



« Dynamise les entreprises sénégalaises »



Tambacounda Technofair

EIGHTH QUARTERLY PERFORMANCE REPORT

01 October 2001– 31 December 2001

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

SUBMITTED BY: CHEMONICS INTERNATIONAL
DYNAENTREPRISES PROJECT



DATE : 31 JANUARY 2002
CONTACT : TEL : (221) 865.17.37
FAX : (221) 824.73.47
EMAIL : INFO@DYNENTREPRISES.COM



CHEMONICS INTERNATIONAL, INC.

QUARTERLY PERFORMANCE REPORT

Dyna-Entreprise Senegal - Chemonics Contract

October 2001 – December 2001

Quarter 8 of 20

CONTRACTOR: Chemonics International, Inc.
CONTRACT #: 685-00-00-C-00002-00
REPORTING PERIOD: October 2001 – December 2001 (Quarter 8 of 20)
USAID OFFICE: Strategic Objective 1

I. EXECUTIVE SUMMARY

The Ziguinchor regional office started operations with the recruitment of its personnel except for the PME Support Coordinator who will be hired this year. The recruitment process was started for the Ziguinchor driver. An additional assistant accountant was recruited due to the increase in the accounting workload. Due to lack of results and misconduct noted on several occasions, the contract of one driver was not renewed at expiration date.

Two interns were also recruited as “Junior experts” within the framework of the Kolda market gardening groups support program. The main objective of this program is to increase the interns’ chances of finding a permanent job with the experience gathered on the one hand and make available to these groups the expertise required for the development of their activities on the other hand.

The contracting activities substantially increased this quarter. The BOA mechanism that was started the previous quarter helped boost the number of contracts issued. For example, the total contracts signed amounted to 85.6 millions CFA francs and those resulting from the BOA mechanism to 461.6 millions CFA. In addition, the new assistant recruited in the contracting section adapted quickly and had a positive impact on the overall management of this process.

The information day organized by Microfinance in Mbour created an incentive to repeat such events in decentralized zones with adapted content.

Two new Memorandum of Understandings were signed with two GECs located in Velingara and Bakel. Support to be provided in training and computer equipment is anticipated for these two groups.

A pool of service providers located in the Tamba and Kolda regions will be selected during the next quarter, in order to better adapt the support provided to the needs expressed by the DFS of these regions.

The UMEC network was visited to check with the leaders and technicians the implementation of the main recommendations formulated within the framework of the network’s recovery program.

The visits that were carried out to Bakel CLECS allowed anticipating a possible collaboration with them, given that these structures are located in very enclosed and poor zones and have operational offices.

The Microfinance department participated in a Making Cents training carried out by a service provider, M.S.A. in Kaolack on behalf of the Chambre des Métiers de Kaolack.

Monitoring visits to FNGPF GECs located in the Thies and Diourbel regions were also conducted on December 5th and 6th.

Dyna participated in the Microfinance National Seminar organized by the BCEAO and Cellule AT/CPEC that took place on the 22nd and 23rd October 2001. During this seminar it was decided to revitalize the Senegal Association of Microfinance Professionals and the National Consultation Committee involving all sector members.

The savings mobilization and investment program has now been extended to 156 zones in towns and rural areas. Encouraging results were also noted in their membership and savings growth.

Dyna organized a workshop in Thies aiming at raising the awareness of two association members in savings mobilization and encouraging them to save before starting training or other types of activities.

It should also be noted that since November 2001, it has been decided to introduce the savings mobilization program in priority to the associations and existing groups located in areas that are not covered by the DFS authorized by the Ministry of Finance.

Pursuing its objective of increasing the quality of services rendered by service providers and the access of decentralized zones to these services, the PME Support Department continued its three stage-training program. In this way, the participants to the rural radios training organized in Sedhiou had the opportunity to increase their knowledge.

Other trainings with similar approach were held in Mbour, Ndiass, Velingara and Kolda where modules such as Neem tree's transformation, marketing, market gardening planning and serigraphy were successfully treated.

It should also be noted that the ITA (Foods technology institute) held its first training outside of Dakar, at the request of Dyna through its clients.

The most notable event this quarter was the techno fair held in Tamba, with the objective of stimulating the demand and interest in services and new technologies.

The high number of paying visitors and exhibitors proved the success encountered. The multimedia trailer was very appreciated by the local populations and mainly the young people who had the opportunity to access Internet and get an Email address.

An important study covering the banana sector is underway with the objective of improving the quality of the produce and expanding the market. The study targets the regions of Tamba, Kolda and the Sedhiou area.

The third main activity of the quarter was the launching of a testing phase to assess the dissemination methodologies after introducing new technologies in the rural zones and particularly the vetiver.

II. BACKGROUND

This is the 8th Quarterly Report of the USAID Senegal funded project to support the Private Sector Strategic Objective (SO #1). The strategic objective is

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

The two key intermediate results (KIRs) supported by this project are

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

The project mandate is a geographic focus around Dakar's peri-urban surroundings (Pikine and Rufisque departments within Dakar Region and Thies Region) and rural areas in the south (Kolda, Tambacounda, and Ziguinchor regions). The implementing team is comprised of two in-country contractors (Chemonics International and the Umbrella Support Unit) and an expanded team including two subcontractors (International Business Initiatives and the Center for International Private Enterprise) plus the USAID Senegal Strategic Objective #1 team. The two technical teams within the project, Microfinance and Business Development, correspond directly to the two KIRs listed above. The project is locally named "*DynaEntreprises Sénégalaises*" to denote the objective to "dynamize" or catalyze the entrepreneurial sector in Senegal by addressing the constraints confronting the private sector in their access to financial resources and quality of human, technical and managerial resources. Partners and clients shorten this formal name to "DynaEntreprises" or just "Dyna".

III. ADMINISTRATION

During this quarter the Administrative Department have completed the recruitment of the Ziguinchor regional office staff. This process was the final step in the setup of this regional office, the only missing piece was the recruitment of a Business Development specialist that is planned to happen later during the year. With only that exception, all the positions are currently covered (see following table).

Name	Entry Date	Department	Position	Status
André Achille SAMBOU	15/10/2001	MicroFinance	Microfinance technician	Trial Period
Marie Louise Laure KINKIN	03/12/2001	Administration	Administrative coordinator	Trial Period
Reine Marie BIAGUI	03/12/2001	Administration	Secretary	Intern
Moïse BADJI		Administration	Driver	In progress
Rosalie MINGOU	22/12/2001	Administration	Cleaning agent	Trial Period

As indicated in the previous table, the recruitment of the driver had started at the end of the quarter and an excellent candidate been selected. The new driver should start his duties in early January 2002.

Another important fact in Dakar is the increasing workload in the accounting section. In order to overcome that situation Dyna hired a new accounting assistant. During this quarter another important event was the departure of one driver. His one-year contract has not been renewed at term due to a poor performance and various incidents in which he was involved. A recruitment process will start next quarter to find a valuable replacement. In the meantime, a temporary driver who worked with the project in various annual leave replacements and short-term assignments is currently covering the position.

Junior Expert contracts have also been signed with young graduates during this quarter, in a support program for market-gardeners of the Kolda region. This program have two objectives of facilitating youth employment and put at the disposal of the groups the necessary expertise for the growth of their activity and creating favorable conditions to allow a sustainability for the new position. Two young graduates has benefited of this support during the quarter.

The contracts activities have also been at a high level to allow a continuity of the project technical activities. Within the contract section, recall that recruitment has been operated last quarter, the emphasis has been put on reinforcing the skills of the new hired resource. This recruit is more and more comfortable in the new tasks that she is responsible of and had a positive impact on the management and the follow-up of the contracts and the BOAs (Basic Ordering Agreements). As an illustration, the overall amount of signed contracts during this quarter has a value of 85.6 CFA F mln (117 KUSD) and the task orders issued under BOAs a total value of 461.4 CFA F mln (632 KUSD). A new BOA has been signed during this quarter in addition to the large set of existing agreements

in different technical areas. This new BOA is intending to use the service providers for the organizational development. The selected service providers are as follows:

- Performance Management Consulting – International Strategic and Management firm.
- Coopers & Lybrand – International Audit and Consulting firm affiliated with an worldwide partner.
- Access Finance Gestion – Local Finance and Management cabinet
- Mutalité et Développement – Local cabinet with a wide experience in credit union management support and the general field of development
- Groupe OCC – Local cabinet operating in the southern region of Senegal with a large experience in credit unions support.

Next Quarter

An important focus will be put on the visit of an IT specialist to setup the servers and computers procured for Dyna Microfinance partners (*UNACOIS, PAMECAS and The Cellule AT-CPEC*) in addition the inventory by the Administrative team. This technician from ECI a Dyna subcontractor will be responsible of implementing the systems for the partners and upgrading the existing one in the Dyna offices. The only Dyna Grant with ACEP will come to an end during the next quarter and an extension will probably be made to finalize the program.

IV. MICROFINANCE

A. Reinforcement of MicroFinance institutions

A.1. UNACOIS

□ COMPUTERIZATION UNACOIS 1

The computerization's program (computers, training and follow up) of the first group of Unacois mutuelles was completed; interesting results were obtained in terms of capacity building of the personnel of the mutuelles (managers and cashiers) the quality of service to customers and on increasing of membership.

A simple computer program was developed by the consultancy firm IATIG with the managers of the mutuelles. This facilitated the harmonization of record keeping and reports of the different mutuelles.

□ REINFORCEMENT UNACOIS 1

The program that concerns the 12 mutuelles ended during the current quarter;

UNACOIS 2: The contract was signed for training of the second group of mutuelles on November 15, 2001. This training program will cover the mutuelles in the network of UNACOIS located in the areas of St-Louis, Thies, Kaolack, Dakar and Diourbel. Contacts with board members were made and logistic questions settled. The sessions will start during January 2002.

A.2. MECFAM/COFDEC REINFORCEMENT: the program continues normally for these two Savings and credit mutuelles. The follow-up of training will be assured by the service provider until May 2002.

A.3. FEMUNI: This is a GEC located in the suburbs of Dakar; the Contract to provide services was signed on December 19, 2001. Training and assistance to establish reports and financial statements have started.

A.4. INTER CREC: the memorandum of understanding with Inter CREC was signed on September 04 2002 and the activities began on November 6, 2001 with the consultancy group OCC, that intervenes in the area of Ziguinchor. A meeting to clarify the objectives of the program and the terms of the contract was held between Dyna MicroFiance, Inter CREC, the person in charge of the Dyna contracts and the Group OCC on November 27, 2001.

A.5. RECEC: The contract for the training was signed on November 21, 2001 with the consultant SARR for the training of the GECs belonging to the network. The training started on December 3, 2001 for the 18 caisses, in four geographical areas.
A total number of 374 persons including managers, cashiers, and committee members are to be trained.

A.6. UNION DES FEMMES COMMERCANTES (UFC): A contract was signed with SEN ENGENIERIE on December 12, 2001 to provide training. The decision was taken to cover the

MECs in the 10 regions of Senegal, in order to support the creation of a network. This would harmonize the management tools and the content of training modules.

A.7. ACRA / 18 GEC: The start of providing assistance for this program was retarded as it was needed to find an appropriate framework to implicate ACRA. The terms of reference to provide assistance to organize a strategic planning workshop was developed after many meetings and discussions between ACRA and Dyna. This will be the first type of assistance to be provided by Dyna. Three service providers submitted technical and financial offers by December 23, 2001. The analysis of their offers is planned to be done on January 14, 2002. The provision of equipment for the caisses will start soon after the training.

A.8. FNGPF 2: The service provider Mutualité et Développement was given the task to provide training to two target groups, for the 16 GECs in Ziguinchor, Kaolack, Fatick, Louga and Saint-Louis.

At the local level: seventy eight (78) board members and 18 managers were trained from the 1st to 11 December 2001. The second session of training is to be held from 5 to 16 January 2002.

The following training programs were organized in Thies.

- MECARTH** by the consultant Badara Dione
- CAPEC JOBASS** by the consultant Badara Dione
- MEC PROPEM** by the consultant Badara Dione
- MEC FADEC** by the consultancy firm SPIE.

The training topics were related to management, administration and accountancy of MFIs. In the region of Ziguinchor, the follow-up of FRGPF, Unacois and CREC continue. Five new institutions were earmarked for assistance, after the information day in Mbour.

B. ACTIVITIES OF GENERAL TRAINING

MAKING CENTS : This activity started in August 2001 and was followed up in October with the training of 15 participants in the program "Esprit d'Entreprise" and 30 participants in the "Entreprendre" course.

CAPAF: data-processing tool for reformatting financial statements.

Tests were carried out on the data-processing program intended to reformatting the financial statements of BCEAO in financial statements according to the framework of CGAP. This tool was tested with two mutuelles: MEC PROPEM and ACRA. In the second phase, Dyna successfully tested the reformatting at a three day workshop where eight (8) managers of mutuelles were present.

C. INFORMATION DAY

An information day was held in Mbour on November 29 with strong participation. This strong participation encourages Dyna to continue these days in decentralized zones with an adaptation of

the contents. A week before the information day in Mbour, 62 concept papers were received and 20 structures were retained to continue the partnership.

D. NEW MEMORANDUM OF UNDERSTANDING

GEC TINARE: The signature of the MOU took place on December 4, 2001 in Vélingara in the presence of Dyna staff. It is planned to have a training programs for the managers and board members and the computerization of the structure.

GEC GANDA of Bakel: The signature of the MOU took place on December 5, 2001 in Bakel in the presence of Dyna staff. It is the first partner of Dyna for MicroFinance in the region of Tamba. Provision of training and computerization are being planned.

E. NEW BOA (Basic Ordering Agreement)

A new BOA was launched for training of MFIs located in the areas of KOLDA and TAMBA. It is planned to select a pool of consultants/firms from these two areas or working with cabinets/consultants in these areas. Agreements will be signed with the service providers for the duration of one year.

The activities will start in the next quarter with the GECs of Tinaré and Ganda that signed the MOUs.

F. SITE VISITS

UMEC OF SEDHIOU: Visits were made to the members in the UMEC network in order to discuss with board members and technicians the implementation of the principal recommendations for the activities for the development of UMEC.

CLECS of Bakel: CLECS of Yafera (135 members) and Tabanding (85 members) are isolated. They are all housed in solid buildings built with funding from a NGO " Fedde Service Development (FSD) ". They were all set up in 1999. The prospects for collaboration with those Caisses are good.

Making CENTS: A staff member of the Dyna MicroFinance section attended a training program organized by MSA, a local service provider in Kaolack.

FNGPF: Follow-up visits for the training in the areas of Thies and BAMBEY on December 5 and 6.

G. ACTIVITIES IN THE MICROFINANCE SECTOR

The 22 and 23 October 2001, The National seminar on microfinance brought together all the actors of MicroFinance in Senegal, including the donors and providers of technical assistance. It was organized by the BCEAO and the Cellule AT/CPEC and ended by commitments to revitalize the MicroFinance professionals association in Senegal and the National framework bringing together all the actors of the sector.

Seminar APDF: Africa Project Development Facility has as its aim the development of the SME sector. They presented their activities in Senegal at the seminar.

The Savings Mobilization and Investment Program

The Dyna Savings Mobilization and Investment program continued its growth figures increasing the number of women savers by 5% and men by 13%. The savings mobilized by women increased by 16% while men increased their savings by 42% over the last quarter. By the end of December 2001 the SMI program had worked in 156 towns, villages and urban neighborhoods. The evolution of the financial figures for these groups over the last two quarters is given in the table below.

Three hundred and five (305) Small Economic Activity Development (SEAD) groups were assisted, representing nine more groups than in the previous quarter. This represents an increase of 3% over the last period. The evolution of the number of groups assisted was lower than other quarters, as staff were concentrating on initiating the SMI program to associations that supervised savings and credit groups (GECs). Some of these associations had applied for assistance during various cycles to Dyna but had not been assisted to date, as they were unable to engage themselves to enhance the mobilization of savings.

Dyna staff organized and animated mini workshops to sensitize members of two associations in Thies on the SMI program. Around 35% of the GECs, attached to these associations are recognized by the ministry of finance. The purpose of initiating them to the SMI program was to motivate them to save before channeling training and other types of assistance requested by them during the Thies cycle in January 2001. Initial results as of December 31, 2001 indicated that there were 97 sub-groups that had been formed in one association, after the animation sessions made by Dyna staff. The groups had started saving 600 CFA per person per week and giving loans to their members.

The savings mobilized by these groups are not included in this report, as they have been saving only for around four weeks. Generally, data related to new groups are taken into account only if they continue operating after at least 13 weeks (three months). The board members of the association informed Dyna that the sub-groups would be depositing their savings in the GECs after around 15 weeks. A survey is to be carried out during the last week of February 2002, and if found that the sub-groups continue to save and are starting to deposit their savings in the local GECs, Dyna staff will prepare documentation and submit their request for assistance, for approbation by Dyna management and USAID.

Working with and channeling assistance to associations supervising GECs at the arrondissement level will assure that sustainable financial services could be made available to a larger segment of the population that has been neglected to date. Regulated MicroFinance Institutions (MFI) operating or having branches in city and urban centers are reluctant to open branches in all areas due to financial and organizational constraints. Surveys carried out revealed that people living in areas distanced from MFIs are unable to have access to financial services as it is too expensive to bring their tiny savings to the MFIs, and are not willing to risk their lives transporting cash passing through lowly populated areas. There are very few remote areas being served by regular transport services, as the operators do not consider them profitable. This limits the ability of people living in villages make regular savings, obtain loans and making reimbursements at department level MFIs.

Since November 2001, decisions was made to initiate the SMI program in priority for associations and groups operating in areas not covered by regulated MFIs, that wish to register themselves and were to form unions.

During this quarter, staff will continue to motivate groups that had applied during different cycles for assistance to Dyna to enhance their savings.

TABLE First quarter FY 2002 results for the SMI program for groups in Kolda, Dakar, Tambacounda and Thies.

Indicator	Description	Gender	Value			% Growth FY 2001 to Q1 FY 02	
			FY 00 Q4 Baseline	FY 01 Results	FY 02 Q1		
Savings	Internal	# of savers	M	0	573	646	13%
			F	70	4,700	4,915	5%
	amount saved	M	230,000	3,613,975	5,142,400	42%	
		F	450,000	22,876,410	26,513,505	16%	
	External	amount deposited in MFIs	M	0	0		
			F	0	2,541,705	5,044,500	98%
Loans	Internal	# of loans	M	0	720	1,110	54%
			F	0	6,214	7,220	16%
	amount loaned	M	5,000	6,864,790	10,469,705	53%	
		F	271,800	45,769,850	57,729,350	26%	
	External	amount obtained as leveraged loans	M	0	0		
			F	0	7,123,000	11,318,000	59%
Number of SEAD groups			13	296	305	3%	
# of villages/Quarters visited			19	144	156	8%	

V. BUSINESS DEVELOPMENT

The PME Division expanded its activities to stimulate Senegal's "Business Support Sector" through developing the supply side (service providers), the demand side (enterprises), and by expanding the role of professional associations.

Biz Dev met two objectives during the reporting period: diversify the product line of service providers, and expand the reach of services further into decentralized zones.

Developing the quality of Service Providers: Nine RFPs and Delivery Orders were formulated and issued during the reporting period. A total of some 40 service providers responded to these requests, and Biz Dev's staff worked closely with the winning firms to improve the quality of the service, and with firms not selected, to help them improve their future bids.

Through a request by an association of rural radios, BizDev contracted a local firm specializing in techniques of rural radio management and programming to implement a training module for operators and the staff of community radios. In addition to attaining the maximum of participants (20) from rural stations countrywide, the two-phased training was held in Bignona in the Casamance in the studio of a rural radio. No training of any kind had taken place in Bignona for several years because of the rebel activities in the region, yet participants (each paying 20,000 CFA) came from five different regions of Senegal to this isolated site. Each paid for their travel, lodging and food.

The first training module, held in early October, was followed two months later by a second "pass" by the trainer, but this time at the five sites of the rural radios stations. The objective was to review the first training module in the context of how each station had applied program planning, news coverage, regional event coverage, and maintenance and outreach program. From the report of the service provider, only three of the five stations showed improvements in their operation, either by increasing revenues, increased audience reach, and/or implementation of a management plan. However, a tour in station showed "no visible progress," and the fifth station had actually "regressed in performance," as the staff had not been paid in several months.

This second pass, and a third one to be held at a later date, have become standard operating procedure under BizDev's business training model. We have learned that when introducing new concepts, the first training or "pass," participants "**hear**" the material as presented and listen to the new concepts, but subsequently, few apply the material. At the second pass, which usually takes place 1 to 2 months after the first, participants now "**recognizes**" what was presented in the first training cycle, but still, only a small fraction of participants apply the new approach.

It is during the training's third repeat session, or "pass" that participants "**learn**" and "**implement**" the material presented; it now is familiar both in theory and after they have tried it at their place of business. A third "pass" for the "Rural radiophony" training is planned for the next reporting period.

Other training cycles held during the three months that included multiple passes and offered at the request of business groups were: in **Mbour** - Management and Marketing modules); in **Diass** - Neem and Marketing modules; in **Velingara** -vegetable production planning and marketing; in **Kolda** - serigraphy for the region's Association of physically challenged; in **Dakar** and at individual

companies - food processing techniques, and these were conducted by ITA. In each of these training cycles, all but one, Dyna contracted with new service to design and implement the training cycles and the follow-up services, and this with support and guidance from BizDev staff. It is important to note that ITA provided for the first time in their history training outside of Dakar, and this at the request of Dyna through its clients.

In other types of activities, Biz Dev promoted Information Technology application by service providers. An IT Blanket Ordering Agreement was developed and negotiated with five firms. Three contracts were concluded, including the construction of a Web site for the BNSTP; one for the Tamba TechnoFoire and one for the association of craftsmen of the Thies "Village Artisanal." Biz Dev worked with the requesting firms to determine format and content of the web sites, and reviewed with the web construction firm the design and implementation of the site. Pictures provided by the handicraft producers were continually critiqued by Biz Dev and redone in order to meet quality standards of commercial web site.

Stimulating Demand: Three significant events held during the reporting period were organized to stimulate demand and interest in new technologies and services. The Tamba TechnoFoire was a major event, and was planned to have impact by bringing together "buyers" of goods and services with suppliers, both of whom do not ordinarily meet. The impact of the Fair will have to be evaluated independently, but part of the proof of its success was in the number of paying visitors, and the daily increase of entrance receipts. By incorporate the Multimedia caravan into the 3 day rural fair, thousands of young people got the chance to surf the Internet, obtain an email address, and develop beginner computer skills. The combined event attracted 46 exhibitors and more than 3,500 paying visitors, many of whom participated in the carefully planned innovative workshops (six major workshops were organized, along with "information exchange" platforms that were held each day on sub sector themes). These formal "discussion boards" (some were held "Under the Palabra Tree") permitted an exchanges of experience and ideas within a structured setting. All of the sessions were led by trained discussion leaders and specialists, making the events even more important knowledge proceedings.

The TechnoFoire service provider was a local firm from Kolda. While its staff knew the region well they lacked experience in planning, organization and logistics. Biz Dev provided a substantial amount of support prior and during the event. The fair benefited from the participation of two other African countries to give it an international flavor. In collaboration with the Micro Finance division, two Making Cent\$ training sessions were organized for interested Fair goers which helped expanded the demand for the product and helped expand the demand market for Making Cent\$ training.

A major Banana subsector study was initiated with the objectives of improving the quality of the product and the size of the market. The study focused on banana producing areas of Sedhiou, Tamba, Kolda and St Louis and on improving the institutional capacity of three professional sector associations. In order to reinforce the Tambacounda service provider that conducted the study, Dyna recruited the services of a highly qualified Moroccan consultant to work closely with the Tamba firm in structuring the analysis and preparing the report. During the reporting period, a companion banana marketing strategy was prepared that covered the potential national market. The conclusion and recommendations, which include techniques to increase the quality of the

Senegal banana, their handling, ripening and transport is to be presented at a conference planned for the next reporting period.

Agriculture dissemination techniques: The third major activity included the launching of a test phase to evaluate the dissemination methodologies for introducing new technologies in rural areas. Over the past 6 months, Dyna has been engaged in promoting soil and water conservation technologies that include composting, wind breaks and erosion control.

In Velingara, an important vegetable production and marketing program was put into place at the request of five “groupements” of women vegetable growers. Dyna placed two Expert Juniors and a horticultural planning specialist who provide hands-on training to 135 individual entrepreneurs, members of the “groupements.” The geographical extension of these groups reach from the Gambia River to the Guinea Bissau border.

Dyna continued to respond to requests for advice and information on the applications of the vetiver system, a concept based on the indigenous plant “cepp.” In addition to demonstration sites Dyna established in four regions, a local firm tested different ways to disseminate and apply vetiver technology by making presentations to potential large buyers including construction firms, agricultural projects, donors and engineering design firms. They tested small-scale marketing approaches through presentations at village level consumers, NGOs and small farm holders. The contractor developed printed material, visual material, and tested techniques combining the public sector with private sector suppliers.

VI. MONITORING, EVALUATION, ANALYSIS AND RESULTS REPORTING

This quarter we finalized the terms of reference of the BOA Monitoring - Evaluation. A tender bid was launched and the offers limit date of deposit was scheduled for January 25, 2002. This new contracting method will allow to the Monitoring -Evaluation Division to begin a larger number of follow-up missions through Dyna's targeted zones.

In collaboration with the technicians it was instituted to ensure participation to the tripartite meetings (Dyna, Partners and Consulting Firms) to have more involvement from the SFD at the very beginning of the partnership and make him understand the need of producing regularly quarterly results as Dyna does it with the other counterparts and this is specifically mentioned on the contracts. Thus, the training session includes a module based on the mode of collection of results. As an example, working sessions were held with RECEC and cabinet SARR, and with INTER CREC and OCC. These meetings made it possible to have discussions on the training program with a better definition of the roles and responsibilities of each partner but also allowing the various speakers to express their expectations and their fears on the to training program.

On December, with microfinance section, we contracted follow-up visits for several GEC that belongs to the FNGPF network in the areas of Thiès and Diourbel. This mission allowed consolidating the choice of interns with CONACAP. This visit also gave us the opportunity to notice that certain Gec of FNGPF located in rural zone (Lambaye for example) had made spectacular progresses. Such examples can only reinforce us in the choice of our partners. Indeed, Lambaye for example started disbursing credits in 1999 with funds of 5 million francs and as at today granted in credit 72 million francs. As recommendations following these visits we can retain: reinforcing the follow-up after the training by longer missions that allowed us to provide training and assistance on site.

The technical personnel as well as the elected officials of the FNGPF appreciated the presence of the interns. Such a formula should be renewed for all Dyna partners.

With SME department, the major event outstanding this quarter was the Tambacounda Technofair. This Technofair, event without precedent in the region had a positive impact in bringing together all economic actors of the area. It was also an opportunity for developing synergies between the two technical divisions of Dyna with the Making Cents training and the presence of stands presenting the activities of the microfinance department in particular the SMI program.

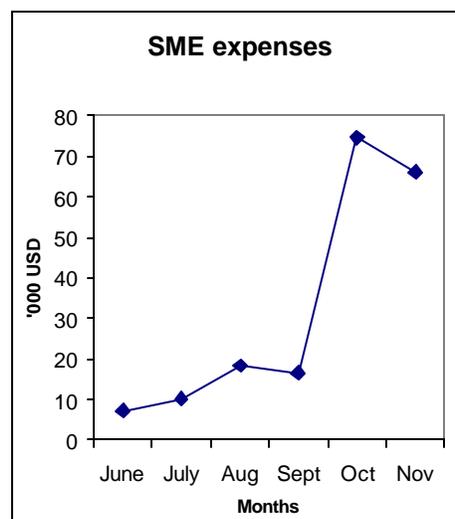
One also noted the appreciated presence of Tamba and Kolda SFDs. They presented their wide range of products to the public and contractors of the area.

This second Technofair was a success and allowed us to join together actors of the sub-region. We noted a large and growing number of visitors (827, 1232 and 1465 visitors respectively the first, second and third days).

VII. FINANCIAL STATUS

The present financial reporting covers the calendar months of September through November 2001 because of the one-month lag in submitting and registering expenditure vouchers. The total expenditures over these last three months were \$1.3 millions, in progress of 20% compared to last quarter, reflecting the growth trend in the project activities. The table below presents the project expenditure information by monthly invoice, Contract Line Item (CLIN) and percent of total expended per line item during the project. The Life of Project (LOP) budget and balance are also presented.

During this quarter we noticed as usual quite stable Labor line item expenditures always included within the limits of \$200,000 and \$250,000. No major change has been noted in the material and equipment line item with a monthly average expenditure of \$4,000 during the quarter. The training line item dedicated to SME activities has been multiplied by four in October and November compared to the month of September. This important expense raise was explained by the technofair held this year in Tambacounda by the SME department (see following chart). During the quarter the expenses for both Training and the Grant Line Items increased significantly with the implementation of the new BOAs, with a monthly average expense of \$141,812 for the grants. This monthly average is in progression of 15% compared to last quarter. The value of the base fee continues to be a function of other expenditures, representing roughly 2.8% of certain other costs.



The amount expended since the beginning of the project is at 29.93% of the total project budget.

Table 1: Invoices Submitted to USAID by Chemonics (cumulative & Sept - Nov 2001)

CLIN	CLIN NAME	LOP BUDGET	Invoices 1-22 Nov-99 to Aug-01	23 Sep-01	24 Oct-01	25 Nov-01	Total Invoiced To-Date	% of CLIN Expended	LOP Budget Balance
0001AA	Labor	12,220,820	3,950,861.79	253,996.46	198,625.95	227,817.38	4,631,301.58	37.90%	7,589,518.42
0001AB	Material & Equipment	639,196	860,619.31	3,223.70	2,889.89	5,855.82	872,588.72	136.51%	-233,392.72
0001AC	Training	1,047,800	221,741.38	16,589.51	74,569.61	\$66,012.31	378,912.81	36.16%	668,887.19
0001AD	Grants	11,525,800	1,390,443.71	159,508.40	76,321.31	189,608.77	1,815,882.19	15.75%	9,709,917.81
0001AE	Base Fee	658,412	185,869.20	11,996.07	9,760.84	13,743.67	221,369.78	33.62%	437,042.22
0001AF	Award Fee	371,062	0	0	0	0	0	0.00%	371,062.00
		26,463,090	6,609,535.39	445,314.15	362,167.60	503,037.95	7,920,055.09	29.93%	18,543,034.91