>AMOUNT</u>	<u>PERCENT OF TOTAL</u>
1. <u>U.S. Agency for International Development</u>		
a. Institutional Support	\$724,996	32.3%
b. Training Programs	402,551	18.0
c. Technical Assistance	481,110	21.5
d. Evaluation/Baseline Data Survey	<u>90,000</u>	<u>4.0</u>
Total Contribution	\$1,698,657	75.8%
2. <u>The CUNA Mutual Insurance Society</u>		
- staff salaries/fringe benefits	\$100,439	4.5%
3. <u>The Konrad Adenauer Foundation</u>		
- international seminars, exchange programs, affiliate support	\$224,000	10.0%
4. <u>The African credit union movement</u>		
a. ACOSCA expenses met from revenues	\$197,000	8.8%
b. In-kind contributions by affiliates of senior staff time as co-instructors and/or consultants	<u>*20,070</u>	<u>0.9</u>
Total Contribution	<u>\$217,070</u>	<u>9.7%</u>
Total Contributions	\$2,240,166	100%

Means of Verification:

1. ACOSCA financial statements and supporting accounts.
2. ACOSCA reports to donor agencies.

Assumptions:

1. ACOSCA activities generate projected income.
2. Continued support from other donor agencies.

* Assumes \$1,000/month in year one, inflated by 10% per year. 5 months in year one, 6 months in year two and 7 months in year three.

APPENDIX V

PROJECT IMPLEMENTATION SCHEDULE (BY QUARTERS)

	<u>YEAR 1</u>				<u>YEAR 2</u>				<u>YEAR 3</u>			
	1	2	3	4	1	2	3	4	1	2	3	4
1. RECRUIT/SELECT TECHNICIAN	X											
2. POST TECHNICIAN	X											
3. ACQUIRE COMMODITIES	X											
4. REVIEW OF DATA COLLECTION SYSTEMS	X											
5. DESIGNATION OF TRAINING WORKSHOPS	X			X				X				
6. DEVELOPMENT OF TRAINING MATERIALS	X	X	X	X	X	X	X	X	X	X	X	X
7. CONDUCT OF TRAINING WORKSHOPS	X	X	X	X	X	X	X	X	X	X	X	X
8. DEVELOP FIN. MGMT. SYSTEMS: DUES, RISK MGMT. COMM.	X	X										
9. TESTING OF NEW INCOME- GENERATING ACTIVITIES		X								X		
10. IMPLEMENTATION OF NEW INCOME-GENERATING ACTIVITIES					X							

	<u>YEAR 1</u>				<u>YEAR 2</u>				<u>YEAR 3</u>			
	1	2	3	4	1	2	3	4	1	2	3	4
11. REVISION OF DATA COLLECTION SYSTEMS		X	X	X				X				X
12. DESIGN/IMPLEMENTATION OF BASE-LINE DATA SURVEY		X								X		
13. BOARD INSTITUTION BUILDING WORKSHOPS	X		X		X		X		X		X	
14. ACOSCA BIENNIAL MEETING/ELECTIONS		X								X		
15. DESIGNATION OF ACOSCA PROMOTION/TECHNICAL ASSISTANCE CONSULTANCIES	X			X				X				
16. ACOSCA PROMOTION/TECHNICAL ASSISTANCE CONSULTANCIES		X		X		X	X	X	X	X	X	X
17. FINANCIAL REPORTS TO DONORS	X	X	X	X	X	X	X	X	X	X	X	X
18. SUBMISSION OF PROJECT PROGRESS REPORTS	X	X	X	X	X	X	X	X	X	X	X	X
19. ACOSCA SUBMISSION OF WORK PLAN/BUDGET TO WOCCU/AID			X				X					
20. PROJECT EVALUATION							X					
21. DESIGN OF SELF-SUFFICIENCY STRATEGY		X	X	X								

	<u>YEAR 1</u>				<u>YEAR 2</u>				<u>YEAR 3</u>			
	1	2	3	4	1	2	3	4	1	2	3	4
22. DESIGN/APPROVAL OF DEVELOPMENT PLAN								X	X	X		
23. ACOSCA BOARD/WOCU MEETING RE DEVELOPMENT PLAN ACTION TO BE TAKEN										X		
24. ACOSCA/BOARD/AFFILIATE REPRESENTATIVE SEMINAR TO EVALUATE RESULTS OF PROJECT AND DISCUSS NEW ACTIONS												X
25. REPATRIATION OF TECHNICIAN												X
26. COMPLETION OF ALL REPORTS, SUBMISSION OF FINANCIAL STATEMENTS												X

APPENDIX VI

AID-Financed
Project Budget Summary
(U.S. Dollars)

<u>Line Items</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Institutional Support	\$265,100	\$197,863	\$262,033	\$724,996
Training Program	120,100	136,896	145,555	402,551
Technical Assistance	153,437	160,930	166,743	481,110
Evaluation/Baseline Data Survey	<u>25,000</u>	<u>35,000</u>	<u>30,000</u>	<u>90,000</u>
Total	\$563,637	\$530,689	\$604,331	\$1,698,657

APPENDIX VI-A

Project Budget
ACOSCA-Institutional Support
(U.S. Dollars)

<u>Line Items</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Salaries and Benefits	\$157,100	\$153,363	\$172,033	\$482,496
Travel	35,000	11,000	16,000	62,000
Communications	8,000	9,000	10,000	27,000
Stationery and Supplies	4,000	4,500	5,000	13,500
Board and Biannual Meeting	15,000	16,000	17,000	48,000
Computer and Supplies	10,000	3,000	2,000	15,000
Other Direct Costs	<u>36,000</u>	<u>1,000</u>	<u>40,000</u>	<u>77,000</u>
Total	\$265,100	\$197,863	\$262,033	\$724,996

APPENDIX VI-B

Project Budget
ACOSCA Training Program
(U.S. Dollars)

<u>Line Items</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Trainee Costs	\$64,600	\$72,600	\$81,100	\$218,300
Instructor Costs	11,200	12,500	13,930	37,630
Consultant Services	17,900	20,246	11,075	49,221
Training Administration	18,400	23,550	29,450	71,400
Translation and Interpretation	<u>8,000</u>	<u>8,000</u>	<u>10,000</u>	<u>26,000</u>
Total	\$120,100	\$136,896	\$145,555	\$402,551

APPENDIX VI-C

Project Budget
WOCCU Technical Assistance to ACOSCA
(U.S. Dollars)

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
Salary	\$ 51,245	\$ 54,320	\$ 57,579	\$163,144
F.B. (27% of Salary)	13,836	14,666	15,546	44,048
Allowances	10,545	12,212	14,413	37,170
Consultants	22,540	25,280	--	47,820
Travel	13,237	8,967	31,880	54,084
Equipment/Commodities	1,000	2,213	1,500	4,713
Other Direct Costs	8,750	9,050	9,550	27,350
Overhead (63% of Salary)	32,284	34,222	36,275	102,781
Total	\$153,437	\$160,930	\$166,743	\$481,110

APPENDIX VII-A

Summary Presentation
Institutional Support Budget
(U.S. Dollars)

<u>SOURCE</u>	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>TOTALS</u>
ACOSCA	\$54,000	\$47,000	\$70,000	\$171,000
AID	265,100	197,863	262,033	724,996
CUNA Mutual	<u>31,860</u>	<u>33,453</u>	<u>35,126</u>	<u>100,439</u>
Total	\$350,960	\$293,316	\$378,159	\$1,022,435

APPENDIX VII-B

Financing: Institutional Support Budget

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
<u>Salaries/Benefits</u>				
AID	\$157,100	\$153,363	\$172,033	\$482,496
CUNA Mutual	<u>31,860</u>	<u>33,453</u>	<u>35,126</u>	<u>100,439</u>
	\$188,960	\$186,816	\$207,159	\$582,935
 <u>Travel</u>				
AID	\$35,000	\$11,000	\$16,000	\$62,000
ACOSCA	<u>--</u>	<u>15,000</u>	<u>11,000</u>	<u>26,000</u>
	\$35,000	\$26,000	\$27,000	\$88,000
 <u>Communications</u>				
AID	<u>\$8,000</u>	<u>\$9,000</u>	<u>\$10,000</u>	<u>\$27,000</u>
	\$8,000	\$9,000	\$10,000	\$27,000
 <u>Stationery/Supplies</u>				
AID	<u>\$4,000</u>	<u>\$4,500</u>	<u>\$5,000</u>	<u>\$13,500</u>
	\$4,000	\$4,500	\$5,000	\$13,500
 <u>Board Workshops/Biennial Meetings</u>				
AID	\$15,000	\$16,000	\$17,000	\$48,000
ACOSCA	<u>50,000</u>	<u>3,000</u>	<u>60,000</u>	<u>113,000</u>
	\$65,000	\$19,000	\$77,000	\$161,000
 <u>Computer/Supplies</u>				
AID	<u>\$10,000</u>	<u>\$3,000</u>	<u>\$2,000</u>	<u>\$15,000</u>
	\$10,000	\$3,000	\$2,000	\$15,000

	<u>1985</u>	<u>1986</u>	<u>1987</u>	<u>Totals</u>
<u>Other Direct Costs</u>				
AID	\$36,000	\$ 1,000	\$40,000	\$ 77,000
ACOSCA	<u>4,000</u>	<u>44,000</u>	<u>10,000</u>	<u>58,000</u>
	\$40,000	\$45,000	\$50,000	\$135,000
<u>Totals</u>				
AID	\$265,100	\$197,863	\$262,033	\$724,996
ACOSCA	54,000	62,000	81,000	197,000
CUNA Mutual	<u>31,860</u>	<u>33,453</u>	<u>35,126</u>	<u>100,439</u>
	\$350,960	\$293,316	\$378,159	\$1,022,435

APPENDIX VIII

RESIDENT ADVISOR'S JOB DESCRIPTION

POSITION: Training Advisor

SUPERVISOR: Director of Technical and Developmental Services, the World Council of Credit Unions, or others, as designated.

The technician will be responsible for providing on-site technical advice to the Africa Cooperative Savings and Credit Association (ACOSCA) and its affiliated national credit union movements, in addition to normal project liaison and project reporting.

I. Description of Duties

A. Institutional Development

In collaboration with ACOSCA's Board of Directors and Executive Secretary, the technician will ensure that ACOSCA's institution building process, as modified in February 1983, continue and be furthered. This institutional development process, complemented by a series of periodic Board/staff workshops will result in the design, development, approval, and implementation of a defined self-sufficiency strategy for ACOSCA.

B. Planning

In collaboration with the Executive Secretary, and with the assistance of financial management and planning consultants, the technician will refine, as necessary management systems such as, budgeting, budget control, and income generating policies and procedures. New income generating strategies will also be designed and tested with ACOSCA's affiliates, to the extent that, by the end of the project period, realistic financial selfsufficiency projections may be made.

C. Training

The technician will assist ACOSCA's Education and Training Chief in those areas involving training strategy and program direction. In addition, the technician will advise on the content of and participate in formal training programs.

Specific tasks in this functional area will include:

1. The refinement of the ACOSCA training design model, as determined appropriate by the implementation of this model since 1982;
2. The conduct of national association needs analysis, especially as related to new content areas;

3. The development of training materials relevant to the ACOSCA training strategy; and
4. The implementation and documentation of training evaluation and redesign, as needed;
5. The design and implementation of an adequate tracking system of the ACOSCA training strategy's multiplier effect upon the secondary and primary society levels.

D. Promotion/Technical Assistance

In collaboration with the Executive Secretary and appropriate ACOSCA staff, the technician will design strategies resulting in ACOSCA assistance to existing, new or potential African credit union movements. Such assistance will be either direct, using available ACOSCA human and financial resources, or indirect, using (primarily) affiliate technical resources and possible external funding mobilized by ACOSCA. The technician will advise ACOSCA on most practical arrangements for affiliate consultations, including contracts, host and donor contribution, and potential income generation for ACOSCA.

E. Information Systems

The technician will assist ACOSCA in designing and implementing a reliable system for the collection, analysis, and dissemination of data on affiliates. He/she will also provide technical support to ACOSCA and the selected consultancy team in the base-line data survey. This will include: its design, identification of appropriate sample beneficiaries and control groups, and determination of key variables.

F. Liaison and Reporting

The technician will serve as the primary liaison between the World Council of Credit Unions, the AID REDSO/Nairobi Office and ACOSCA and will regularly evaluate these liaison efforts and take any corrective actions required to assure effective communication between WOCCU and these organizations. In particular he/she will:

1. Determine the information requirements of AID/Washington's AFR/RA Bureau and the REDSO/Nairobi Office with respect to the project.
2. Assure mutual agreement on the objectives of the project and WOCCU's role in achieving these and clearly identify any lack of consensus on these subjects.
3. Assist in defining and insuring mutual agreement on the project responsibilities and obligations of each of the project's principal parties; e.g., ACOSCA, WOCCU, USAID, CUNA Mutual International, KAF.

4. Provide REDSO/Nairobi and WOCCU with documentation that clearly establishes WOCCU's responsibilities and plans and, with adequate updating, which will allow for proper monitoring of the work done by the technician.
5. Prepare and forward quarterly progress reports, in an agreed upon format, plus any other special reports and studies, to ACOSCA, REDSO/Nairobi, and WOCCU.
6. In writing, draw to the attention of ACOSCA, WOCCU and REDSO/Nairobi any changes in conditions that could significantly affect the proper execution of the project.
7. Determine appropriate communications channels and assure that all communications are carried out through these channels.
8. Assure identification and provision of adequate and timely short-term technical assistance to ACOSCA.
9. Monitor project expenditure financial reports and assure that these reports contain all the information required for effective monitoring of expenditures.
10. Assist the ACOSCA Executive Secretary and accountant in the preparation of annual budget proposals and submit these to WOCCU a minimum of 90 days prior to new budget periods.
11. Assure the proper safeguarding of all project assets under the control of the technician.

II. Job Qualifications

A. Minimum Requirements

1. Education: Master's Degree in Business administration or management, or equivalent in experience.
2. Experience: A minimum of five years of overseas and/or North American cooperative/credit union experience, with a minimum of two of these years overseas.
3. Demonstrated ability to design and implement cooperative income-generating activities.
4. Demonstrated skills in national association and credit union management, promotion, organization, bookkeeping and budgeting.
5. Other skills and attitudes:
 - Proven ability to communicate complex ideas precisely and coherently through written and oral presentations
 - Proven ability to identify and systematically solve problems in cross-cultural situations

- Demonstrated tact, trustworthiness and perseverance
- Demonstrated ability to perform with little direct supervision
- Demonstrated analytical skills
- Demonstrated ability to formulate and use precise planning documents
- Demonstrated ability to identify the strengths and weaknesses of colleagues and to design methods to overcome skill or attitudinal limitations
- Commitment to overseas development efforts

B. Additional Desirable Characteristics

1. Education: Graduate work involving independent research and analysis
2. Experience, skills, and attitudes:
 - fluency in spoken and written French
 - experience in management, statistics, budgeting, and programming
 - experience in the design and implementation of institutional information systems
 - experience in institutional monitoring and control functions
 - experience in relating to high level officials in an overseas context
 - demonstrated skill in the preparation of project proposals
 - demonstrated skill in project evaluation
 - demonstrated skill in the design and conduct of training programs
 - experience in cooperative/credit union development in Africa

APPENDIX IX

Private and Voluntary Organization Experience

Several Private and Voluntary Organizations (PVOs) are actively involved in the support of the co-operative savings and credit movement in Africa. Those primarily concerned with the AID-financed portion of this project are: the Credit Union National Association (CUNA) and the World Council of Credit Unions (WOCCU). The following is a brief description of each organization and its involvement in credit union development in Africa and the world.

1. CUNA

The Credit Union National Association (CUNA) is an association of 52 credit union leagues, which includes each state, the District of Columbia, and Puerto Rico.

Through the leagues, CUNA represents some 20,000 credit unions serving over 40 million members.

Since 1954, CUNA has allocated a portion of its human and financial resources to assist in the promotion of credit unions in the developing world. This effort has been assisted by the U.S. Agency for International Development (AID) since 1962. In the 20 years of CUNA/AID collaboration, the credit union concept has been introduced into more than 60 countries of Africa, Asia, Latin America and the Caribbean. An example of the successes due to these efforts may be seen in the Latin American region, where CUNA's focus was in the late 1950's and 1960's. The culmination of these activities came in 1971 with the creation of the Confederation of Latin American Credit

Unions (COLAC). In the decade since, COLAC has assumed virtually complete responsibility for the ongoing development of the region, which has included among other things the mobilization of more than \$20 million in external loan funds for Latin American credit unions.

During the 1970's CUNA maintained its direct involvement in the international arena through its Global Projects Office, which provided technical assistance and training to developing world movements, largely with funding provided by AID. In 1981, the Global Projects Office was formally transferred to the World Council of Credit Unions (WOCCU), in order to consolidate all international development efforts under a single body.

CUNA's international role has accordingly shifted from the provision of direct technical assistance, to coordination and mobilization of the financial and technical resources necessary to strengthen developing world movements. CUNA has retained its responsibility as the administrator of AID grants and contracts, although services are performed by the staff of WOCCU.

2. WOCCU

In 1970, the World Council of Credit Unions (WOCCU) was formed as the apex body of the world-wide credit union movement.

The efforts of CUNA and WOCCU over the past decade have focused on Africa. In the early 1970's Small Farmer Production Credit Programs were initiated in Cameroon and Lesotho. These efforts, although useful, indicated the lack of institu-

tional systems within the African credit union movement which effectively constrained programs. Subsequently, in the late 1970's and early 1980's institutional development projects were initiated in Cameroon, Lesotho, Kenya, Malawi, Sierra Leone, Togo, and, of course, with ACOSCA. These ongoing projects focus on the development of the management and service capabilities at the national or regional level so the movements will, in time, acquire the necessary technical and financial resources to become self-sufficient.

In 1980, an AID-funded project was also launched in the Caribbean with its efforts concentrated in a similar manner as those in Africa. In Asia, Australia, Canada, Europe, the South Pacific, and the U.S., most assistance provided has been in the form of short term consultancies and training activities.

The experience gained in co-operative/credit union development in all parts of the developing world provides WOCCU with a unique capability, augmented by resources available within the entire credit union system, to further promote non-profit savings and credit services.

The World Council maintains its home office in Madison, Wisconsin and a branch in Washington, D.C. In addition, to its management and administrative personnel, WOCCU's U.S. based staff includes specialists in such areas as: accounting, financial management, training, institutional analysis and development, budgeting, project design and evaluation, loan/investment planning, savings mobilization, and credit

union/co-operative development. All such staff have extensive overseas experience which in most cases include Peace Corps or similar experience, and are fluent in at least two languages. Each specialist has several years experience working in the credit union/co-operative sector and has provided direct assistance to the developing countries of Africa, Asia, Latin America and/or the Caribbean. The academic training, range of skills, and depth of experience of WOCCU staff is probably matched by few comparable organizations. Thus, the proposed project will be insured of more than adequate specialized technical support.

APPENDIX X

Training Strategy Lesson Plan

SUBJECT: Cooperative Savings and Credit Training

TRAINING GROUP: Commissioners/Registrars

LESSON: ACOSCA 1983-84 Training/Technical Assistance Programme and Schedule

TYPE OF PRESENTATION: Lecture with Questions

VISUAL AIDS: Handouts, Flip Chart, Chalkboard

<u>TIME</u>	<u>INTRODUCTION</u>	<u>CUES</u>
	<p>Today, ACOSCA's Department of Education and Training will review with you its 1983-84 Training/Technical Assistance Programme and Schedule. As part of this review, ACOSCA will share with you the methods used to design the series of workshops, based upon defined training needs, and the reasons for selecting certain training areas as priorities for ACOSCA training.</p> <p>Our objective in doing this review is to share as much information as possible with you about ACOSCA's training/technical assistance programme, the impact of such activities on your own movements and your Ministries/Department's potential involvement in some of the activities and how this involvement may be accomplished.</p> <p>The potential participation and collaboration by your governments in ACOSCA's training/technical assistance activities, we believe, will further increase the technical cooperative savings and credit skills of all levels of the national movements.</p> <p>Thus, the objectives of this presentation are:</p> <ul style="list-style-type: none"> To describe the methodology used by ACOSCA to identify essential training needs (skill deficiencies) of primarily society, national apex and government organisations serving cooperative savings and credit societies. To list the essential skill deficiencies identified under the ACOSCA training needs analysis exercise. To list ACOSCA's priority training areas. To describe ACOSCA's training/technical assistance strategy and approach. To list intended results, outputs of each phase of the ACOSCA training strategy. To review ACOSCA's 1983-84 training/technical assistance schedule. To explain ACOSCA's administrative training policies and responsibilities for each participating organisation. 	Overhead
	<p><u>DEVELOPMENT</u></p> <ol style="list-style-type: none"> 1. <u>Background</u> <ol style="list-style-type: none"> A. Pre-1960 ACOSCA training activities <ol style="list-style-type: none"> 1. Decentralized training approach through regional training centers. 	Overhead

TIME

CUES

2. Training Objectives :

- a. Promotion
- b. Bookkeeping
- c. Board/Committee responsibilities

B. Analysis and Recommendations regarding initial training approach

1. Omission of an initial training needs identification exercise which identifies what are the essential skills needed by an organisation and officials, employees within it to effectively implement the stated mission, objectives and functions.
2. No centralised training structure or system, administration unit, adequate human and financial resources to address current and future movement training needs.
3. Omission of 1 and 2 resulted in :
 - a. Courses too long, too large, with varying educational and technical skills of participants
 - b. Varying competencies of the instructors
 - c. Poorly designed curricula (lesson plans) focusing primarily on lecturing as opposed to workshops, practical exercises, case studies on relevant cooperative savings and credit skills. Learning process was passive as opposed to acquiring technical skills through «doing»
 - d. Inadequate training management in which excessive amounts of money were expended for non-related content training
 - e. Ratio of expended funds to participants' performance or acquisition of skills essential to their duties was less than adequate
 - f. ACOSCA loosing its credibility to deliver relevant technical training to cooperative savings and credit societies

C. Change in ACOSCA's training direction

1. Recognition to change from general training to skill transfer training (technical assistance)

Overhead

TIME

CUES

2. Systematic completion of a training needs analysis
 3. Identification of essential skills needed by :
 - a. Primary societies
 - b. National apex cooperative savings and credit organisations
 - c. Government cooperative entities responsible for savings and credit societies
 4. Prioritising of those essential technical skills that can be successfully addressed by ACOSCA
 5. Designing appropriate ACOSCA continental training system, administrative unit and training plan/schedule to implement the prioritised training needs
 6. Establishing monitoring/evaluation techniques to measure impact of ACOSCA training/technical assistance programmes
 7. Establishing manual/training material capability as well as Educational Newsletter service
- D. ACOSCA's Five Year Training (1980-84)
1. Phase I (1980-81)
 - a. Establishment of Department of Education & Training
 - b. Implementation of training needs analysis exercise
 - c. Hiring of Chief, Education & Training
 - d. Writing and production of two essential manuals based upon results of training needs analysis exercise
 - 1/ ACOSCA Model Credit Union Accounting Manual
 - 2/ ACOSCA Auditor's Manual
 - e. Production of a series of lesson plans relating to training, training administration, training officer's functions, personnel and general management relative to national apex organisations.

TIME

CUES

2. Phase II (1981 - 1984)

- a. Series of skill training programmes (workshops) designed to address the prioritised training needs identified under Phase I

3. Findings of ACOSCA's Training Needs Analysis

Overhead

- a. Lack of national standardization of cooperative savings and credit accounting and auditing systems, companion absence of manuals codifying the systems' statutory requirements, policies, practices, procedures and forms
- b. Absence of specific knowledge about Statutes, Rules, Byelaws, Circulars pertaining to savings and credit societies by all segments of the savings and credit movements. Thorough analysis of restrictions or omissions in Statutes which are inhibiting or preventing
 - 1/ growth of societies based upon relevant and effective technical assistance and
 - 2/ effective supervision and auditing of societies
- c. Absence of other types of savings and credit operational systems and companion manuals pertaining to Primary Societies' board of directors/ management committees, credit or loan committee, interlending, risk management, membership education and supervisory committee, as applicable
- d. Absence of national cooperative savings and credit promotion strategies, programmes and manuals for both existing movements and at the continental level (ACOSCA) for emerging movements
- e. Poorly organised national apex savings and credit organisations. Deficiencies noted continental-wide :

TIME

CUES

- 1/ National associations are often employment agencies, high administrative costs in proportion to the number of field officers on staff or to the number of affiliated societies to be served
 - 2/ National associations have ill-defined objectives or objectives that have not been adequately defined in terms of what must be produced to service the needs of the affiliated primary societies. The lack of a clear definition of the objectives produces vague functions or services to be performed, poor planning and budgeting, incorrect prioritising of work to be performed and the specific types of skills needed by employees to perform them, as well as effective internal control procedures to monitor performance.
 - 3/ Organisationally ineffective national apex organisations that produce few tangible services to their affiliates suffer from lack of dues and affiliation support. Why affiliate or pay dues to an organisation that does not deliver relevant and timely technical services?
- f. Absence of effective government regulatory programmes pertaining to cooperative savings and credit societies
- 1/ Layering of administrative hierarchy in which there are more government officers stationed in headquarter's and provincial/regional offices than assigned as field cooperative officers, or the «implementors» of the regulatory programme with the societies
 - 2/ Government training for its own officers often ill defined with office-based personnel receiving disproportionately more training than the cooperative field officers who need to know and practise essential skills in order to service the cooperative savings and credit societies.

TIME

CUES

- 1/ National associations are often employment agencies, high administrative costs in proportion to the number of field officers on staff or to the number of affiliated societies to be served
 - 2/ National associations have ill-defined objectives or objectives that have not been adequately defined in terms of what must be produced to service the needs of the affiliated primary societies. The lack of a clear definition of the objectives produces vague functions or services to be performed, poor planning and budgeting, incorrect prioritising of work to be performed and the specific types of skills needed by employees to perform them, as well as effective internal control procedures to monitor performance.
 - 3/ Organisationally ineffective national apex organisations that produce few tangible services to their affiliates suffer from lack of dues and affiliation support. Why affiliate or pay dues to an organisation that does not deliver relevant and timely technical services?
- f. Absence of effective government regulatory programmes pertaining to cooperative savings and credit societies
- 1/ Layering of administrative hierarchy in which there are more government officers stationed in headquarter's and provincial/regional offices than assigned as field cooperative officers, or the «implementors» of the regulatory programme with the societies
 - 2/ Government training for its own officers often ill defined with office-based personnel receiving disproportionately more training than the cooperative field officers who need to know and practise essential skills in order to service the cooperative savings and credit societies.

TIME

CUES

3/ Emphasis on sending government officers overseas for «education» which is fine as far as it goes; however, such «education» is not supplemented by immediate practical application on the job and modified to fit the local conditions

4/ Where applicable, government training programmes for movement officials often suffer from lack of coordination with the movement training effort, duplicate effort and varies in quality and measured outputs or performance

5/ Lack of emphasis on cooperative savings and credit society training although, in many countries, cooperative savings and credit societies are the fastest growing type of cooperative

E. Prioritising of Skill Training/Technical Assistance Needs Overhead

1. Essential skills needed at primary society level now to build sound and service-oriented financial cooperatives

a. Standardised savings and credit accounting, codified into manual, illustrated practical exercise, accompanying accounting training programme (structured lesson plans) and national association expert on savings and credit accounting

b. Standardised savings and credit auditing, codified into manual, illustrated practical exercise; accompanying auditing training programme (lesson plans) and national association/government experts on savings and credit auditing

c. Membership promotion and education, codified into manual in which national association provides continuous training in the roles and responsibilities of membership in savings and credit societies, and develops an awareness to regular saving and prompt repayment of loans

d. Defined duties and responsibilities of board/committee members, paid employees, where applicable, of primary societies.

TIME

codified into national manual,
accompanying training programmes and
national association trainers respon-
sible for such training/technical
assistance

DUES

- e. Loan or lending activities, codified
into a Credit or Loan Committee Manual,
practical exercise, accompanying
training programme and trained
national association staff expertise.
Such codification of lending activities
would also address interlending and
small farmer production credit schemes,
where applicable.

TIME	CJES
	<p>f. Risk management (life savings and loan protection programme) codified into operations manual, illustrated practical exercise, accompanying training programme and trained national association instructors providing both training/on site technical assistance to the primary societies</p> <p>g. Financial planning and budgeting as a second step following the national standardisation of accounting systems and the requisite training to primary society officials</p> <p>2. Essential skills needed at national cooperative savings and credit level now to build an effective apex organisation delivering timely and relevant technical services to the affiliated primary societies</p> <p>a. <u>national apex organisation</u></p> <p>1/ NA accounting system, financial planning and budgeting system, codified into a manual of operations and accompanying internal training programmes for affected staff</p> <p>2/ Research and statistical capability based upon a common data base achieved through a standardised national savings and credit accounting system and control/accountability for collecting/analysing data on fixed time frames</p> <p>3/ Movement promotion strategy and programme that recognises Statutory requirements, external conditions, available supervisory and auditing resources and capabilities, codification into a manual, illustrated practical exercise, accompanying training programme and trained instructors</p> <p>4/ NA management systems design including general administration, personnel and training, codified into manual of operations, illustrated practical exercises and forms</p>

for use for each system, requisite policies, practices and procedures, accompanying staff training on each system with continuous control and monitoring by NA manager and, where applicable, NA board of directors/management committee

5/ NA managers' management training (planning, organising, staffing, directing and controlling)

6/ Special programmes of interlending, small farmer production credit and risk management codified into manuals, illustrated practical exercises and trained NA instructors responsible for providing both applicable technical training/on site assistance to the primary societies

b. national apex organisation/field services

1/ Essential systems, manuals, training programmes and trained instructors in each essential skill area identified for primary societies

2/ Field services structure that effectively delivers requisite technical services, in a timely manner, to the primary societies

3. Essential skills needed by government cooperative entities responsible for cooperative savings and credit societies

a. Working knowledge of Statutes, Rules, byelaws, circulars pertaining to cooperative savings and credit societies

b. Cooperative savings and credit accounting

c. Cooperative savings and credit auditing

d. Cooperative savings and credit operations, differences from other types of cooperatives

e. Cooperative savings and credit lending activities, participation, where applicable, in interlending and small farmer production credit schemes, other types of cooperative activities

f. Cooperative savings and credit risk management programme

TIME

CUES

- g. Specific skill requirements for each group of officials and paid employees within the movement and their prioritised training needs as codified into a total movement training programme, where governments are empowered and conduct such movement training
- h. Regulatory management of savings and credit movements as framed by Statutory authority, national practices and sound management principles. Effective design of field cooperative officers' work programme to address, in a timely manner, the immediate and long term needs of the primary societies.

II. ACOSCA Training/Technical Assistance Strategy

Overhead

A. Results of training needs analysis

- 1. Innovative approach to meeting technical skill deficiencies
 - a. Design of one month workshops in essential skill areas that incorporates the writing of a technical manual codifying a particular savings and credit system, illustration of system through a practical exercise, accompanying training programme and «expert» NA representative
- 2. Workshop method produces the following results (skills and knowledges acquired) :
 - a. Writing a manual about a particular system increases the following skills/ knowledges :
 - 1/ Statutory requirements, technical principles and standards, policies, procedures and practices
 - 2/ Total insight on how system operates, within acceptable standards and within local environment
 - 3/ Familiarity with one own's system, strengths and weaknesses of it, becomes an «expert» on the particular system

TIME

CUES

- 4/ Series of technical skills applicable to a particular system such as accounting, auditing, lending, promotion, planning and budgeting, training, personnel, general management
 - 5/ Work habits, time allocation, organisational design of manual construction/content from simple to complex, known to unknown
 - 6/ Writing skills, analytical and research skills, clarity of thinking, ability to relate material and codification of technical material into simplest form for comprehension by the reader
 - 7/ Systems design and demonstration of its capability to work through completion of practical exercises, incorporated into each manual
 - 8/ Proofreading skills, form design
- b. Writing lesson plans based upon completed manual
- 1/ Adult learning theory
 - 2/ Curriculum design
 - 3/ Lesson Plan design
 - 4/ Visual aid design
 - 5/ Instructor skills
 - 6/ Interpersonal and group communication skills
 - 7/ Training administration and management
 - 8/ Training counsellor/advisor skills
 - 9/ Training group designation
 - 10/ Training site design
- c. Participant works hard during workshop, «buys» into his or her manual, will more effectively sell its value to his/her own movement.

TIME

CUES

- d. Finished product is African, incorporates national legal requirements, policies, procedures and practices
 - e. Participants become «experts» within their own movements and become part of a cadre of African savings and credit movement experts continental-wide that are available to implement specific technical services to other established or emerging movements
 - f. Maximum value of expended funds since multiple products are produced after one month as well as multiple increase in technical and related skills of each participant
3. Workshops' impact and results to national savings and credit movements/continental level
- a. Codified technical cooperative savings and credit system, described in manual, illustrated through practical exercises, translated into a series of lesson plans adopted to the skill/knowledge levels of the movement officials
 - b. Trained NA expert skills in technical system and competency to transfer required skills to all levels within the movement
 - c. Decreased dependency upon foreign technicians at all levels of national cooperative savings and credit movements; increased assistance by Africans for Africans both nationally and continental-wide
 - d. Improved financial/accounting, auditing and managerial systems at national association and primary society levels
 - e. Preliminary steps towards development of common data base, research and statistical services at the national levels and, in turn, at the continental level

TIME

CUES

- f. Understanding of existing Statutes, Rules etc. governing savings and credit societies and areas which need to be addressed, modified in order to facilitate more effectively the promotion, supervision and auditing of the societies as well as sequential promotion of the national movement
 - g. Preliminary steps towards development of national and continental-wide planning strategies: promotion and consolidation, resource identification and allocation, self sufficiency strategies, defined training/technical assistance needs according to stages of development of each movement and individual societies
 - h. Legitimate role of ACOSCA to deliver specific technical services to its affiliates
4. Risk Management training/technical assistance (in-country)
 5. Scheduling of ACOSCA-trained NA representatives to instruct in both ACOSCA-sponsored and national training programmes and to deliver technical assistance services through ACOSCA initiated personal service contracts
 6. ACOSCA Educational Fund (increase amount of contribution by workshop participants to meet up to 40% of total operating costs of each participant's attendance)
 7. Personal Service «Fee for Service» schedule regarding incountry training/technical assistance services provided by ACOSCA and designated ACOSCA/NA experts
 8. Research/Statistical capability, Educational Newsletter
 9. Technical assistance clearinghouse (project development, design, collaboration, control and monitoring)
- E. ACOSCA Training/Technical Assistance Policy
1. Based upon following factors :
 - a. Train the few in specific technical skills to train the many
 - b. Be recognized as «expert» in certain technical savings and credit skills

TIME

CUES

- c. Do a few things well
 - d. Assist ACOSCA/NA Personnel to become «experts»
 - e. Provide limit number of technical services to affiliates that, for a variety of reasons, are difficult at this point for national movements to institute
 - f. Funding constraints, cannot address all the technical needs, institute innovative systems design/manual production approach (workshops) to address multiple technical needs
 - g. Establish Educational Fund, Fee for Service concept to address self sufficiency need
2. Training Strategy
- a. Train the Trainer
 - b. Technical systems development/manual production
3. Training Groups
- a. NA Accountant/Auditors
 - b. NA Managers
4. Technical Skill Areas
- Listed previously
5. Designated training approach
- Workshop
- Manual Production
- Instructor Training
6. Technical Assistance Results
- Reviewed previously
7. Trainee Selection Criteria
- a. Minimum skills, knowledges and demonstrated experience applicable to each workshop

TIME

CUES

- b. Payment in full of previous Education Fund contributions
- c. Compliance with affiliate dues requirements as established in ACOSCA Byelaws
- d. Incumbent of position in which completion of workshop will enable immediate and long term dissemination value to the national movement

8. ACOSCA responsibilities

- a. Early notification of designated workshops, transmission of nomination form, letter and specific criteria as applicable
- b. Early approval/disapproval of nominees, issuance of PTA's, special requirements of workshops
 - 1/ Reserves the right to disapprove nominee for any workshop based upon Item 7 or any other criteria established for a particular workshop
 - 2/ Notifies in writing to national organisation reasons for disapproval
- c. Reserving the right to terminate participant's attendance at a workshop due to :
 - 1/ Skill level below standard of workshop
 - 2/ Poor attitude about following workshop instructions, scheduled hours of work and time frames for completing work
 - 3/ Inadequate work habits (lack of self discipline) to keep pace with targeted time frames for completion of work and pace of the group
 - 4/ Arriving late for workshop in which too much time has elapsed to effectively make up
 - 5/ Lack of adherence to national laws or misconduct detrimental to ACOSCA or individual's national organisation
 - 6/ Experiencing repetitive health problems

Handouts

TIME

9. ACOSCA/NA/Government Funding

CUES

- a. ACOSCA comprehensive funding of such technical assistance programme ends in 1984
 - 1/ Increase Education Fund contribution
 - 2/ Specify payment responsibilities for ACOSCA and for participating organisation in nomination letter for continental/regional workshops
 - 3/ Total funding of national programmes by host organisation or multiple organisations
 - 4/ Fee for Service for ACOSCA on site technical assistance paid by host organisation
- b. Train the Trainer concept reduces ballooning costs of running large programme, allows funds to be redirected towards specific technical areas; improvement of ratio between money expended and measured results

SUMMARY

During this presentation, we have reviewed the steps taken by ACOSCA's Department of Education and Training to design an apex skill technical assistance programme, using the workshop method, to deliver certain essential technical skills needed currently by ACOSCA's affiliates and, as applicable, to government cooperative entities.

We outlined the approach used to identify the essential technical skills needed at each level of a national cooperative savings and credit movement. Based upon this training needs identification, ACOSCA shared with you its workshop schedule, outputs or results of each, the numbers of movement officials to be trained and the potential participation of government cooperative officers in some of the workshops.

ACOSCA recognises the heavy schedules to be achieved during 1983-84; however, believes that events within the cooperative savings and credit movements dictate concentrated efforts in developing essential technical systems and expertise among movements to effectively manage growth of societies, their financial solvency and service to members.

The business of ACOSCA, national cooperative savings and apex organisations and government cooperative entities is serving effectively the technical needs of primary societies. Any deviation from this business is to abdicate responsibility and break the faith of millions of African cooperators who join savings and credit societies in «good faith.»

Statement of Work

A. Objective: Funds provided under this grant will be used to achieve the following overall objectives and services:

1. Continue to strengthen the organizational development of ACOSCA.
2. Develop a financial management plan that will improve its income generating capabilities so that ACOSCA can better support its services and operations from earned income.
3. Continue the provision of services to national affiliates in training trainers, long and short term technical services and risk management, with increased emphasis on Francophone countries.
4. Assist national affiliates in planning training programs for credit union members and staff at the national and local levels.

The detailed purpose and description of the grant is cited on pages 1-7, 56-71 and page 95 of the attached approved grant application hereafter referred to as the Application. This purpose and description in the Application was approved by AID with two provisions: (a) that Attachment C of this PIO/T, consisting of AID objectives for the grant, be incorporated as a part of the purpose and description and (b) that implementation and evaluation activities of the grant incorporate the items included in Attachment C.

B. Scope of Work: Goods and services financed by A.I.D. under this grant are as follows:

1. Technical Assistance

a) Long-term

<u>Position</u>	<u>Duty Post</u>	<u>Duration</u>
Training Advisor	Nairobi, Kenya	36 months

b) Short term - four (4) short term consultancies of one (1) person month each will be provided.

2. Training: During the project period (1985-87) 12 training workshops will be carried out annually by ACOSCA, 5 of which will be funded under the A.I.D. grant and 7 financed by ACOSCA primarily from other donor resources (see pp 58-59 of the Application).

3. Commodities: Only limited commodities in the form of one computer, office equipment, stationery and expendable supplies estimated at a total of \$37,000 will be provided under the grant (see appendix IV-A and IV-C of the Application).

C. Grant Recipients and Relationships: The ultimate recipient of the goods and services of this grant is ACOSCA. Past experience reveals the need for continuing assistance and relationships with CUNA and WOCCU developed under earlier phases of the program. For this reason, Appendix VI A-C of the application indicates that direct budgetary support will be provided to ACOSCA through CUNA/WOCCU in the amount of \$724,996, for institutional support and \$402,551 for training programs or a total of \$1,127,547 to ACOSCA. The remaining amount of \$571,110 consists of \$481,110 in technical assistance and \$90,000 in evaluation/baseline study services to be performed by WOCCU for ACOSCA. The roles and responsibilities of A.I.D. and each recipient are described on pages 72-75 of the Application.

D. Project Implementation schedule: Implementation activities under the grant will be carried out in accordance with the schedule included on pages 76-82 and 103-105 of the Application with additions and changes to include the targets specified in the attached AID objectives for the grant mentioned above.

E. Records: The standard records established by A.I.D. Contract Management for special support grants must be maintained by the grantees. CUNA/ACOSCA will agree to maintain and have audited those records and financial statements necessary to meet grant terms and conditions and to measure achievement of project objectives.

F. Project Evaluation and Reports: An ongoing assessment/evaluation process will occur throughout the life of the project through efforts of ACOSCA and CUNA/WOCCU advisory personnel. Quarterly monitoring reports will be prepared jointly by ACOSCA/WOCCU indicating the status of all objectives undertaken during the period as well as specifying those that will be targetted for the next period. Where objectives have not been achieved as planned, an analysis and appropriate recommendations will be made. Copies will be provided to AID and members of the project advisory committee (see below). Reporting on training programs undertaken will be attached to quarterly reports and will include a statement of objectives, pre-training assessment of trainee skills, post-training assessment of trainees in relation to objectives, and analysis of failures to produce desired objectives with appropriate recommendations. Monthly financial statements will be prepared along with budget variance analyses and appropriate corrective action taken if indicated.

G. Project Advisory Committee: The project advisory committee will meet semi-annually to review project achievements and to prepare recommendations for future implementation. The advisory committee will include the ACOSCA Executive Secretary, the ACOSCA Board Chairman or designee, the project liaison officer for A.I.D./REDSO/E, representatives of donor groups participating and available, and a representative of the World Council of Credit Unions. The advisory committee will review in detail the project objectives and income generation strategy results for the elapsed six-month period and the work plan for the next six months. Where appropriate it will recommend to ACOSCA's Board and Management modification in the project objectives, rescheduling, addition or deletion as appropriate.

H. REDSO/Mission: A.I.D. will assign a project liaison officer from the REDSO/EA staff to serve on the project advisory committee and maintain contact with ACOSCA and project personnel.

I. Covenants: CUNA shall covenant to:

1. submit to AID, within six months after the obligation of the cooperative agreement, a draft long-term plan for financial management and income-generation of ACOSCA;
2. submit to AID, in form and substance satisfactory to AID, within one year after the obligation of the cooperation agreement, a final plan for long-range income generation; and
3. submit annual subproject budgets to AID, in form and substance satisfactory to AID.

AFR/RA:WWH:ten:mhc:2/25/85:3448Y:3/27/85

140

AID OBJECTIVES FOR THE GRANT
SRO-ACOSCA 698-0413.13

The Bureau for Africa Executive Committee for Project Review specified that the following AID objectives should accompany the approved WOCCU/ACOSCA Application of October 29, 1984, as an integral part of the project implementation plan. Some of the items below are already included in the Application but are repeated here for emphasis and further guidance.

Each of the items listed below should be discussed in the first semi-annual report, with quantified targets where possible for life-of-project. In subsequent semi-annual reports progress toward targets should be evaluated.

A. Financial Management and Income Generation:

1. ACOSCA/WOCCU will submit to AID in draft within 6 months after the grant is signed, a long-range plan to maximize income generation and control expenses. A final plan, acceptable to AID, will be submitted within the first year of the project. The services of an individual with relevant experience, such as the management of a credit union service corporation, will be provided by WOCCU to assist ACOSCA in developing this plan and in implementing task A-3 below.

2. ACOSCA and its affiliates should explore more creative approaches in resolving currency conversion problems to facilitate increased dues payments.

3. ACOSCA will continue to implement firm but rational policies in charging fees-for-services, while maintaining up-to-date analysis of the market for current services and exploring possible new cost-effective and sustainable services.

B. Organization and Administration:

1. ACOSCA will continue efforts to increase efficiency and to decrease the proportion of administrative to program staff.

2. ACOSCA will form five new affiliates during LOP.

3. ACOSCA will submit annual budgets for AID approval and the budgets will include budget variance analysis (i.e. planned vs. actual) and adjustments for inflation.

4. Trends in ACOSCA income will be reported with adjustments for inflation.

- 2 -

5. ACOSCA will increase and report its role of affiliate representation in the following areas:
- Brokering with donor agencies for appropriate assistance for affiliates.
 - Financial management for bilateral grants.
 - Expansion of services including those where affiliates pay a fee.

6. The baseline data collection and analysis component of the grant will be established as a permanent function and will include financial as well as institutional data.

C. Services and Outreach Activities of ACOSCA:

1. ACOSCA will make increased use of affiliate leaders as an efficient and cost-effective means to deliver services.
2. ACOSCA will increase its efforts to provide services to francophone countries.
3. Training and risk management will be continued and strengthened as priority services of ACOSCA.
4. ACOSCA follow-up and support of training conducted by national affiliates will be systematized and documented.

D. Project Monitoring and Management:

1. ACOSCA will utilize a project advisory committee and establish a donor coordinating committee.
2. AFR/RA will continue as primary AID contact with CUNA/WOCCU.
3. REDSO/ESA will designate a project liaison officer to facilitate field communications.

E. AID Grant Administration:

Continue current arrangements under SRO between CUNA/WOCCU/ACOSCA. (CUNA is Grantee with WOCCU providing TA and serving as conduit for grant funds; ACOSCA is ultimate recipient of the major portion of the funds and the recipient of all WOCCU services).

APR/RA:Wwitten:mhc:2/27/85:3498Y

147

AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON 20548

June 4, 1985

Mr. Jim Williams
President
Credit Union National Association
P.O. Box 391
Madison, WI 53703

Subject: Cooperative Agreement No. AFR-0413-A-00-5029-00

Dear Mr. Williams:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the Agency for International Development (hereinafter referred to as "A.I.D." or "Grantor") hereby provides to the Credit Union National Association (hereinafter referred to as "CUNA" or "Recipient") the sum of One Million Dollars (\$1,000,000) to provide support for a program in the Support to Regional Organizations - ACOSCA Project, as more fully described in the Attachment 1 of this Cooperative Agreement entitled "Schedule" and the Attachment 2, entitled "Program Description".

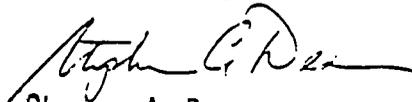
This Cooperative Agreement is effective as of June 1, 1985, and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives from the effective date through the estimated completion date of May 31, 1988.

The total estimated amount of the program is \$1,698,657, of which \$1,000,000 is hereby obligated. AID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount. However, AID may provide additional funds during the Cooperative Agreement period up to an additional amount of \$698,657. It is anticipated that the obligated amount will be sufficient through January 1987.

This Cooperative Agreement is made to the Recipient on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule", Attachment 2, entitled "Program Description", and Attachment 3, entitled "Standard Provisions", which have been agreed to by your organization.

Please acknowledge receipt and acceptance of this Cooperative Agreement by signing all copies of this Cover Letter, retaining one set for your files, and returning the remaining copies to the undersigned, being sure to return all copies marked "Funds Available".

Sincerely yours,



Stephen A. Dean
Grant Officer
Regional Operations Division-AFR
Office of Contract Management

Attachments:

1. Schedule
2. Program Description
3. Application
4. AID Objectives for the Agreement SRO-ACOSCA 698-0412.13
5. Standard Provisions

ACKNOWLEDGED:

Credit Union National Association, Inc.

BY: _____

TYPED NAME: . Jim R. Williams

TITLE: . President

DATE: . June 26, 1985

FISCAL DATA

PIO/T No.: 698-0413.13-3-5614603
Appropriation No.: 72-1151021.6
Budget Plan Code: GDA-85-31698-DG12
Allotment No.: 546-61-698-00-69-51
Project No.: 698-0413
Total Estimated Amount: \$1,698,657
Total Obligated Amount: \$1,000,000
E.I. No.: 23-70-65623
DUNS No.: 07-264-6110
Technical Office: AFR/RA, W. Whitten
Funding Source: AID/W/M/FM/PAFD

SCHEDULE

A. Purpose of Cooperative Agreement

The purpose of this Agreement is to provide Support for Regional Organizations, specifically ACOSCA (African Cooperative Services and Credit Association), as more specifically described in Attachment 2 to this Agreement entitled "Program Description."

B. Period of Agreement

1. The effective date of this Agreement is June 1, 1985, and the estimated completion date is May 31, 1988.

2. Funds obligated hereunder are available for program expenditures for the estimated period June 1, 1985, to January 31, 1987, as shown in the Financial Plan below.

C. Amount of Agreement and Payment

1. The total estimated amount of this agreement for the period shown in B.1. above is \$1,698,657.

2. AID hereby obligates the amount of \$1,000,000 for program expenditures during the period set forth in B.2. above and as shown in the Financial Plan below.

3. Payment shall be made to the Recipient in accordance with procedures set forth in the Standard Provision of this Agreement entitled "Payment - Letter of Credit (AUGUST 1984)" as shown in Attachment 5.

4. Additional funds up to the total amount of the Agreement shown in C.1. above may be obligated by AID subject to the availability of funds, and to the requirements of the Standard Provision of this Agreement, entitled "Revision of Financial Plans."

D. Financial Plan

The following is the Financial Plan for this Agreement. The Recipient may not exceed the grand total of the total estimated amount or the obligated amount, whichever is less (see Part C above). Except as specified in the Standard Provision of this Agreement entitled "Revision of Financial Plans", as shown in Attachment 5, the Recipient may adjust line item amounts within the grand total as may be reasonably necessary for the attainment of program objectives.

Institutional Support	\$724,996
Training Program	\$402,551
Technical Assistance (excludes overhead)	\$378,329
Overhead (see schedule section G)	\$102,781
Evaluation/Baseline Data Survey	<u>\$ 90,000</u>
TOTAL	\$1,698,657

E. Substantial Involvement Understandings

It is understood and agreed that AID will be involved in the following:

1. Review and approval of the draft long-term plan for financial management and income-generation for ACOSCA; this draft plan is to be submitted within six months after the obligation of the cooperative agreement.
2. Review and approval of the final plan for ACOSCA's long-range income generation, to be submitted within one year after the obligation of the cooperative agreement, in form and substance satisfactory to AID.
3. Review and approval of the annual subproject budgets for ACOSCA, to be submitted to AID in form and substance satisfactory to AID.

F. Reporting

1. Financial Reporting

a. Financial reporting requirements shall be in accordance with the Standard Provision of this Agreement entitled "Payment - Letter of Credit (AUGUST 1984)", as shown in Attachment 3.

b. The original and two copies of all financial reports shall be submitted to AID, Office of Financial Management, Program Accounting Division (FM/PAD), Washington, D.C. 20523. In addition, three copies of all financial reports shall be submitted to the Technical Office specified in the Cover Letter of this Agreement.

2. Program Performance Reporting

An ongoing assessment/evaluation process will occur throughout the life of the project through efforts of ACOSCA and CUNA/WOCCU advisory personnel. Quarterly monitoring reports will be prepared jointly by ACOSCA/WOCCU indicating the status of all objectives undertaken during the period as well as specifying those that will be targetted for the next period. Where objectives have not been achieved as planned, an analysis and appropriate recommendations will be made. Copies will be provided to AID and members of the project advisory committee (see Part F of Attachment 2, Program Description). Reporting on training programs undertaken will be attached to quarterly reports and will include a statement of objectives, pre-training assessment of trainee skills, post-training assessment of trainees in relation to objectives, and analysis of failures to produce desired objectives with appropriate recommendations. Monthly financial statements will be prepared along with budget variance analyses and appropriate corrective action taken if indicated.

G. Indirect Cost Rates

Pursuant to the Standard Provision of this Cooperative Agreement entitled "Negotiated Overhead Rates - Nonprofit Organizations Other than Educational Institutions", a rate or rates shall be established for each of the Recipient's accounting periods which apply to this Agreement. Pending establishment of revised provisional or final indirect cost rates for each of the Recipient's accounting periods which apply to this Agreement, provisional payments on account of allowable indirect costs shall be made on the basis of the following negotiated provisional rate(s) applied to the base(s) which are set forth below.

<u>Type</u>	<u>Rate</u>	<u>Base</u>
Provisional	63%	Direct base salaries of U.S.employees (excluding incentives or other premiums for overseas service and lump sum annual leave payments) (Technical Assistance Salaries)

H. Title to Property

Title to any property acquired under this agreement shall vest in the Recipient.

J. Special Provisions

1. For the purposes of this Agreement, references to "OMB Circular A-122" in the Standard Provisions of this Agreement shall include the AID implementation of such Circular, as set forth in subpart 731.7 of the AID Acquisition Regulations (AIDAR) (41 CFR Chapter 7).

K. Alterations and Additions to Standard Provisions:

1. The Standard Provisions set forth as Attachment 3 to this Agreement consist of form AID 1420-52, dated 2-82, which includes provisions 1 through 34.

2. The Standard Provisions, as defined above, are modified as set forth in the November 1984 Attachment to AID Forms 1420-51 and -52, entitled "Alterations in Grant", which is attached hereto and made a part of this Agreement.

3. Delete the following Standard Provisions from form AID 1420-52, dated as above:

- | | | | |
|----|---------------|---|---|
| a. | Provision 5A | : | Negotiated Overhead Rates - Predetermined |
| b. | Provision 7B | : | Payment - Periodic Advances |
| c. | Provision 7C | : | Payment - Reimbursement |
| d. | Provision 10A | : | Procurement of Goods and Services Over \$250,000 |
| e. | Provision 13B | : | Title to and Care of Property (U.S. Government Title) |
| f. | Provision 13C | : | Title to and Care of Property (Cooperating Country Title) |

Attachment 2

PROGRAM DESCRIPTION

A. Purpose of Agreement

To provide funds under this agreement to be used to achieve the following overall objectives and services:

1. Continue to strengthen the organizational development of ACOSCA.
2. Develop a financial management plan that will improve its income generating capabilities so that ACOSCA can better support its services and operations from earned income.
3. Continue the provision of services to national affiliates in training trainers, long and short term technical services and risk management, with increased emphasis on Francophone countries.
4. Assist national affiliates in planning training programs for credit union members and staff at the national and local levels.

The detailed purpose and description of the agreement is cited on pages 1-7, 56-71, and page 95 of Attachment 3 (the agreement application), hereinafter referred to as the Application. This purpose and description in the Application was approved by AID with two provisions: (a) that Attachment 4, consisting of AID objectives for the grant, be incorporated as a part of the purpose and description and (b) that implementation and evaluation activities of the agreement incorporate the items included in Attachment 4.

Should there be differences between the terms and conditions of this Program Description (Attachment 2) and the Application (Attachment 3), then this Program Description prevails.

B. Specific Objectives

Goods and services financed by A.I.D. under this agreement are as follows:

1. Technical Assistance

- a) Long-term

<u>Position</u>	<u>Duty Post</u>	<u>Duration</u>
Training Advisor	Nairobi, Kenya	36 months

- b) Short-term - four (4) short term consultancies of one (1) person month each will be provided.

2. Training: During the project period (1985-1987) 12 training workshops will be carried out annually by ACOSCA, 5 of which will be funded under the A.I.D. agreement and 7 funded by ACOSCA primarily from other donor resources (see page 58-59 of the Application, Attachment 3).

3. Commodities: Only limited commodities in the form of one computer, office equipment, stationery and expendable supplies estimated at a total of \$37,000 will be provided under the grant (see appendix IV-A and IV-C of the Application, Attachment 3).

C. Agreement Recipients and Relationships: The ultimate recipient of the goods and services of the agreement is ACOSCA. Past experience reveals the need for continuing assistance and relationships with CUNA and WOCCU developed under earlier phases of the program. For this reason, Appendix VI A-C of the Application indicates that direct budgetary support will be provided to ACOSCA through CUNA/WOCCU in the amount of \$724,996, for institutional support and \$402,551 for training programs for a total of \$1,127,547 to ACOSCA. The remaining amount of \$571,110 consists of \$481,110 in technical assistance and \$90,000 in evaluation/baseline study services to be performed by WOCCU for ACOSCA. The roles and responsibilities of A.I.D. and each recipient are described on pages 72-5 of the Application (Attachment 3).

D. Project Implementation Schedule: Implementation activities under the grant will be carried out in accordance with the schedule included on pages 76-82 and 103-105 of the Application (Attachment 3) with additions and changes to include the targets specified in the attached AID objectives for the agreement mentioned above (Attachment 4).

E. Records: The standard records established by A.I.D. Office of Contract Management for special support grants/agreements must be maintained by the recipients. CUNA/ACOSCA agrees to maintain and have audited those records and financial statements necessary to meet grant terms and conditions and to measure achievement of project objectives.

F. Project Advisory Committee: The project advisory committee will meet semi-annually to review project achievements and to prepare recommendation for future implementation. The advisory committee will include the ACOSCA Executive Secretary, the ACOSCA Board Chairman or designee, the project liaison officer for A.I.D./REDSO/EA, representatives of donor groups participating and available, and a representative of the World Council of Credit Unions. The advisory committee will review in detail the project objectives and income generation strategy results for the elapsed six-month period and the work plan for the next six months. Where appropriate it will recommend to ACOSCA's Board and Management modification in the project objectives, rescheduling, addition or deletion as appropriate.

G. REDSO/Mission: A.I.D. will assign a project liaison officer from the REDSO/EA staff to serve on the project advisory committee and maintain contact with ACOSCA and project personnel.

H. Covenants: CUNA shall covenant to:

1. submit to AID, within six months after the obligation of the cooperative agreement, a draft long-term plan for financial management and income-generation of ACOSCA;
2. submit to AID, in form and substance satisfactory to AID, within one year after the obligation of the cooperative agreement, a final plan for long-range income generation; and
3. submit annual subproject budgets to AID, in form and substance satisfactory to AID.

151