AGENCY FOR INTERNATIONAL DEVELOPMENT

PROJECT DATA SHEET

1. TRANSACTION CODE: C (A = Add, C = Change, D = Delete) — Amendment Number: One

DOCUMENT CODE: 3

2. COUNTRY/ENTITY: SENEGAL

3. PROJECT NUMBER: 685-0260 PDBBQ 078

4. BUREAU/OFFICE: AFRICA 06

5. PROJECT TITLE (maximum 40 characters): COMMUNITY AND ENTERPRISE DEVELOPMENT

6. PROJECT ASSISTANCE COMPLETION DATE (PACD): MM 09 DD 30 YY 91

7. ESTIMATED DATE OF OBLIGATION (Under 'B:' below, enter 1, 2, 3, or 4)

A. Initial FY 83 B. Quarter 3 C. Final FY 90

8. COSTS ($000 OR EQUIVALENT $1 =)

A. FUNDING SOURCE	FIRST FY 83 B. FX	C. L/C	D. Total	LIFE OF PROJECT E. FX	F. L/C	G. Total
AID Appropriated Total						
(Grant)	(3,668)	(5,332)	(9,000)	(4,383)	(6,617)	(11,000)
(Loan)	(3,668)	(5,332)	(9,000)	(4,383)	(6,617)	(11,000)
Other U.S. 1.						
Other U.S. 2.						
Host Country						
Other Donor(s)						
TOTALS	3,668	5,332	9,000	4,383	6,617	11,000

9. SCHEDULE OF AID FUNDING ($000)

A. APPROPRIATION	B. PRIMARY PURPOSE CODE	C. PRIMARY TECH. CODE 1. Grant	2. Loan	D. OBLIGATIONS TO DATE 1. Grant	2. Loan	E. AMOUNT APPROVED THIS ACTION 1. Grant	2. Loan	F. LIFE OF PROJECT 1. Grant	2. Loan
(1) SH	250B	290		9,000				9,000	
(2) SS	250B	290				2,000		2,000	
(3)									
(4)									
TOTALS				9,000		2,000		11,000	

10. SECONDARY TECHNICAL CODES (maximum 6 codes of 3 positions each): 070 | 110 | 248

11. SECONDARY PURPOSE CODE: 270

12. SPECIAL CONCERNS CODES (maximum 7 codes of 4 positions each)

A. Code	BR	INTR	TNG	PART			
B. Amount							

13. PROJECT PURPOSE (maximum 480 characters)

To enable Village Organizations and small-scale enterprises in the regions of Fatick, Kaolack, Thies and Diourbel to manage and sustain their own development.

14. SCHEDULED EVALUATIONS: Interim MM 06 YY 87 | MM YY | Final MM 08 YY 90

15. SOURCE/ORIGIN OF GOODS AND SERVICES: [X] 000 [ ] 941 [ ] Local [X] Other (Specify) 935 under DFA

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

This Project Paper Supplement extends the PACD for fifteen months from June 30, 1990 to September 30, 1991, increases the LOP funding by $2 million to a total of $11 million, and revises the project goal and purpose to extend the geographic scope beyond the original Kaolack and Fatick regions to neighboring regions in order to expand SSE credit opportunities to a point of profitability.

Clearance: TWalsh, Controller TWalsh 4/12/89

17. APPROVED BY

Signature: S.J. Littlefield

Title: Mission Director USAID/Senegal

Date Signed: 4/13/89 (MM DD YY)

18. DATE DOCUMENT RECEIVED IN AID/W, OR FOR AID/W DOCUMENTS, DATE OF DISTRIBUTION: MM DD YY

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ABBREVIATIONS

A.I.D.	Agency for International Development
CDIE	Center for Development Information and Evaluation, A.I.D./Washington
CED	Community and Enterprise Development
CNCAS	Caisse Nationale de Credit Agricole au Senegal
COP	Chief of Party
GOS	Government of Senegal
IEE	Initial Environmental Examination
LOP	Life-of-Project
MSI	Management Systems International, Inc.
MU	Management Unit
NPC	National Project Committee
NTF	New Transcentury Foundation
PACD	Project Assistance Completion Date
PP	Project Paper
PVO	Private Voluntary Organization
SSE	Small-scale Enterprise
TA	Technical Assistance
U.S.	United States
USAID	United States Agency for International development
VO	Village Organization

I. EXECUTIVE SUMMARY

During its two years of operating history the Community and Enterprise Development (CED) project has begun to provide important insights and possible models for direct assistance to village organizations and credit to small-scale enterprises (SSEs). The project has attracted wide attention and is raising important issues relating to both the role of Private Voluntary Organizations (PVOs) and the structure of small enterprise credit.

The project has demonstrated a successful model for screening and delivering loans to small enterprises and has experiencing a remarkable rate of recovery--96 percent. The project has also tested the ability of PVOs to deliver assistance, including credit, to village level organizations.

The project has reached a critical stage. The SSE component success, while noteworthy, is fragile. Serious credit management and internal control problems have hampered plans to expand the project to new areas and to increase its loan portfolio. The project's Management Unit has taken steps to tighten its control system and to strengthen its staff. Assuming this is done in the next few months, the project will be ready for expansion, adding new loan agents, increasing the number and size of loans, and moving towards a loan portfolio large enough to generate sufficient interest income to cover costs. Detailed projections show that the credit component could be profitable by mid-1991. However, to reach that stage will require additional technical assistance, more time than originally anticipated, and additional funds.

The PVO component has demonstrated the ability of some PVOs to deliver credit, but also the real risks involved. During the remainder of the project, the Management Unit must monitor closely village-level activities, assure repayment of loans, and strengthen those PVOs most likely to be capable of continuing to deliver credit after the project ends. As with the SSE component, this too will take additional time and funds.

Therefore, this PP Supplement extends the Project Assistance Completion Date (PACD) for 15 months, from June 30, 1990 to September 30, 1991, and increases the life-of-project (LOP) funding by $2 million bringing the total level of funding under the project to $11 million. In addition, this PP Supplement revises the goal and purpose, expanding the geographic scope beyond the original Kaolack and Fatick regions to neighboring regions in order to increase SSE credit component potential for profitability. Likewise, project outputs and inputs are revised to reflect implementation experience and recommendations from the mid-term evaluation and other studies.

II. PROJECT BACKGROUND AND ACCOMPLISHMENTS

A. Project Background

The Project Paper (PP) and the Authorization for the Community and Enterprise Development project were approved by the USAID/Senegal Mission

Director on September 6, 1983. The Project Grant Agreement was subsequently approved on January 4, 1984. The original project goal is to encourage decontrol and commercialization of rural production in the Kaolack and Fatick regions. The project purpose is "to enable village organizations and small-scale enterprises in the regions of Kaolack and Fatick to manage and sustain their own development." The PP further distinguishes two sub-purposes related to the project components:

- Village organizations (VOs) assisted by PVOs are capable of carrying out development projects which benefit themselves and the region; and

- Small-scale enterprises assisted by the project are managing and sustaining their own growth; assistance being provided to other SSEs in the regions by a Senegalese institution.

The CED project targets development activities which are undertaken by the rural producers on their own behalf. The project is a pilot effort in transferring donor resources solely through PVOs or through the small business credit program rather than through government ministries. It was designed to demonstrate the ability of village groups and small-scale enterprises to manage their own development with little or no government assistance and thus to reinforce the government's movement away from centralized direction of the economy. The project was designed and negotiated with the Government of Senegal (GOS) at a time when the GOS was still only formulating policy changes concerning their role in the economy. It was set up as a pilot project to test the effectiveness of providing resources directly to villagers and SSEs outside of government channels.

The project has two components: (1) sub-grants to U.S. and local PVOs to assist village organizations, through the provision of training, technical advice, and credit, to plan and implement financially viable productive activities; and (2) a loan fund providing credit to SSEs using strict business criteria and the highest legal allowable interest rate. The PVO sub-grants and the SSE credit activities are managed by a Management Unit (MU) situated in Kaolack. The MU has two operational units: the Small Business Lending Program and the PVO Assistance Program. The MU also includes a Chief-of-Party (COP) and a separate accounts section.

After a lengthy competitive process, A.I.D. issued a Cooperative Agreement to the New Transcentury Foundation (NTF) on August 2, 1985, to set up the Management Unit and to implement the project. NTF has a sub-contract with Management Systems International (MSI) to provide certain long and short-term technical assitance (TA). Since the project design had taken place at least three years earlier and since this pilot project instituted a generally untried form of direct assistance, the MU had to revise the project strategies for the two components once the TA team was in place.

The revision brought a major modification in the original strategy of the SSE component. The PP called for credit and training to strengthen a representative sample of agriculture-related SSEs. The field agents were to work closely with the selected businesses to design and administer business improvement plans. However, rapid reconnaissance surveys by the SSE advisor revealed that credit was the single greatest constraint to the development and strengthening of small enterprises. Therefore, credit became the foundation and principal tool of the component's strategy.

The revised strategy concentrates on the lending and repayment of loans, lending to sound customers with no access to formal credit, solely on the basis of the projected profitability of the activity and the record of the borrower. In addition, the strategy utilizes the field loan agents as the most important and direct link to the clients. The field loan agents assist clients develop business proposals, process loan dossiers, follow the status of each loan and collect loan reimbursements.

In addition, the original target market for the loans has been enlarged to include non-agricultural enterprises. This led to an expansion of potential clients.

The revised strategy also included a 24 percent interest rate, the legal maximum a financial institution can charge in Senegal. The project felt that this amount would be the minimum required to allow the credit operation to become self-sustaining. No calculation of the actual cost of delivering credit to the target SSEs, providing for defaults and profits, was involved in the selection of this rate.

Likewise, the PVO component strategy has also changed substantially. The MU held a series of workshops with U.S. and Senegalese PVOs in Senegal to determine their interest in developing proposals for project funding. The PP assumed that the PVOs would be capable of developing and using methodologies to build the capacities of village groups to carry on without outside assistance. Also, the PP made it clear that credit was a major input in the program and that evaluation would focus on credit reimbursement. However, following the workshops and initial MU work with interested PVOs, the PVO component strategy changed to emphasize development of PVO capacity, especially indigenous PVOs, to design viable proposals and to assist VOs through credit, training and technical advice. The MU found that the majority of PVOs had never managed a credit program requiring 100% reimbursement. Also, many had been active only in social welfare and emergency programs using grant funds. The MU, therefore, provided training to PVO staff in credit management, organizational development, financial accounting, and proposal writing. In addition, the MU had to provide much of the required village-level training, especially in literacy, because local PVOs did not have the assumed capacity to provide training.

A mid-term external evaluation of the project took place in June 1987. The evaluation concluded that the project was behind schedule but basically on track. The evaluation determined that the SSE lending activity, a nascent success, could become profitable and self-sustaining if the target group was expanded and loan ceilings raised. The evaluation also concluded that the PVOs were managerially weaker and required more training than originally anticipated. It recommended that the project limit the number of participating PVOs to eight to ensure adequate training and follow-up by the MU. The project has carried out all of the evaluation recommendations.

B. Status of Project Activities

1. PVO Component

As described in the mid-term evaluation, the PVO component has been plagued with delays, due both to inherent PVO managerial and operational weaknesses and to the proposal preparation and approval process. Currently, eight PVOs provide assistance to 57 VOs. The first sub-grant was approved by the National Project Committee (NPC) and USAID in August 1986. An additional three proposals were approved in November 1986, and the final four proposals in September 1987. All VO project selections were made in the course of the PVO selection -- only two additional VOs, both submitted by one PVO, have been approved for assistance since the original proposals. The PVOs manage all grant funds, both for the PVO itself and for the VOs. Except in one case, the MU manages the credit funds for the PVOs, although PVO approval is required for any credit disbursement. The VO agricultural activities are designed to be completely self-sustaining after three years of PVO and project assistance.

A total of 142 loans have been made to the 57 VOs through December 1988. Of this total, 84 loans are short-term (up to one year) primarily for agricultural inputs and purchase of animals. The remaining 58 loans are medium-term (up to three years) largely for infrastructure development and equipment. The total amount lent through 12/31/88 is CFA 210,487,712, of which almost CFA 62 million have been reimbursed. At least 38 short-term loans are now due, and the MU is following each PVO activity closely to assure that the loans are either reimbursed on time or that the PVO and VO have a specific plan for reimbursement.

The village education program of literacy and numeracy training is currently in its second year. The training is being provided for 640 villagers in 40 villages. First year results were extremely positive showing almost 70 percent reaching a minimum level of reading. The second year will focus on management training, using specific village-level development activities to illustrate management issues during the literacy and numeracy training.

A recent internal evaluation of the VO activities pointed to a number of difficulties within the PVO component: (1) assumptions concerning profitability of certain activities such as vegetable gardening were not valid due to marketing constraints, (2) technical problems concerning wells, pumps, and irrigation piping have considerably delayed implementation of certain VO activities and (3) loan repayments are behind schedule. Nevertheless, it also identified some real successes. Approximately one-third of the VO activities have been successful to date, and all VOs have started some agriculturally productive activities, such as vegetable gardening, animal fattening or egg production. Moreover, major spillover benefits from project interventions include: (1) increased consumption of more nutritious food such as eggs and vegetables, (2) better acquaintance of VO members with the formal banking system, (3) increased transport and exchange services, and (4) an additional 153 VOs and 5 PVOs seeking project assistance for similar activities. This has happened even though most VOs are new--less than 10% of the VOs have been formally operating more than two years. Also, nearly 80% now have official status as an association or Economic Interest Group. The evaluation concluded that the best PVOs have two common characteristics: (1) good support and monitoring of the VOs on a regular basis, and (2) a collaborative, rather than directive, approach to community development.

The PVO component has changed GOS perceptions of the potential of PVOs. Senior GOS officials are watching the project closely since it is the first project in Senegal which provides credit directly to village organizations through PVOs and includes substantial PVO direct assistance to the VOs. The project funded a study tour for members of the policy-setting National Project Committee from the Ministries of Plan, Social Development and Interior to visit PVO activities in Kenya, Thailand, Indonesia and the Philipines in order to see different roles of more experienced PVOs, PVO credit activities and PVO-host government relationships. Due in part to the project, many high-level GOS officials have drastically changed their view on the role of PVOs in Senegal, realizing that PVOs can play an important role in rural development. An Inter-Ministerial meeting is planned for 1989 to encourage PVO involvement in the rural areas and support from other donors.

2. SSE Component

The SSE credit program has had marked success. It has created a credit system serving a clientele never served before, charging an interest rate of 24 percent and maintaining an excellent loan recovery rate. In just over two years of lending, as of January, 1989, the project had provided 384 loans to 314 enterprises for almost CFA 485 million (approximately $1.6 million) -- a portfolio turnover of over 200 percent from the original capitalization of $700,000. The default rate remains under five percent. The loans are having a small but important employment impact -- 135 part-time and 42 full-time positions created from the credit activities. Also, post-loan questionaires indicate that enterprise profitability after the credit has increased by over 90%, a tribute to the project but due as well to generally good economic conditions during the past three years.

At the same time, the SSE credit component has not yet become self-sustaining. For example, during November 1988 actual interest earned covered only 71% of the total estimated expenditures for the credit program, not including the costs of the SSE Advisor. Perhaps, more importantly, the project has experienced real weaknesses in its internal control system--four of seven loan agents have been dismissed for embezzlement. Three major challenges remain: (1) to continue the excellent loan reimbursement rate while increasing the loan portfolio size to a level where the credit activities can become profitable, (2) to improve the internal control and credit management within the component without changing the most important elements of the program which make it successful such as the close field agent/client relationships, and (3) to establish a private, independent financial institution to continue the SSE credit activities once the project is completed.

The original project design called for a local bank such as the Caisse Nationale de Credit Agricole du Senegal (CNCAS) to take over the SSE credit portfolio and credit fund at the end of the project. However, a major study on possible options for institutionalization and discussions with CNCAS and other banks have shown that this option is not viable. The banking system in Senegal has stringent regulations, including ceilings on interest rates and loan recipients which would seriously constrain the approach being followed in the project. Moreover, few banks have branches in the area of operation, and none are interested in taking on the project's target group -- small enterprises -- using the same model and methodology successfully developed under the project. Until the activity can not only cover its costs but make a profit, other private bankers or individual entrepreneurs are unlikely to be attracted.

USAID, NTF/MSI and members of the NPC are currently studying several options for establishing an independent, non-bank, development finance institution with a majority private ownership to continue the SSE credit activities. Ownership remains a major issue since the objective is to assure that neither USAID nor the GOS are owners in the newly formed institution.

Concurrently, a recent audit of the SSE component has emphasized the need to strengthen the credit management, supervision and accounting functions within the component. The embezzlements by field loan agents have forced a rethinking of the degree of decentralization to the field offices and the appropriate staffing and role of the head office. These developments have slowed the project's progress, although they will result in a revised and strengthened system. The MU has already taken some major steps tightening overall credit management and accounting. Also, increased supervision and oversight of both the field loan agents and the late paying clients have been instituted, strengthening the program although also increasing its operating costs. The component still has to find the correct balance between supervision, oversight and accountability on the one hand and operational costs on the other.

III. <u>JUSTIFICATION FOR EXTENSION AND ADDITIONAL FUNDS</u>

This Project Paper Supplement calls for the extension of the project assistance completion date by fifteen months, to September 30, 1991, to complete the VO assistance through the PVO sub-grants and to institutionalise the SSE credit activities. The Cooperati'e Agreement will be extended by 17 months, from January 31, 1990 to June ? , 1991.

A. <u>PVO Component</u>

Most PVOs need additional time to complete their objectives. All of the

PVO sub-grants are due to be completed by January 31, 1990. However, for at least four of the PVO sub-grants, because of up-front delays in funds availability from the MU, this will allow for only 28 month of operations since their proposals were approved -- an effective 24 months of implementation. Also, since 90% of the VOs are new, formed as a result of the project, they have required considerable organizational and management training delaying the start-up of the planned profitable agricultural activities. Normal delays have been experienced by all PVOs, and in the case of three, purchase of the wrong-sized pumps or the discovery of salinated water after drilling wells have delayed start up of productive activities by at least a year.

An extension of the sub-grants until June 1990 will allow all VOs at least three winter growing seasons, three years for the repayment of the medium-term loans as planned, more time to reschedule their overdue short-term loans and increased chances for self-sustaining growth.

B. SSE Credit

More time and financial assistance are required for institutionalization of the credit component. As stated previously, the turning over of the credit fund and portfolio to a local bank, as originally planned in the project design, is not feasible. The best option for institutionalization of the credit activities is to establish a private, non-bank financial institution. However, reaching the point of profitability for the institution will require financial assistance beyond the current PACD.

Detailed financial projections completed in November 1988 and updated in March 1989 using available income and cost data show that the SSE credit activities could become profitable by 1991. Assumptions underlying these projections are based on actual experience to date. Annex E provides details of the projected SSE Income Statement and loan portfolio. These projections are based on a 25 to 50 percent credit fund growth over the next two years, an expansion in the number of field credit advisors from the current seven to ten through an expansion to Mbour (one advisor) and Thies (two advisors), a default rate leveling out at six percent, free cost of capital, and a 24 percent interest rate (current maximum allowable by the Central Bank). The costs of any technical assistance are not included. Sensitivity analyses (see Annex E) using this model indicate that the interest rate and the default rate are major determinants of the break-even point. The break-even point is also sensitive to important changes in the growth of the loan fund.

The SSE credit component represents an exciting approach to small enterprise credit with potential for replication in Senegal and elsewhere. It continues to get noted by GOS Ministers and other officials in discussions of possible models for enterprise lending. This model, with field agents closely monitoring all loans, has enjoyed an excellent reimbursement rate. Projections have shown that even this expensive type of loan oversight can become profitable by the end of 1991. USAID has made a major investment in the model developed under the project and should now assure that the SSE credit model be given the time and funding required to become profitable, institutionalized, and replicated in Senegal. The project extension is necessary to do this.

C. Justification for Additional Funds

An extension of project activities for both components, an increase in the technical assistance level-of-effort and increased SSE costs due to stricter internal management and control are the main reasons for the required additional funds for the project.

In addition, the following represent related factors which have influenced the requirement for additional funds:

(1) Exchange Rate: The original project budget was developed using an exchange rate of $1 equal to CFA 450. Over one-half of the project budget is in local currency expenditures and the current exchange rate of $1 to CFA 300 has decreased the available local currency in the budget by one-third.

(2) Planned Loan Fund De-capitalization: The PP showed a total project budget of approximately $9.6 million, of which $9 million was authorized using A.I.D. funds and $600,000 was to have come from loan reimbursements. Since the SSE loan fund will require a substantially larger credit fund than originally budgeted to become profitable, all loan reimbursements are kept in the revolving fund. It is now estimated that only about $300,000 will be available from VO reimbursements to cover a portion of the PVO/VO costs until the completion of the project.

(3) SSE Revolving Credit Fund: Only $450,000 was originally budgeted for the SSE loan fund over the LOP. Because of growth, $700,000 have been required through December 1988 and an additional $400,000 is needed during the next 30 months to permit the program to reach profitability.

As a result of the extension and other factors, an additional $2,000,000 from A.I.D. funds will be required to cover all project costs. The Revised Cost Estimate and Financial Plan, Section V, provides details concerning specific cost categories.

IV. REVISED PROJECT DESCRIPTION

A. Goal and Purpose

The project's original goal and purpose will be changed slightly to expand the geographic scope of the SSE credit activities. The original goal and purpose limit project scope to the Fatick and Kaolack regions (formerly Sine Saloum region). However, in order to reach profitability, the SSE loan portfolio must increase substantially, and therefore the project must expand to nearby regions such as Thies and possibly Diourbel. The revised goal is to encourage decontrol and commercialization of rural production in selected regions in the groundnut basin. The revised project purpose is "to enable village organizations and small-scale enterprises in the regions of Kaolack, Fatick, Thies and Diourbel to manage and sustain their own development." The project will continue to focus on the ability of village organizations and SSEs to plan, manage and sustain their own development.

The End-of-Project Status (EOPS) indicators for the PVO assistance component also remain the same while the EOPS indicators for the SSE credit component will change slightly to emphasize the institutionalization of the credit component instead of its being incorporated into the formal banking system. The revised EOPS will be:

(1) Village organizations assisted can identify project needs, manage inputs, and select technical assistance from local sources.

(2) PVOs are carrying out collaborative development projects with other village organizations not financed by USAID but using project models and skills acquired under the project.

(3) Independent, private financial institution established which is capable of providing loans to SSEs on a profitable basis.

(4) Profit potential of lending to small enterprises clearly demonstrated and appropriate procedures, manuals and credit management system established for replication in other regions of Senegal.

B. Project Outputs

The project outputs have progressively changed following implementation experience and the mid-term evaluation, through the Project Implementation Report process to AID/W, and through approval of revised strategy proposals by the GOS and USAID. Therefore, this PP Supplement formally establishes the amended outputs as developed through the normal evaluation and monitoring process of project implementation. The revised project outputs are as follows:

(1) 55-60 village organizations implementing 50-70 sub-projects in priority areas defined by project that are profitable and self-sustaining.

(2) Up-to-eight PVOs trained in project development, management implementation and evaluation by the MU.

(3) Credit used by VOs and managed by PVOs for productive agricultural activities and repaid.

(4) Relationships developed between local banks, PVOs and VOs. VOs established officially as GIEs or associations.

(5) 675 SSEs have received and repayed loans on time with increased production of agriculturally-related goods and services and increased profitability.

(6) Development of appropriate model for the institutionalization and replication of SSE credit activities within Senegalese banking laws.

C. Revised Project Inputs

This PP Supplement increases the level of required inputs to meet the project objectives, including increased long and short-term technical assistance, commodities, local-hire staff and revolving credit funds for SSE credit.

(1) Technical Assistance

A total of 48 person-months of long-term TA is required for the extension of the Cooperative Agreement through June 1991. The current Cooperative Agreement completion date is January 31, 1990. The following long-term technical advisors will be required for the periods indicated:

	Person Months
- Chief-of-Party (COP), MU Director (Feb. 90 - Dec. 90)	11
- PVO Specialist (Feb. 90 - June 90)	5
- SSE Credit Specialist (Feb. 90 - April 91)	15
- Administrative Officer (Feb. 90 - June 91)	17

The COP will continue as Director of the MU until December 1990 at which time the SSE Credit Specialist will become the COP until April 1991. The SSE Credit Specialist will be required to stay until April 1991 to assure that the SSE credit program is fully institutionalized and operational with trained Senegalese staff. The PVO Specialist, a Senegalese national PVO expert, will continue until June 1990 when all of the PVO sub-grants will be completed. An Administrative Officer, currently being funded by NTF, will be covered under project funding from June 1989 through June 1991 because of an expanded role in the MU to assure the proper administration of the MU and the phasing out of project activities. The Administrative Officer will monitor continued operational support to the SSE institution after the April 1991 departure of the SSE Credit Specialist.

In addition, five person-months of short-term TA will be required during the period of the project extension to undertake analyses and studies concerning the establishment of a separate financial institution under the SSE component and to undertake required financial reviews of the credit and reimbursement activities on a timely basis.

(2) Commodities/Equipment

A minimum amount of office equipment will be required for the expansion of the number of field loan agents and the establishment of separate offices. All of the office equipment used by SSE component staff at the MU will be transferred to new offices. In addition, one additional microcomputer will be required by the SSE component during the extension. The one computer currently used by the component is inadequate for the credit management and accounting functions required by the separate SSE credit program.

(3) Local Staff and Operational Costs

The Management Unit will continue to operate at current staff levels until June 1990 at which time the PVO component staff will complete their assignments. The current MU set-up will cease operations as of December 31, 1990 with the departure of the COP. The project will continue to fund a portion of the local staff and operational costs of the SSE credit operations until June 1991 when projections show that the returns from the credit activities will cover costs.

(4) Revolving Credit Fund

Additional capitalization is required for the revolving credit fund to reach a portfolio level large enough to become profitable. The project will provide the required capitalization funds, estimated to be $400,000. Concurrently, in order to increase the credit fund, all repayments through December 1990, including interest and principal, will be placed in the credit fund. After January 1991 the earned interest will be used for operational costs for the separate SSE company and project funds will be used to pay any additional requirements.

(5) Evaluations and Audits

One external evaluation is scheduled for August 1990 to evaluate the impact and lessons learned under the PVO component. In addition, one financial compliance audit is also budgeted in this PP Supplement to take place prior to the actual legal establishment of the SSE credit financial institution. A non-federal financial compliance audit is currently underway which will lead to improved internal control systems within the Management Unit. An additional $90,000 has been budgeted for the planned evaluation and audit.

V. REVISED COST ESTIMATE AND FINANCIAL PLAN

The total life-of-project amount of $9 million has been fully obligated. An additional $2 million is required to cover the increased costs of the project due to the sharp drop in the dollar since the original project budget, the almost tripling of project funds required in the SSE revolving credit fund and the extension of the Cooperative Agreement for 17 months. Therefore, the total life-of-project cost is $11 million.

A. Financial Plan

Table 1 presents the Financial Status of the CED project as of 12/31/88. As shown, unexpended obligations amount to $1,336,515 while unearmarked obligated funds amount to only $26,349.

TABLE 1
FINANCIAL STATUS OF CED PROJECT
AS OF 12/31/88

DESCRIPTION	OBLIGATED	EARMARKED	ESTIMATED EXPEND.	UNEXPENDED OBLIGATIONS
I. COOPERATIVE AGREEMENT	$8,400,000	$8,400,000	$7,169,406	$1,230,594
II. DIRECT AID PROCUREMENT: - Project Officer, Training, Eval., Commodities	$600,000	$573,651	$494,079	$105,921
TOTAL	$9,000,000	$8,973,651	$7,663,485	$1,336,515

The eight PVO sub-grants (including grants and credit) amount to over CFA 862 million (approximately $2.8 million) of which CFA 539.5 million has been disbursed through 12/31/88. The MU estimates that an additional CFA 180 million or $600,000 is required by the PVOs and VOs through the remaining time of the sub-grants. The project will use part of the PVO credit reimbursements (up to CFA 90 million) for covering PVO/VO sub-grant expenditures. The remaining requirements will be paid through the Cooperative Agreement.

Table 2 presents the Revised Financial Plan showing planned expenditures for the remaining life of the project, through September 1991. This summary indicates that $3,337,000 is required for planned expenditures and contingencies during calendar years 1989, 1990 and 1991. When added to the estimated expenditures of $7,663,000 through 12/31/88, the total life-of-project cost becomes $11,000,000.

B. Methods of Implementation and Financing

Method of Implementation	Method of Financing	Est. $000 Original	Est. $000 Amend.
(1) Cooperative Agreement	FRLC	8,400	1,790
(2) USAID Direct Contracts		410	180
- Audit	Direct Payment	(--)	(30)
- Project Officer	Direct Payment	(190)	(50)
- Evaluations	Direct Payment	(70)	(60)
- Commodity Proc.	Direct Payment	(150)	(40)
(3) USAID Training through PIO/Ps	Direct Payment	190	30

TABLE 2

REVISED FINANCIAL PLAN

(Planned Expenditures $'000)

	CY 1989		CY 1990		CY 1991		TOTAL	
	P/M	Cost	P/M	Cost	P/M	Cost	P/M	Cost
I. TECHNICAL ASSISTANCE								
A. LONG-TERM								
- COP, MU Director	12	175	12	175	0	0	24	350
- SSE Loan Specialist	6	88	0	0	0	0	6	88
- SSE Credit Mgmt. Spec.	9	132	12	175	4	58	25	365
- Adm. Officer	6	88	12	175	6	88	24	351
- PVO Specialist	12	50	6	25	0	0	18	75
B. SHORT-TERM								
- 5 P/M Consultancies	3	60	1	20	1	20	5	100
C. USAID PROJECT OFFICER	12	50	12	50	6	25	30	125
II. TRAINING								
A. OBSERVATIONAL TRAVEL		30		0		0		30
III. COMMODITIES/EQUIP.								
A. 2 Computers and acces.		20		0		0		20
B. Office Equipment		10		25		0		35
C. 2 Replacement vehicles		0		30		0		30
D. Vehicle Support		20		20		0		40
IV. MU OPERATIONAL SUPPORT								
A. Local-Hire Salaries		301		260		57		618
B. Other Direct Oper. Costs		160		130		30		320
V. REVOLVING CREDIT FUNDS		180		140		80		400
VI. PVO-SUB-GRANTS		300		0		0		300
VII. EVALUATION/AUDIT		0		90		0		90
TOTAL	60	1,664	55	1,315	17	358	132	[illegible],337
Plus Estimated Exp. thru 12/31/88								7,663
TOTAL FUNDS REQUIRED FOR PROJECT								11,000

VI. IMPLEMENTATION PLAN

The Management Unit has recently submitted the 1989 workplan which is under review by the USAID Project Committee and the National Project Committee. The workplan for 1989 sets the stage for the phasing out of the project and establishment of a SSE credit financial institution by 1991. The project faces a number of important challenges during the next two and one-half years. Most of the VO productive activities are well underway, but require a high level of technical advice and assistance from the PVO staff and close monitoring by the MU PVO component staff. Rescheduling of many VO loans will be required over the next few months which will require detailed plans for repaying the loans and assuring that the activities are profitable. Concurrently, the PVO component staff must continue to evaluate VO performance and determine appropriate models for PVO-VO assistance, PVO and VO capacity-building and self-sustaining, village-level, productive activities.

At the same time, the SSE component faces difficult challenges. The MU has already taken steps to revise the SSE component's internal control and credit management systems. The current non-federal financial compliance audit supervised by the Regional Inspector General will help point to improvements in the systems. The MU is hiring new field loan agents to fill the seven offices within the Kaolack and Fatick regions; it will need more agents to expand to Thies and Mbour if approved by the NPC. The SSE component will establish separate offices and start separate double-entry accounting by the end of 1989. As its last major steps, the project will establish a non-bank financial institution to institutionalize the SSE credit program and continue SSE credit activities after the PACD.

NTF is currently recruiting an experienced credit management specialist to serve as Director of the SSE component for the next 21 months. This expert will be responsible for: (1) the development and implementation of proper accounting, credit management and supervision systems, including written procedures and manuals for the systems; (2) setting up the SSE credit activities in separate offices as a separate profit center; and (3) establishing the SSE credit program as an independent, private financial institution under the pertinent Senegalese legal framework to continue the SSE credit activities on a profitable basis.

Table 3 presents a Revised Implementation Plan for the remaining 30 months of the project.

TABLE 3

REVISED IMPLEMENTATION PLAN

Overall Project:

-	PP Supplement and Authorization Amendment approved	4/89
-	Project Agreement Amendment approved obligating additional $1.8 million	4/89
-	Non-federal audit completed and recommendations closed	4/89
-	PIO/T issued to REDSO/WCA Agreement Officer for amendment to Cooperative Agreement	4/89
-	Cooperative Agreement Amended increasing budget and level of effort	5/89
-	COP departs Senegal	12/90
-	Separate MU closes down operations	12/90
-	Administrative Officer phases out project support and departs Senegal	6/91

SSE Credit Component

-	Revised Internal Control System and Credit Management System in place	5/89
-	SSE Loan specialist departs Kaolack	6/89
-	New SSE Credit Specialist arrives in Kaolack	6/89
-	SSE credit program sets up in separate offices	9/89
-	Expansion of three field agents to Thies and Mbour	10/89
-	Detailed plan for establishing appropriate financial institution completed and approved	1/90
-	All legal approvals and forms completed for new institution in Kaolack	4/90
-	Newly established institution fully operational	5/90
-	SSE Credit Management Specialist becomes technical advisor to Senegalese Director of SSE institution	9/90
-	SSE Credit Management Specialist departs Senegal	4/91

PVO Component:

-	On-going PVO and VO monitoring	
-	PVO sub-grants completed	12/89-6/90
-	Final impact evaluation of PVO and VO activities funded under the project	4/90
-	PVO Specialist completes assignment, PVO component staff dismissed	6/90

VII. MONITORING AND EVALUATION

The SSE component has instituted an excellent monitoring system using baseline data of the client's business profile prior to the loans from the loan applications and impact data from a questionaire given to each client after having fully repaid the loan. Annex C provides some detailed statistics from the SSE management information system. Also, during the next year the project will fund an impact study to analyze the profitability, expansion and increased employment of those firms interviewed in the initial baseline surveys conducted in 1985 which did not receive loans under the project and compare similar indicators to those firms which received loans under the project. This analysis will quantify more accurately the effect of the project's SSE credit activities on SSE success as compared to the general economic growth during the past three years.

The PVO component, however, does not currently have an on-going monitoring and evaluation system. The PVO specialist has relied on the PVOs to provide quarterly reports on progress and expenditures. Also, the PVOs were supposed to provide analysis of project impact in the villages. During 1988 it became clear that PVOs were not supplying this information, so the MU hired a local consultant to carry out an internal evaluation of the VO activities and the PVO-VO relationships. The MU will continue to conduct similar evaluations of the VO activities until the completion of the sub-grant activities.

No overall external evaluation of the project is planned during the remaining 30 months of the project. Recent studies by the MU and USAID, including a study on lessons learned from the PVO-VO assistance strategy under the project, the PVO-VO evaluation, a study on the status of the VO loan portfolio, a CDIE Microenterprise Stocktaking Study in November 1988, audits on each PVO sub-grant, on the SSE component and currently on the NTF Cooperative Agreement, and a detailed options paper for the institutionalization of the SSE credit activities, have all contributed toward better project implementation and performance. However, a final evaluation will be conducted on the PVO component in April 1990 following the completion of the PVO sub-grants. This evaluation will assist the Mission in the implementation and start-up of the planned PVO Co-financing Project.

In addition, a review of internal financial controls in the MU is planned for July-August 1989 to be conducted by a local accounting firm. Also, a financial compliance audit is planned and budgeted to take place prior to the actual establishment of a financial institution for SSE credit.

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ANNEX A

COMMUNITY AND ENTERPRISE DEVELOPMENT

:VISED LOGICAL FRAMEWORK: SSE COMPONENT

MARCH 1989

ACHIEVEMENTS	INDICATORS	VERIFICATION	ASSUMPTIONS
Program Goal: to progressively decontrol and commercialize rural production in selected regions in the groundnut basin.	Private sector production growing at 5% per year; parastatal economic activities and staff constant or declining.	Regional macro-economic analysis of the groundnut basin.	1. GOS Economic Reform Plan implemented. 2. GOS policy continues to reflect decontrol and prioritization of agricultural related production and services and to decentralize responsibility for SSE development assistance
Project Purpose: SSEs receiving credit are managing and improving their own growth.	End of Project (EOP) Status 1. Independent, private financial institution established which is capable of providing loans to SSEs on a profitable basis. 2. Profit potential of lending to small enterprises clearly demonstrated and appropriate procedures, manuals and credit management system established for replication in other regions of Senegal	1. Records of MU. 2. Market spot checks in area. 3. Data collected in evaluations.	1. GOS policy and pricing policies are conducive to SSE growth. 2. Senegalese institutions in Sine Saloum develop to the point that institutionalization of SSE assistance is possible. 3. Credit institutions in Sine Saloum are capable of meeting SSE needs.
Outputs 1. 675 SSEs receive and repay loans on time with increased production of agriculturally-related goods and services and increased profitability. 2. Development of appropriate model for the institutionalization and replication of SSE credit activities within Senegalese banking law.	1. Goods and services produced by project-assisted SSEs are being used in the region in rural markets and elsewhere. 2. Books and records of assisted-SSEs reflect skills taught in project. 3. Loan repayment rate remains over 94% over LOP. 4. Procedure manuals, training manuals, and credit management and and accounting systems completed by year 5 of project. 5. Separate SSE credit unit operating independently by year 6 and profitably by year 7.	1. Business records. 2. Statistics provided by Chambre de Métiers. 3. MU credit records.	1. Goods and services produced correspond to agricultural production needs. 2. Credit is sufficient to yield productivity and profitability increase for SSEs.
Inputs 1. Provide credit needed for SSEs. 2. Train entrepreneurs in improved business practice.	- 9,5 person year of Long-Term TA; - 23 person months of Short-Term TA; - 35 person years of extension and other local-hire staff; - 4 vehicles - $100,000 for credit revolving fund; office equipment and supplies;	1. MU financial records. 2. Commodity purchase records	

ANNEX A

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT

REVISED LOGICAL FRAMEWORK: PVO COMPONENT

MARCH 1989

ACHIEVEMENTS	INDICATORS	VERIFICATION	ASSUMPTIONS
Program Goal: to progressively decontrol and commercialize rural production in selected regions in the groundnut basin.	Private sector growing in real value compared to costs of production. Parastatal functions being replaced by private sector.	Regional production statistics. USAID agricultural sector research project statistics.	1. GOS Economic Reform Plan implemented. 2. GOS administrative reform supports climate for village-based development. 3. price structures are not production disincentives.
Program Purpose: Village organizations assisted by PVOs are capable of carrying out development projects which benefit themselves and the regions.	End of Project (EOP) Status 1. Village organizations assisted can identify project needs, manage inputs, and select technical assistance from local sources. 2. PVOs are carrying out collaborative development projects with other village organizations not financed by USAID using project models and skills acquired.	1. VO's projects sent to CER. 2. Records kept by Direction of Community Development in MSO. 3. 6-month periodic review records. 4. Key project indicators in monitoring system.	1. Projects selected by VOs contribute to privatization of rural production. 2. Targeted activities correspond to VOs' economic and ecological needs.
Outputs: - 55-60 Village organizations implement 50-70 sub-projects in priority areas defined by project that are profitable and self-sustaining. - PVOs trained in project development, management implementation, and evaluation by Management Unit. - Credit used in sub-projects and repaid. - VOs trained in literacy/ numeracy, project management, and credit management.	1. 55-60 VOs implementing 50-70 subprojects using credit in priority areas. 2. Up to 8 PVOs trained in project development, management, implementation and evaluation by the MU. 3. Credit used by VOs and managed by PVOs for productive agricultural activities and repaid. 4. Relationship developed between local banks, PVOs and Vos. All VOs established officially as GIEs or Associations.	1. Project proposals sent through regional channels. 2. Information from other donors. 3. PVO plans and accounts. 4. Credit records kept by MU. 5. Project targets monitored by MU. 6. Sub-grants.	1. Spatial analysis finding prove applicable to VO needs and regional conditions. 2. PVO TA is sufficient to meet VO needs. 3. MU targets PVO needs accurately. 4. GOS attitude toward PVOs allows for project implementation. 5. PVOs are committed to VO self-sufficiency.
Inputs 1. PVOs assist VOs in project implementation and channel grants. 2. MU trains PVOs and processes grants. 3. MU provides credit and administers repayment.	- 13.5 person-years (py) of Long Term Technical Assistance (TA); - 18 person-months of Short-Term TA; - 16.5 py of local-hire staff; - 2 vehicles; - $800,000 for credit revolving funds; - $2.5 million through PVOs for village projects; - $400,000 for training materials development.	1. Project documents. 2. USAID reports 3. Controller's records 4. PIOs.	1. PVOs accept TA and apply it to their organizations and VOs. 2. CNCAS becomes functional by EOP. 3. In-country procurement system functions efficiently to provide inputs on time. 4. Local TA sources cooperate with VOs.

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COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT

ANNEX 8

2/9/89-SSESTATA

STATISTICS FROM SSE CREDIT COMPONENT
(all amounts in CFA)

MONTH	LOANS APPRO	CUM LOANS	CUM LOANS REPAID	LOANS OUTST	AMOUNT LOANS	CUM. AMT. LOANED	AVE LOAN AMOUNT	FUNDS REIMBURSED PRINCIPAL	FUNDS REIMBURSED CUM PRIN	INTEREST	CUM INTER	TOTAL REIMB	CUM REIMB	TOTAL REIMB/ CUM LOANED	OUTSTAND PRINCIPAL BALANCE	TOTAL REIMB/ OUTST PRIN	INT PAID/ OUTST PRIN	OUTST PRIN/ CUM AMT LOANED
OCT 86					24,040,000			1,414,183	1,414,183	246,000	246,000	1,660,183	1,660,183					
NOV					13,985,000			1,764,301	3,178,484	274,264	520,264	2,038,565	3,698,748					
DEC					9,636,000			3,861,134	7,039,618	477,537	997,801	4,339,571	8,037,419					
JAN 87	15	46			21,327,461	66,138,461	1,421,231	3,907,054	10,946,672	488,275	1,486,076	4,395,329	12,432,748	6.6%	55,191,789	8.0%	0.9%	83.4%
FEB	8	54	2	52	9,050,000	76,685,461	1,131,250	3,772,890	14,719,562	652,069	2,138,145	4,424,959	16,857,707	5.8%	61,965,899	7.1%	1.1%	80.8%
MAR	13	67	9	58	15,604,000	92,289,461	1,200,308	5,182,271	19,901,833	854,324	2,992,469	6,036,595	22,894,302	6.5%	72,387,628	8.3%	1.2%	78.4%
APR	9	76	12	64	9,414,550	101,704,011	1,046,051	6,288,782	26,190,615	1,010,719	4,003,188	7,299,501	30,193,803	7.2%	75,513,396	9.7%	1.3%	74.2%
MAY	7	83	16	67	5,850,000	107,554,011	835,714	3,586,826	29,777,441	738,639	4,741,827	4,325,465	34,519,268	4.0%	77,776,570	5.6%	0.9%	72.3%
JUNE	12	95	17	78	7,966,000	115,520,011	663,833	2,704,595	32,482,036	754.098	5,495,925	3,458,693	37,977,961	3.0%	83,037,975	4.2%	0.9%	71.9%
JULY	15	110	23	87	16,500,000	132,020,011	1,100,000	8,894,364	41,376,400	1,309,584	6,805,509	10,203,948	48,191,909	7.7%	90,643,611	11.3%	1.4%	68.7%
AUG	1	111	28	83	350,000	132,370,011	350,000	10,076,153	51,452,553	1,693,243	8,498,752	11,769,396	59,951,305	8.9%	80,917,459	14.5%	2.1%	61.1%
SEPT	5	116	32	84	6,700,000	139,070,011	1,340,000	7,064,711	58,517,264	1,088,705	9,587,457	8,153,416	68,104,721	5.9%	80,552,747	10.1%	1.4%	57.9%
OCT	1	117	34	83	200,000	139,270,011	200,000	8,530,512	67,047,776	983,794	10,571,251	9,514,306	77,619,027	6.8%	72,222,235	13.2%	1.4%	51.9%
NOV	26	143	42	101	33,704,604	172,974,615	1,296,331	6,235,705	73,283,481	942,146	11,513,397	7,177,851	84,796,878	4.1%	99,691,134	7.2%	0.9%	57.6%
DEC	2	145	49	96	3,889,577	176,864,192	1,944,789	10,891,927	84,175,409	1,985,637	13,499,034	12,877,564	97,674,442	7.3%	92,688,784	13.9%	2.1%	52.4%
JAN 88	18	163	57	106	22,310,000	199,174.192	1,239,444	9,607,585	93,782,993	1,742.372	15,241,406	11,349,957	109,024,399	5.7%	105,391,199	10.8%	1.7%	52.9%
FEB	14	177	62	115	14,875,000	214,049,192	1,062,500	12,853,852	106,636,845	1,500,841	16,742,247	14,354,693	123,379,092	6.7%	107,412,347	13.4%	1.4%	50.2%
MAR	32	209	66	143	35,096,500	249,145,692	1,096,766	14,235,325	120,872,170	1,936,412	18,678,659	16,171,737	139,550,829	6.5%	128,273,522	12.6%	1.5%	51.5%
APR	18	227	70	157	14,127,200	263,272,892	784,844	11,390,575	132,262,745	1,805,770	20,484,429	13,196,345	152,747,174	5.0%	131,010,147	10.1%	1.4%	49.8%
MAY	44	271	78	193	56,210,449	319,483,341	1,277,510	11,021,344	143,284,089	2,068,494	22,552,923	13,089,838	165,837,012	4.1%	176,199,252	7.4%	1.2%	55.2%
JUNE	0	271	78	193	0	319,483,341		13,934,891	157,218,980	2,147,647	24,700,570	16,082,538	181,919,550	5.0%	162,264,361	9.9%	1.3%	50.8%
JULY	21	292	??	??	19,369,800	338,853,141	922,371	13,504,582	170,723,562	2,952,459	27,653,029	16,457,041	198,376,591	4.9%	168,129,579	9.8%	1.8%	49.6%
AUG	0	292	104	188	0	338,853,141		12,719,165	183,442,727	2,327,033	29,980,112	15,046,248	213,422,839	4.4%	155,410,414	9.7%	1.5%	45.9%
SEPT	21	313	114	199	36,915,000	375,768,141	1,757,857	13,555,420	196,998,147	2,310,488	32,290,600	15,865,908	229,288,747	4.2%	178,769,994	8.9%	1.3%	47.6%
OCT	15	328	125	203	26,278,000	402,046,141	1,751,867	10,187,183	207,185,330	2,265,464	34,556,064	12,452,647	241,741,394	3.1%	194,860,811	6.4%	1.2%	48.5%
NOV	25	353	137	216	43,600,000	445,646,141	1,744,000	14,425,628	221,610,958	2,537,640	37,093,704	16,963,268	259,704,662	3.8%	224,035,183	7.5%	1.1%	50.3%
DEC	16	369	145	224	19,650,000	465,296,141	1,228,125	17,077,079	238,688,037	4,065,679	41,159,383	21,142,758	279,847,420	4.5%	226,608,104	9.3%	1.8%	48.7%
JAN 89	15	384	150	234	19,640,000	484,936,141	1,309,333	7,380,782	246,068,819	1,547,876	42,707,259	8,928,658	288,776,078	1.8%	238,867,322	3.7%	0.6%	49.3%
Ave:	14					Ave Loan:	1,262,454											
													AVE:	5.3%		9.3%	1.3%	

LOANS APPROVED BY AREA

MONTH	Kaolack/N No.	Cum.	Kaolack/S No.	Cum.	Kaffrine No.	Cum.	SOKONE No.	Cum.	KOUNG No.	Cum.	FATICK No.	Cum.	Kaolack/C No.	Cum.	TOTAL No.	Cum.
OCT 86																
NOV																
DEC																
JAN 87	10	10	10	10	1	1	8	8	8	8	9	9			46	46
FEB	3	13	1	11	1	2	1	9	1	9	1	10			8	54
MAR	5	18	3	14	2	4	0	9	3	12	0	10			13	67
APR	3	21	2	16	0	4	2	11	0	12	2	12			9	76
MAY	3	24	1	17	0	4	2	13	0	12	1	13			7	83
JUNE	3	27	1	18	0	4	3	16	3	15	2	15			12	95
JULY	3	30	3	21	0	4	3	19	4	19	2	17			15	110
AUG	0	30	1	22	0	4	0	19	0	19	0	17			1	111
SEPT	1	31	3	25	0	4	1	20	0	19	0	17			5	116
OCT	0	31	1	26	0	4	0	20	0	19	0	17			1	117
NOV	5	36	2	28	2	6	4	24	6	25	4	21	3	3	26	143
DEC	0	36	0	28	0	6	0	24	1	26	0	21	1	4	2	145
JAN 88	3	39	2	30	1	7	1	25	1	27	4	25	6	10	18	163
FEB	2	41	2	32	2	9	2	27	3	30	2	27	1	11	14	177
MAR	4	45	5	37	3	12	3	30	3	33	8	35	6	17	32	209
APR	2	47	4	39	5	17	2	32	2	35	5	40	0	17	20	227
MAY	10	57	7	46	6	23	6	38	5	40	8	48	2	19	44	271
JUNE	0	57	0	46	0	23	0	38	0	40	0	48	0	19	0	271
JULY	4	61	4	50	4	27	5	43	2	42	1	49	1	20	21	292
AUG	0	61	0	50	0	27	0	43	0	42	0	49	0	20	0	292
SEPT	2	63	3	53	5	32	3	46	5	47	1	50	2	22	21	313
OCT	3	66	3	56	4	36	1	47	2	49	0	50	2	24	15	328
NOV	1	67	8	64	5	41	3	50	4	53	0	50	4	28	25	353
DEC	1	68	7	71	1	42	3	53	2	55	0	50	2	30	16	369
JAN 89	5	73	2	73	2	44	2	55	4	59	0	50	0	30	15	384
MONTHLY AVE:	3		3		2		2		2		2		2		14	

ANNEX C

The data below is based on 129 evaluation forms received to date. In addition there is some new information which does not normally appear in the monthly MIS reports: it is included to provide a more complete picture of the SSE Component's activities. This information is based on all loans given to date.

I. LOANS (GENERAL INFORMATION)

- Total amount loaned out to these 129 clients : 158,540,088 F CFA
- Average loan amount : 1,228,933 F CFA
- The smallest loan amount : 100,000 F CFA
- The largest loan amount : 4,800,000 F CFA
- The financing was used to fund :

  117 permanent enterprises
  and
  12 short term activities such as construction, animal fattening, short-term agricultural production, building renovation.

- Use of funds :

  96 borrowers (74%) used the funds as working capital
  19 (15%) have bought equipment
  14 (11%) have divided the funds between working capital and new equipment for their enterprise.

- Financing by sector :

Sector	Number of loans	% of total loans	% of total funds loaned
Agricultural production	10	8%	5%
Commerce of ag.products	9	7%	6%
Construction	10	8%	14%
Carpentry	3	2%	2%
Food Processing	5	4%	4%
Fisheries	2	2%	1%
Hardware	6	5%	8%
Livestock	13	10%	8%
Mechanic/metalworker	6	5%	3%
Pharmacies	6	5%	3%
Retail general	44	34%	33%
Tailor/jeweller	8	6%	6%
Transport	7	4%	7%

- 6% (8) of these loans were made to women.
- More loans were made in Kaolack North than in any other area (26%).
- 70 (54%) loans were made in the urban area, i.e. in the city of Kaolack.

II. REPAYMENT

- 77 loans were repaid on time (60%)
- 40 loans were repaid early (31%)
- 12 loans were repaid 1-4 months late (11%), this includes one loan that was rescheduled.

III. PERSONAL CONTRIBUTION TO THE FINANCED ACTIVITY

- 73 Borrowers (57%) contributed financially or in kind (or both) to the financed activity. The average financial contribution was 531,299 F CFA.
- The smallest financial contribution was 20,000 F CFA.
- The largest financial contribution was 3,516,800 F CFA.
- Out of the 73 businessmen who contributed to the financed activity, 28 have injected new funds and the average of these funds was 362,601 F CFA.
- For every 1,000,000 F CFA loaned out, the businessmen invested 245,472 CFA.

IV. PROFITS

20% of clients have reinvested all of their profits in their enterprise and the average was 875,563 CFA.

NOTE : Other activities financed from the profits :

- purchase of cattle, millet for future sale, land, fruit trees, truck for transport, poultry projects as well as liquidation of debts.

V. IMPACT ON THE BUSINESS

44% have been able to increase their stock
40% have been able to purchase additional equipment
13% have been able to make improvements to the site of the enterprise
33% noted an increase in the number of clients
16% have been able to improve the management of their enterprise (eg. Introduction of bookkeeping)
33% have cited other positive effects of the financing :

- increased efficiency which enables them to better satisfy market demands with respect to quality, quantity and timing
- purchase of enterprise's locale
- rental of another outlet for the enterprise
- improvement in relations between the entrepreneur and his suppliers
- amelioration of housing for the employees
- construction of a warehouse
- increased yield per hectar

Job creation

53 enterprises (41%) have created employment: there have been 185 jobs created (48 permanent and 137 temporary).
This represents 1.17 jobs (temporary or permanent) created for every 1,000,000 CFA loaned out.

SECTOR	TOTAL LOANS	# OF ENT. CREATING EMPLOYMENT	# OF JOBS	JOBS/MILLION CFA LOANED
AGRICULTURE	34	16	49	1.63
COMMERCE	56	9	49	0.71
MANUFACTURE	13	13	21	1.62
SERVICES	26	15	66	1.50

PROFITS

SECTOR	AVERAGE PROFITS BEFORE LOAN	AVERAGE LOAN	AVERAGE PROFITS AFTER LOAN	PERCENTAGE OF INCREASE OF PROFITS
AGRICULTURE	171,792	985,082	298,477	74
COMMERCE	400,947	1,345,619	594,442	48
MANUFACTURE	209,386	1,108,939	387,744	85
SERVICES	312,889	1,539,668	599,838	92

ASSETS

SECTOR	AVERAGE ASSETS BEFORE LOAN	AVERAGE LOAN	AVERAGE ASSETS AFTER LOAN	PERCENTAGE OF INCREASE IN ASSETS
AGRICULTURE	2,754,990	985,082	3,540,065	28
COMMERCE	7,583,623	1,345,619	8,013,107	6
MANUFACTURE	3,354,529	1,108,939	3,771,083	12
SERVICES	9,643,907	1,539,668	10,949,260	14

COMMENTS

In the first part of this report we saw an analysis that concerned individual enterprises. However it is interesting to look at the project's impact on the four economic sectors.

A close study of the commerce sector reveals some interesting facts:

- This sector seems to be the least affected by the financing - we notice the lowest increase in profits and assets even though the averages for these values are relatively high.

- The employment creation table shows that the commerce sector creates fewer jobs than any other sector.

HOWEVER,

- More enterprises in this sector reinvest all of their profits in their enterprise and the average is the highest (1,255,393 CFA) as compared with other sectors:

Agriculture	:	425,852
Services	:	652,967
Manufacture	:	0

- The clients in the commerce sector are better educated than in other sectors. They also tend to reimburse the loans before due date (almost 50% of those that reimburse early).

Annex D

REVISED PROCUREMENT PLAN

I COMMODITIES

Description	Qty	App. Price $	Source/ Origin	Required Delivery Date	Responsible Officer
1. 2WD-Vehicle	2	30,000	935*	Jan. 90	NTF/MU
2. Vehicle Support					
- Sp. parts + fuel + repair + insurance		40,000	935*	Apr. 89- June 91	USAID/PDO SHO
3. Computer System					
- AT class IBM compatible and accessories	2	20,000	000/935	Sept. 89	NTF/MU
4. Other Office Equip/Support					
- Small Office desk + 2 chairs	4	6,000	000/935	Sept. 89	NTF/MU
- Office desk, chairs	2	4,000	000/935	Sept. 90	"
- Computer desk, chairs + covers	2	1,500	000/935	Sept. 89	"
- Large filing cabinets	4	8,000	000/935	Sept. 89	"
- Office supplies		15,500	000/935	April 89- Dec. 90	"
	TOTAL	125,000			

II. AUTHORIZATION DOCUMENTS

PIO/Cs for USAID procurement, Cooperative Agreement with NTF for MU procurement.

III. WAIVERS

* Procurement from DFA source can be made from code 935 countries following AA/AFR procedures. Procurement from SDP funds will be code 000 U.S. Procurement from other sources will require waivers.

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
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INCOME STATEMENT	1988	1989	1990	1991	1992	1993
INTEREST INC (LOANS)	27,659	54,782	93,027	129,032	153,690	167,644
INT EXP (TO FUND)	0	0	0	0	0	0
DEPRECIATION EXPENSE	0	2,560	3,344	3,344	3,344	2,611
TOTAL INC.	27,659	52,221	89,683	125,688	150,346	165,033
WRITE-OFFS	4,611	19,114	31,978	44,355	52,831	57,628
NET INT INC	23,048	33,108	57,705	81,333	97,515	107,406
OTHER INC	7,211	8,813	7,684	8,631	9,062	9,515
BONUS/PENALTY	1,560	3,377	5,649	7,836	9,333	10,181
OTHER EXPENSES	39,783	61,679	75,042	78,340	81,879	85,687
NET INCOME	(11,084)	(23,135)	(15,303)	3,787	15,365	21,053

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
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RATIOS/DATA:	1988	1989	1990	1991	1992	1993
NO. LOANS/AGENT	28	30	29	35	36	35
AMT OUTSTANDING/AGENT	28,028	37,693	41,792	57,236	67,329	73,185
F.O. RENTAL/AGENT	21	21	22	23	24	26
F.O. TRAVEL/AGENT	17	24	25	26	27	29
H.O. TRAVEL/OFFICER	124	130	137	144	151	158
SALARY/AGENT	118	130	137	144	151	158
SALARY/OFFICER	549	385	369	388	407	428
SALARY/STAFF	116	99	100	100	100	100
AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9
GROWTH RATE	123%	22%	82%	12%	5%	5%
INTEREST RATE	24%	24%	24%	24%	24%	24%
DOSSIER FEES	2.5%	2.5%	1.2%	1.2%	1.2%	1.2%
TOTAL EXPENSES	41,343	65,056	80,692	86,176	91,212	95,866
INTEREST EARNED	34,870	63,595	100,711	137,662	162,752	177,159

LOAN DETAIL		1988	1989	1990	1991	1992	1993
	(000 CFA)						
BEG BALANCE		92,522	259,522	330,800	500,670	648,645	723,417
SCH AMORTIZATION	11%	216,640	318,561	532,987	739,244	880,514	960,462
AMORTIZATION		154,513	284,405	442,362	613,573	730,828	797,183
ARREARS		57,164	35,042	58,626	81,317	96,857	105,651
WRITE-OFF	6.0%	4,811	19,114	31,978	44,355	52,831	57,628
CAPITALIZED INTEREST		10,919	2,283	3,876	5,376	6,404	6,985
NEW LOANS		288,432	352,514	640,335	719,209	755,169	792,928
END BALANCE		259,522	330,800	500,670	648,645	723,417	774,169
INTEREST PAYABLE	24%	38,578	57,064	98,903	134,408	160,093	174,629
INTEREST PAID		27,659	54,782	93,027	129,032	153,690	167,644
PAYMENT RATE (PRIN)		71.32%	83.00%	83.00%	83.00%	83.00%	83.00%
AVG LOAN SIZE		965	1,272	1,457	1,642	1,850	2,085
NUMBER OF LOANS		180	194	286	348	364	351
FEE INCOME		7,211	8,813	7,684	8,631	9,062	9,515
PAYMENT RATE (INT)		73.46%	96.00%	96.00%	96.00%	96.00%	96.00%

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BONUS CALCULATION							
BONUSABLE AMOUNT		154,513	284,405	442,362	613,573	730,826	797,183
BONUS RATE	2.00%	3,090	5,288	8,847	12,271	14,617	15,944
NON-PAYMENT AMOUNT		4,611	19,114	31,978	44,355	52,831	57,628
RATE	10.00%	461	1,911	3,198	4,435	5,283	5,763
NET BONUS		2,629	3,377	5,649	7,836	9,333	10,181

EXPENDITURES	1988	1989	1990	1991	1992	1993
EMPLOYEES						
OFFICERS	2	5	6	6	6	6
AGENTS	6	7	10	10	10	10
STAFF	3	7	6	6	6	6
SALARIES						
OFFICERS	13,181	22,316	26,591	27,921	29,317	30,783
AGENTS	9,020	10,807	16,405	17,225	18,087	18,991
STAFF	4,304	8,348	7,218	7,218	7,218	7,218
	26,505	41,471	50,215	52,364	54,622	56,992

OFFICE COSTS							
RENT MONTHLY		2145	2943	3846	3978.3	4117.215	4263.07575
HEAD OFFICE	44	528	1200	1200	1200	1200	1200
FIELD OFFICE	21	1617	1743	2646	2778.3	2917.215	3063.07575
LEGAL FEES		336	1,200	1,500	1,875	2,344	2,930
TRAVEL EXPENSE		4,263	9,514	12,822	12,341	0	0
HEAD OFFICE	124	2,976	7,552	9,843	10,335	10,852	11,395
FIELD OFFICE	17	1,287	1,962	2,979	3,126	3,284	3,449
OTHER							
HEAD OFFICE	398	4,774	4,774	4,774	4,774	4,774	4,774
FIELD OFFICE	2	189	204	294	294	294	294
MISC + H.O.PER DIEM		1,536	1536	1,536	1536	1,536	1,536
F.O. MISC.	0.46	35.42	38.16	55.2	55.2	55.2	55.2
H.O. EXPENSE		27,635	46,926	52,663	54,859	57,241	59,835
F.O. EXPENSE		12,148	14,754	22,380	23,481	24,638	25,852
TOTAL EXPENSE		39,783	61,679	75,042	78,340	81,879	85,687

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COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E

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FIELD OFFICE BREAKOUT

NEW LOANS (amount)

KAOLACK NORTH	20%	52,524	41,242	84,486	88,710	93,146	97,803
KAOLACK CENTER	12%	31,515	21,332	43,489	45,663	47,947	50,344
KAOLACK SOUTH	19%	49,898	40,531	85,259	89,522	93,998	98,698
FATICK	16%	42,020	28,443	54,968	57,716	60,602	63,632
KAFFRINE	13%	33,689	26,452	55,058	57,811	60,701	63,736
KOUNGHEUL	18%	47,272	35,838	74,350	78,068	81,971	86,070
SOKONE	12%	31,515	24,745	51,098	53,653	56,335	59,152
THIES NORTH		0	14,963	64,051	82,689	86,823	91,164
THIES SOUTH		0	14,963	63,526	82,689	86,823	91,164
MBOUR		0	14,963	64,051	82,689	86,823	91,164
		0	0	0	0	0	0
		0	0	0	0	0	0
TOTAL		288,432	352,514	640,335	719,209	755,169	792,928
ANNUAL GROWTH		123%	22%	82%	12%	5%	5%

GROWTH RATES

KAOLACK NORTH	34.2%	20.0%	5.0%	5.0%	5.0%
KAOLACK CENTER	20.0%	15.0%	5.0%	5.0%	5.0%
KAOLACK SOUTH	43.3%	20.0%	5.0%	5.0%	5.0%
FATICK	18.8%	10.0%	5.0%	5.0%	5.0%
KAFFRINE	36.7%	20.0%	5.0%	5.0%	5.0%
KOUNGHEUL	31.3%	20.0%	5.0%	5.0%	5.0%
SOKONE	35.4%	20.0%	5.0%	5.0%	5.0%
THIES NORTH	0.0%	0.0%	12.5%	5.0%	5.0%
THIES SOUTH	0.0%	0.0%	8.3%	5.0%	5.0%
MBOUR	0.0%	0.0%	12.5%	5.0%	5.0%
		0.0%	0.0%	0.0%	0.0%
		0.0%	0.0%	0.0%	0.0%

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT   ANNEX E
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DEPRECIATION SCHEDULE

NUMBER OF CARS		4	1	0	0	0
COST PER CAR		2284	2284			
NUMBER OF MOTOS		7	3.1	0	0	0
COST PER		530	530	530	530	530
COST OF CARS	0	9136	9592.8	7308.8	5024.8	2740.8
DEPRECIATION (5 YEARS)		1827.2	2284	2284	2284	2284
NET CARS	0	7308.8	7308.8	5024.8	2740.8	456.8
COST OF MOTOS	0	3,666	4,567	3,507	2,447	1,387
DEPRECIATION (5 YEARS)		733	1,060	1,060	1,060	327
NET MOTOS	0	2,933	3,507	2,447	1,387	1,060
NET ASSETS		10,241	10,816	7,472	4,128	1,517

('000 CAA) 10:49

:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1988
:PRINCIPAL REPAYMENTS	9,608	12,854	14,235	11,391	11,021	13,935	13,505	12,719	13,555	10,187	14,426	17,077	154,513
:INTEREST REPAYMENTS AND FEES	1,742	1,501	1,936	1,806	2,068	2,148	2,952	2,327	2,310	2,265	2,538	4,066	27,659
EST. EXPENDITURES													
: REPAYMENTS TO REVOLVING FUND	11,350	14,355	16,171	13,197	13,089	16,083	16,457	15,046	15,865	12,452	16,964	21,143	182,172
:BALANCE OF FUND AS OF 12/31/85													43,566
BEGINNING BALANCE													
:EST. NEW LOANS												19,650	288,432
:ENDING BALANCE													43,566
:ADD. CAPITAL REQUIRED													
:													
:													

:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1989
:PRINCIPAL REPAYMENTS	7,381	23,185	20,932	18,900	18,874	19,604	19,665	20,474	20,591	23,772	26,229	28,485	264,405
:INTEREST REPAYMENTS AND FEES	1,548	4,469	4,402	4,470	4,571	4,661	4,880	4,882	5,749	6,304	6,831	7,218	63,595
EST. EXPENDITURES													
: REPAYMENTS TO REVOLVING FUND	8,929	27,655	25,334	23,370	23,545	24,265	24,545	25,356	26,339	30,076	33,060	35,703	328,000
:BALANCE OF FUND AS OF 12/31/88													
BEGINNING BALANCE	43,566	32,845	40,860	66,194	89,564	93,287	89,488	92,514	88,098	91,382	64,719	45,578	43,566
:EST. NEW LOANS	19,640	0	0	19,823	28,064	21,518	29,772	23,055	56,739	52,202	52,600	49,102	352,514
:ENDING BALANCE	32,845	40,860	66,194	89,564	93,287	89,488	92,514	88,098	91,382	64,719	45,578	28,680	28,680
:ADD. CAPITAL REQUIRED	NOTE: ENDING BALANCE = BEGINNING BALANCE + REPAYMENTS - EST. NEW LOANS OF THE PREVIOUS MONTH												0
:	NOTE: BOTH PRIN. AND INT. PUT IN REVOLVING FUND UNTIL DEC 1990; AS OF JAN 1991, PRIN. + INT. - EST. EXP. PUT IN REVOLVING FUND												
:													

:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1990
:PRINCIPAL REPAYMENTS	30,202	32,267	32,688	35,699	35,721	36,631	36,475	37,273	37,268	40,923	42,747	44,469	442,362
:INTEREST REPAYMENTS AND FEES	7,008	7,253	7,687	7,966	8,087	8,150	8,241	8,313	8,793	9,368	9,761	10,082	100,711
EST. EXPENDITURES													
: REPAYMENTS TO REVOLVING FUND	37,210	39,520	40,375	43,665	43,809	44,781	44,716	45,586	46,062	50,291	52,508	54,551	543,073
:BALANCE OF FUND AS OF 12/31/88													
BEGINNING BALANCE	28,680	16,788	1,570	123,021	98,936	104,536	101,364	108,831	106,886	113,356	83,977	72,990	28,680
:EST. NEW LOANS	54,738	38,924	67,751	38,208	47,953	37,249	47,531	39,591	79,671	63,495	64,323	60,902	640,335
:ENDING BALANCE	16,788	1,570	123,021	98,936	104,536	101,364	108,831	106,886	113,356	83,977	72,990	63,219	63,219
:ADD. CAPITAL REQUIRED			120,000							0			120,000
:													$400

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:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1991
:PRINCIPAL REPAYMENTS	45,711	47,532	47,581	50,582	50,327	51,028	50,567	51,081	50,790	54,340	56,096	57,839	613,573
:INTEREST REPAYMENTS AND FEES	10,363	10,546	10,941	11,169	11,236	11,240	11,266	11,274	11,715	12,265	12,653	12,991	137,662
EST. EXPENDITURES	7,112	7,135	7,137	7,174	7,171	7,150	7,174	7,161	7,177	7,222	7,245	7,267	86,176
: REPAYMENTS TO REVOLVING FUND	48,962	50,943	51,465	54,576	54,394	55,039	54,660	55,174	55,327	59,383	61,504	63,563	665,059
:BALANCE OF FUND AS OF 12/31/88													
BEGINNING BALANCE	63,219	51,278	39,725	45,320	23,739	33,829	34,383	46,594	49,055	60,017	33,225	24,909	63,219
:EST. NEW LOANS	62,495	45,890	76,155	44,302	54,535	42,459	52,703	44,366	66,175	69,619	71,319	68,357	719,209
:ENDING BALANCE	51,278	39,725	45,320	23,738	33,829	34,383	46,594	49,055	60,017	33,225	24,909	17,154	17,154
:ADD. CAPITAL REQUIRED													0

:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1992
:PRINCIPAL REPAYMENTS	59,221	60,179	59,463	61,709	60,711	60,779	59,683	59,662	58,644	62,103	63,516	64,956	730,826
:INTEREST REPAYMENTS AND FEES	13,241	13,234	13,464	13,535	13,454	13,316	13,215	13,106	13,460	13,940	14,256	14,529	162,752
EST. EXPENDITURES	7,580	7,592	7,583	7,611	7,599	7,599	7,585	7,585	7,575	7,616	7,634	7,653	91,212
: REPAYMENTS TO REVOLVING FUND	64,883	65,820	65,344	67,633	66,567	66,496	65,312	65,182	64,730	68,427	70,139	71,832	802,366
:BALANCE OF FUND AS OF 12/31/88													
BEGINNING BALANCE	17,154	13,050	13,250	30,410	18,077	38,126	47,360	68,091	77,935	96,080	74,024	70,853	17,154
:EST. NEW LOANS	65,620	48,184	79,966	46,517	57,261	44,581	55,338	46,585	90,483	73,310	74,885	72,437	755,169
:ENDING BALANCE	13,050	13,250	30,410	18,077	38,126	47,360	68,091	77,935	96,080	74,024	70,853	67,800	67,800
:ADD. CAPITAL REQUIRED													0

:REVOLVING FUND-CASH FLOW ANALYSIS	JAN	FEB	MAR	APR	MAY	JUN			EP	OCT	NOV	DEC	1993
:PRINCIPAL REPAYMENTS	66,048	66,725	65,672	67,756	66,456	66,297	64,935	64,721	63,685	66,946	68,284	69,659	797,183
:INTEREST REPAYMENTS AND FEES	14,716	14,639	14,818	14,835	14,697	14,504	14,353	14,197	14,533	15,002	15,303	15,562	177,159
EST. EXPENDITURES	7,984	7,993	7,979	8,006	7,989	7,967	7,970	7,967	7,954	7,995	8,013	8,030	95,866
: REPAYMENTS TO REVOLVING FUND	72,780	73,371	72,511	74,585	73,164	72,813	71,318	70,951	70,264	73,953	75,574	77,190	878,475
:BALANCE OF FUND AS OF 12/31/88													
BEGINNING BALANCE	67,800	68,144	72,613	94,531	85,151	109,472	122,160	146,668	159,514	180,864	159,810	158,408	67,800
:EST. NEW LOANS	68,901	50,594	83,965	48,843	60,124	46,811	58,105	48,914	95,008	76,976	78,629	76,059	792,328
:ENDING BALANCE	68,144	72,613	94,531	85,151	109,472	122,160	146,668	159,514	180,864	159,810	158,408	156,969	156,969
:ADD. CAPITAL REQUIRED													0

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
('000 CFA) 12:06 4/3/89

:RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1988
:NO. LOANS/AGENT	15.6	16.4	20.7	27.0	32.5	32.2	35.7	31.3	33.2	29.0	30.9	37.3	28
:AMT OUTSTANDING/AGENT	15,047	15,423	18,435	22,093	29,721	27,635	28,673	31,201	35,334	32,667	36,655	43,254	28,028
:F.O. RENTAL/AGENT	21	21	21	21	21	21	21	21	21	21	21	21	21
:F.O. TRAVEL/AGENT	17	17	17	17	17	17	17	17	17	17	17	17	17
:H.O. TRAVEL/OFFICER	124	124	124	124	124	124	124	124	124	124	124	124	124
:SALARY/AGENT	104	104	102	118	107	113	117	138	138	124	124	124	118
SALARY/OFFICER	452	452	500	497	500	541	435	643	643	643	643	643	549
:SALARY/STAFF	80	80	199	127	95	92	205	103	103	103	103	99	116
:AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
:GROWTH RATE													123%
:INTEREST RATE	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	22%	22%	24%
:DOSSIER FEES	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
:TOTAL EXPENSES	3,050	3,050	3,568	3,302	3,145	3,257	3,406	3,641	3,641	3,681	3,681	3,923	41,343
:INTEREST EARNED	2,300	1,873	2,813	2,159	3,473	2,148	3,436	2,327	3,233	2,922	3,628	4,557	34,870

:LOAN DETAIL	(000 CFA)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1988
:BEG BALANCE		92,522	105,332	107,959	129,044	132,555	178,327	165,811	172,040	187,208	212,002	228,669	257,988	92,522
:SCH AMORTIZATION	11%	10,177	11,587	11,875	14,195	14,581	19,616	18,239	18,924	20,593	23,320	25,154	28,379	216,640
:AMORTIZATION		9,608	12,854	14,235	11,391	11,021	13,935	13,505	12,719	13,555	10,187	14,426	17,077	154,513
:ARREARS		569	(1,267)	(2,360)	2,804	3,560	5,681	4,734	6,205	6,686	11,734	9,218	9,599	57,164
:WRITE-OFF	6.0%	0	0	0	0	0	0	0	0	0	1,399	1,509	1,703	4,611
:CAPITALIZED INTEREST		108	606	223	775	583	1,419	364	1,114	1,434	1,975	1,654	664	10,919
:NEW LOANS		22,310	14,875	35,097	14,127	56,210	0	19,370	0	36,915	26,278	43,600	19,650	288,432
:END BALANCE		105.332	107.959	129,044	132,555	178,327	165,811	172,040	187,208	212,002	228,669	257,988	259,522	259.522
:INTEREST PAYABLE	24%	1,850	2,107	2,159	2,581	2,651	3,567	3,316	3,441	3,744	4,240	4,192	4,730	38,578
:INTEREST PAID		1,742	1,501	1,936	1,806	2,068	2,148	2,952	2,327	2,310	2,265	2,538	4,066	27,659
:PAYMENT RATE (PRIN)		94.41%	110.94%	119.87%	80.25%	75.58%	71.04%	74.04%	67.21%	65.82%	43.68%	57.35%	60.16%	71.32%
:AVG LOAN SIZE		966	939	890	818	914	859	804	996	1,065	1,087	1.108	1,131	965
:NUMBER OF LOANS		109	115	145	162	195	193	214	188	199	203	216	224	180
:FEE INCOME		558	372	877	353	1,405	0	484	0	923	657	1,090	491	7,211
:PAYMENT RATE (INT)		94.14%	71.25%	89.66%	69.98%	78.01%	60.23%	89.02%	67.63%	61.70%	53.42%	60.54%	65.97%	73.46%

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
('000 CFA) 11:04

:RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1989
:NO. LOANS/AGENT	55.1	48.7	28.8	28.2	24.6	24.2	24.7	24.6	26.1	23.9	25.7	24.2	30
:AMT OUTSTANDING/AGENT	63,486	57,318	34,501	34,455	30,674	30,770	32,035	32,216	37,195	31,921	34,666	33,080	37,693
:F.O. RENTAL/AGENT	21	21	21	21	21	21	21	21	21	21	21	21	21
:F.O. TRAVEL/AGENT	24	24	24	24	24	24	24	24	24	24	24	24	24
:H.O. TRAVEL/OFFICER	130	130	130	130	130	130	130	130	130	130	130	130	130
:SALARY/AGENT	130	130	130	130	130	130	130	130	130	130	130	130	130
SALARY/OFFICER	385	385	385	385	385	385	385	385	385	385	385	385	385
:SALARY/STAFF	98.6	99	99	99	99	99	100	100	100	100	100	100	99
:AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
:GROWTH RATE													22%
:INTEREST RATE	22%	22%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
:DOSSIER FEES	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%	2.5%
:TOTAL EXPENSES	4,391	4,384	5,423	5,397	5,575	5,584	5,598	5,608	5,409	5,805	5,837	6,043	65,056
:INTEREST EARNED	5,059	4,469	4,402	4,470	4,671	4,661	4,880	4,882	5,749	6,304	6,631	7,218	63,595

:LOAN DETAIL		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1989
:	(000 CFA)													
:BEG BALANCE		259,522	253,945	229,270	207,008	206,730	214,720	215,389	224,247	225,527	260,367	287,287	311,992	259,522
:SCH AMORTIZATION	11%	28,547	27,934	25,220	22,771	22,740	23,619	23,693	24,667	24,808	28,640	31,602	34,319	318,551
:AMORTIZATION		23,694	23,185	20,932	18,900	18,874	19,604	19,665	20,474	20,591	23,772	26,229	28,485	264,405
:ARREARS		3,140	3,073	2,774	2,505	2,501	2,598	2,606	2,713	2,729	3,150	3,476	3,775	35,042
:WRITE-OFF	6.0%	1,713	1,676	1,513	1,366	1,364	1,417	1,422	1,480	1,488	1,718	1,896	2,059	19,114
:CAPITALIZED INTEREST		190	186	153	166	165	172	172	179	180	208	230	250	2,283
:NEW LOANS		19,640	0	0	19,823	28,064	21,516	29,772	23,055	56,739	52,202	52,600	49,102	352,514
:END BALANCE		253,945	229,270	207,008	206,730	214,720	215,389	224,247	225,527	260,367	287,287	311,992	330,800	330,800
:INTEREST PAYABLE	24%	4,758	4,656	4,565	4,140	4,135	4,294	4,308	4,485	4,511	5,207	5,746	6,240	57,064
:INTEREST PAID		4,568	4,469	4,402	3,975	3,969	4,123	4,135	4,306	4,330	4,999	5,516	5,990	54,782
:PAYMENT RATE (PRIN)		83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%
:AVG LOAN SIZE		1,153	1,176	1,200	1,224	1,248	1,273	1,299	1,312	1,325	1,338	1,351	1,365	1,272
:NUMBER OF LOANS		220	195	173	169	172	169	173	172	197	215	231	242	194
:FEE INCOME		491	0	0	496	702	538	744	576	1,418	1,305	1,315	1,228	8,813
:PAYMENT RATE (INT)		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
('000 CFA) 10:49

RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1990
NO. LOANS/AGENT	25.5	25.7	27.8	27.5	28.0	27.5	27.9	27.6	30.0	31.1	32.0	32.5	29
AMT OUTSTANDING/AGENT	35,342	35,802	39,101	39,125	40,121	39,950	40,824	40,819	44,823	46,820	48,706	50,067	41,792
F.O. RENTAL/AGENT	22	22	22	22	22	22	22	22	22	22	22	22	22
F.O. TRAVEL/AGENT	25	25	25	25	25	25	25	25	25	25	25	25	25
H.O. TRAVEL/OFFICER	137	137	137	137	137	137	137	137	137	137	137	137	137
SALARY/AGENT	137	137	137	137	137	137	137	137	137	137	137	137	137
SALARY/OFFICER	369	369	369	369	369	369	369	369	369	369	369	369	369
SALARY/STAFF	100	100	100	100	100	100	100	100	100	100	100	100	100
AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
GROWTH RATE													82%
INTEREST RATE	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
DOSSIER FEES	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
TOTAL EXPENSES	6,639	6,666	6,671	6,709	6,710	6,721	6,719	6,730	6,729	6,776	6,799	6,821	80,692
INTEREST EARNED	7,008	7,253	7,687	7,966	8,087	8,150	8,241	8,313	8,793	9,368	9,761	10,082	100,711

LOAN DETAIL (000 CFA)		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1990
BEG BALANCE		330,800	353,417	358,024	391,010	391,251	401,214	399,505	408,244	408,195	448,230	468,202	487,062	330,800
SCH AMORTIZATION	11%	36,388	38,876	39,383	43,011	43,038	44,133	43,946	44,907	44,901	49,305	51,502	53,577	532,967
AMORTIZATION		30,202	32,267	32,688	35,699	35,721	36,631	36,475	37,273	37,268	40,923	42,747	44,469	442,352
ARREARS		4,003	4,276	4,332	4,731	4,734	4,855	4,834	4,940	4,939	5,424	5,665	5,893	58,626
WRITE-OFF	6.0%	2,183	2,333	2,363	2,581	2,582	2,648	2,637	2,694	2,694	2,958	3,090	3,215	31,978
CAPITALIZED INTEREST		265	283	286	313	313	321	320	327	327	359	375	390	3,876
NEW LOANS		54,738	38,924	67,751	38,208	47,953	37,249	47,531	39,591	79,671	63,495	64,323	60,902	640,335
END BALANCE		353,417	358,024	391,010	391,251	401,214	399,505	408,244	408,195	448,230	468,202	487,062	500,570	500,570
INTEREST PAYABLE	24%	6,616	7,068	7,160	7,820	7,825	8,024	7,990	8,165	8,164	8,965	9,364	9,741	96,903
INTEREST PAID		6,351	6,786	6,874	7,507	7,512	7,703	7,670	7,838	7,837	8,606	8,989	9,352	93,027
PAYMENT RATE (PRIN)		83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%
AVG LOAN SIZE		1,379	1,392	1,406	1,420	1,435	1,449	1,463	1,478	1,493	1,508	1,523	1,538	1,457
NUMBER OF LOANS		256	257	278	275	280	276	279	276	300	311	320	326	286
FEE INCOME		657	467	813	458	575	447	570	475	956	762	772	731	7,684
PAYMENT RATE (INT)		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E
('000 CFA) 10:49

:RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1991
:NO. LOANS/AGENT	33.5	33.3	35.0	34.4	34.6	33.9	33.9	33.4	35.4	36.2	36.9	37.4	35
:AMT OUTSTANDING/AGENT	52,061	52,225	55,401	55,123	55,891	55,386	55,948	55,629	59,518	61,441	63,351	64,854	57,236
:F.O. RENTAL/AGENT	23	23	23	23	23	23	23	[illegible]	23	23	23	23	23
:F.O. TRAVEL/AGENT	26	26	26	26	26	26	26	26	26	26	26	26	26
:H.O. TRAVEL/OFFICER	144	144	144	144	144	144	144	144	144	144	144	144	144
:SALARY/AGENT	144	144	144	144	144	144	144	144	144	144	144	144	144
SALARY/OFFICER	388	388	388	388	388	388	388	388	388	388	388	388	388
:SALARY/STAFF	100	100	100	100	100	100	100	100	100	100	100	100	100
:AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
:GROWTH RATE													12%
:INTEREST RATE	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
:DOSSIER FEES	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
:TOTAL EXPENSES	7,112	7,135	7,137	7,174	7,171	7,190	7,174	7,181	7,177	7,222	7,245	7,267	86,176
:INTEREST EARNED	10,363	10,546	10,941	11,169	11,238	11,240	11,266	11,274	11,715	12,265	12,653	12,991	137,662

:LOAN DETAIL	(000 CFA)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1991
:BEG BALANCE		500,670	520,609	522,247	554,014	551,225	558,906	553,857	559,483	556,293	595,183	614,412	633,505	500,670
:SCH AMORTIZATION	11%	55,074	57,267	57,447	60,942	60,635	61,480	60,924	61,543	61,192	65,470	67,585	69,686	739,244
:AMORTIZATION		45,711	47,532	47,681	50,582	50,327	51,028	50,567	51,081	50,790	54,340	56,096	57,839	613,573
:ARREARS		6,058	6,299	6,319	6,704	6,670	6,763	6,702	6,770	6,731	7,202	7,434	7,665	81,317
:WRITE-OFF	6.0%	3,304	3,436	3,447	3,656	3,638	3,689	3,655	3,693	3,672	3,928	4,055	4,181	44,355
:CAPITALIZED INTEREST		401	416	418	443	441	447	443	448	445	476	492	507	5,376
:NEW LOANS		62,495	45,890	76,158	44,302	54,535	42,459	52,703	44,366	86,175	69,619	71,319	68,987	719,209
:END BALANCE		520,609	522,247	554,014	551,225	558,906	553,857	559,463	556,293	595,183	614,412	633,505	648,645	648,645
:INTEREST PAYABLE	24%	10,013	10,412	10,445	11,080	11,025	11,178	11,077	11,190	11,126	11,904	12,288	12,670	134,408
:INTEREST PAID		9,613	9,996	10,027	10,637	10,584	10,731	10,634	10,742	10,681	11,428	11,797	12,163	129,032
:PAYMENT RATE (PRIN)		83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%
:AVG LOAN SIZE		1,553	1,569	1,585	1,600	1,616	1,633	1,649	1,665	1,682	1,699	1,716	1,733	1,642
:NUMBER OF LOANS		335	333	350	344	346	339	339	334	354	362	369	374	346
:FEE INCOME		750	551	914	532	654	510	632	532	1,034	838	856	828	8,631
:PAYMENT RATE (INT)		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%

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COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E

('000 CFA) 10:49

RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1992
NO. LOANS/AGENT	37.7	36.8	37.9	36.9	36.5	35.5	35.2	34.3	35.9	36.3	36.8	37.0	36
AMT OUTSTANDING/AGENT	65,913	65,123	67,590	66,496	66,570	65,370	65,347	64,451	68,021	69,570	71,145	72,342	67,329
F.O. RENTAL/AGENT	24	24	24	24	24	24	24	24	24	24	24	24	24
F.O. TRAVEL/AGENT	27	27	27	27	27	27	27	27	27	27	27	27	27
H.O. TRAVEL/OFFICER	151	151	151	151	151	151	151	151	151	151	151	151	151
SALARY/AGENT	151	151	151	151	151	151	151	151	151	151	151	151	151
SALARY/OFFICER	407	407	407	407	407	407	407	407	407	407	407	407	407
SALARY/STAFF	100	100	100	100	100	100	100	100	100	100	100	100	100
AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
GROWTH RATE													5%
INTEREST RATE	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
DOSSIER FEES	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
TOTAL EXPENSES	7,560	7,592	7,583	7,611	7,599	7,599	7,585	7,585	7,575	7,615	7,634	7,653	91,212
INTEREST EARNED	13,241	13,234	13,464	13,535	13,454	13,316	13,215	13,106	13,460	13,940	14,256	14,529	162,752

LOAN DETAIL		JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1992
	(000 CFA)													
BEG BALANCE		648,645	659,130	651,288	675,895	664,961	665,701	653,698	653,472	644,511	680,211	695,704	711,454	648,645
SCH AMORTIZATION	11%	71,351	72,504	71,642	74,348	73,146	73,227	71,907	71,882	70,896	74,823	76,527	78,260	880,514
AMORTIZATION		59,221	60,179	59,463	61,709	60,711	60,779	59,683	59,662	58,844	62,103	63,515	64,956	730,826
ARREARS		7,849	7,975	7,881	8,178	8,046	8,055	7,910	7,907	7,799	8,231	8,418	8,609	96,857
WRITE-OFF	6.0%	4,281	4,350	4,299	4,461	4,389	4,394	4,314	4,313	4,254	4,489	4,592	4,696	52,831
CAPITALIZED INTEREST		519	527	521	541	532	533	523	523	516	544	557	569	6,404
NEW LOANS		65,620	48,184	79,966	46,517	57,261	44,581	55,338	46,565	90,463	73,310	74,885	72,437	755,169
END BALANCE		659,130	651,288	675,895	664,961	665,701	653,698	653,472	644,511	680,211	695,704	711,454	723,417	723,417
INTEREST PAYABLE	24%	12,973	13,183	13,026	13,516	13,299	13,314	13,074	13,069	12,890	13,604	13,914	14,229	160,093
INTEREST PAID		12,454	12,655	12,505	12,977	12,767	12,781	12,551	12,547	12,375	13,060	13,358	13,660	153,690
PAYMENT RATE (PRIN)		83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%
AVG LOAN SIZE		1,750	1,768	1,786	1,803	1,821	1,840	1,858	1,877	1,895	1,914	1,933	1,953	1,850
NUMBER OF LOANS		377	368	379	369	365	355	352	343	359	363	368	370	364
FEE INCOME		787	578	960	555	667	535	664	559	1,086	880	899	869	9,062
PAYMENT RATE (INT)		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%

Best Available Document

COMMUNITY AND ENTERPRISE DEVELOPMENT PROJECT PAPER SUPPLEMENT ANNEX E

('000 CFA) 10:49

RATIOS/DATA:	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1993
NO. LOANS/AGENT	37.1	36.1	36.9	35.8	35.4	34.3	33.9	33.0	34.3	34.7	35.0	35.2	35
AMT OUTSTANDING/AGENT	73,083	71,930	74,212	72,789	72,614	71,123	70,868	69,754	73,326	74,791	76,296	77,417	73,185
F.O. RENTAL/AGENT	26	26	26	26	26	26	26	26	26	26	26	26	26
F.O. TRAVEL/AGENT	29	29	29	29	29	29	29	29	29	29	29	29	29
H.O. TRAVEL/OFFICER	158	158	158	158	158	158	158	158	158	158	158	158	158
SALARY/AGENT	158	158	158	158	158	158	158	158	158	158	158	158	158
SALARY/OFFICER	428	428	428	428	428	428	428	428	428	428	428	428	428
SALARY/STAFF	100	100	100	100	100	100	100	100	100	100	100	100	100
AVG LIFE/LOAN (MONTHS)	9	9	9	9	9	9	9	9	9	9	9	9	9
GROWTH RATE													5%
INTEREST RATE	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%	24%
DOSSIER FEES	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%	1.2%
TOTAL EXPENSES	7,984	7,993	7,979	8,006	7,989	7,987	7,970	7,967	7,954	7,996	8,013	8,030	95,868
INTEREST EARNED	14,716	14,639	14,818	14,835	14,697	14,504	14,253	14,197	14,533	15,002	15,303	15,562	177,159

LOAN DETAIL	(000 CFA)	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	1993
BEG BALANCE		723,417	730,827	719,301	742,125	727,887	726,141	711,230	708,881	697,540	733,256	747,905	762,962	723,417
SCH AMORTIZATION	11%	79,576	80,391	79,123	81,634	80,068	79,876	78,235	77,977	76,729	80,558	82,270	83,926	960,462
AMORTIZATION		66,048	66,725	65,672	67,756	66,456	66,297	64,935	64,721	63,685	66,946	68,284	69,658	797,183
ARREARS		8,753	8,843	8,704	8,980	8,607	8,786	8,606	8,577	8,440	8,872	9,050	9,232	105,651
WRITE-OFF	6.0%	4,775	4,823	4,747	4,898	4,804	4,793	4,694	4,679	4,604	4,839	4,936	5,036	57,628
CAPITALIZED INTEREST		579	585	575	594	582	581	569	567	558	587	598	610	6,935
NEW LOANS		68,301	50,594	83,965	48,843	60,124	46,611	56,105	46,914	95,008	76,976	78,629	76,059	792,928
END BALANCE		730,827	719,301	742,125	727,887	726,141	711,230	708,881	697,540	733,256	747,905	762,962	774,169	774,169
INTEREST PAYABLE	24%	14,468	14,617	14,386	14,842	14,558	14,523	14,225	14,178	13,951	14,665	14,958	15,259	174,629
INTEREST PAID		13,890	14,032	13,811	14,249	13,975	13,942	13,656	13,611	13,393	14,079	14,360	14,649	167,644
PAYMENT RATE (PRIN)		83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%	83.00%
AVG LOAN SIZE		1,972	1,992	2,012	2,032	2,052	2,073	2,094	2,115	2,136	2,157	2,179	2,201	2,085
NUMBER OF LOANS		371	361	369	358	354	343	339	330	343	347	350	352	351
FEE INCOME		827	607	1,008	586	721	562	697	587	1,140	924	944	913	9,515
PAYMENT RATE (INT)		96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%	96.00%

ANNEX E

KAOLACK SSE SENSITIVITY ANALYSIS

Basic Case Assumptions

INTEREST RATE: 24% after Feb. 1989

WRITE-OFFS: 6%

LOAN GROWTH:
1989: 22%
1990: 82%
1991: 12%
1992: 5%
1993: 5%

LOAN LENGTH: 9 months

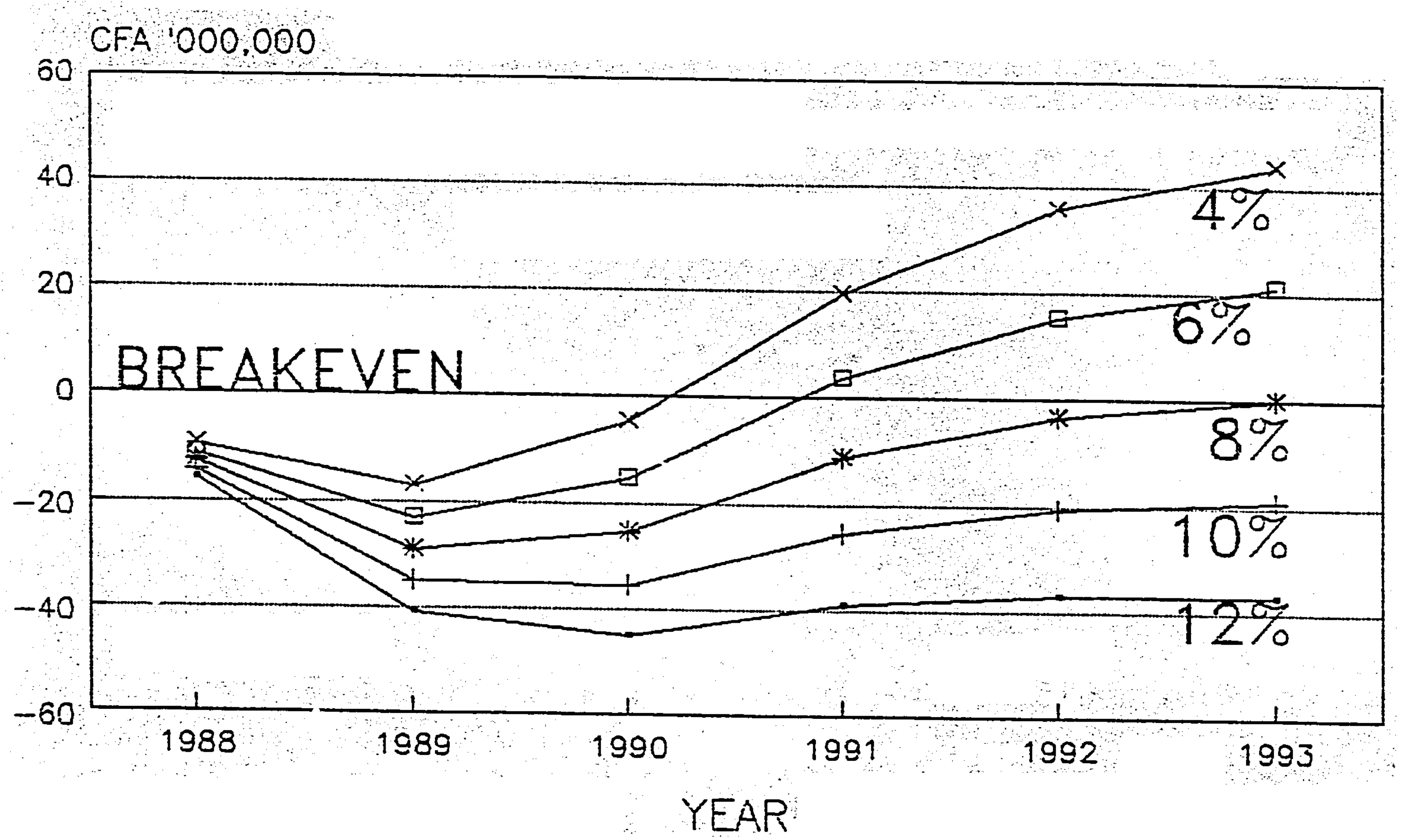
DOSSIER FEES: 1.2%

NUMBER OF LOAN AGENTS:
1989: 9
1990-93: 10

AVE. LOAN SIZE:
1989: 1.3 MILLION
1990: 1.45 MILLION
1991: 1.6 MILLION
1992: 1.8 MILLION
1993: 1.9 MILLION

SSE COMPANY NET INCOME

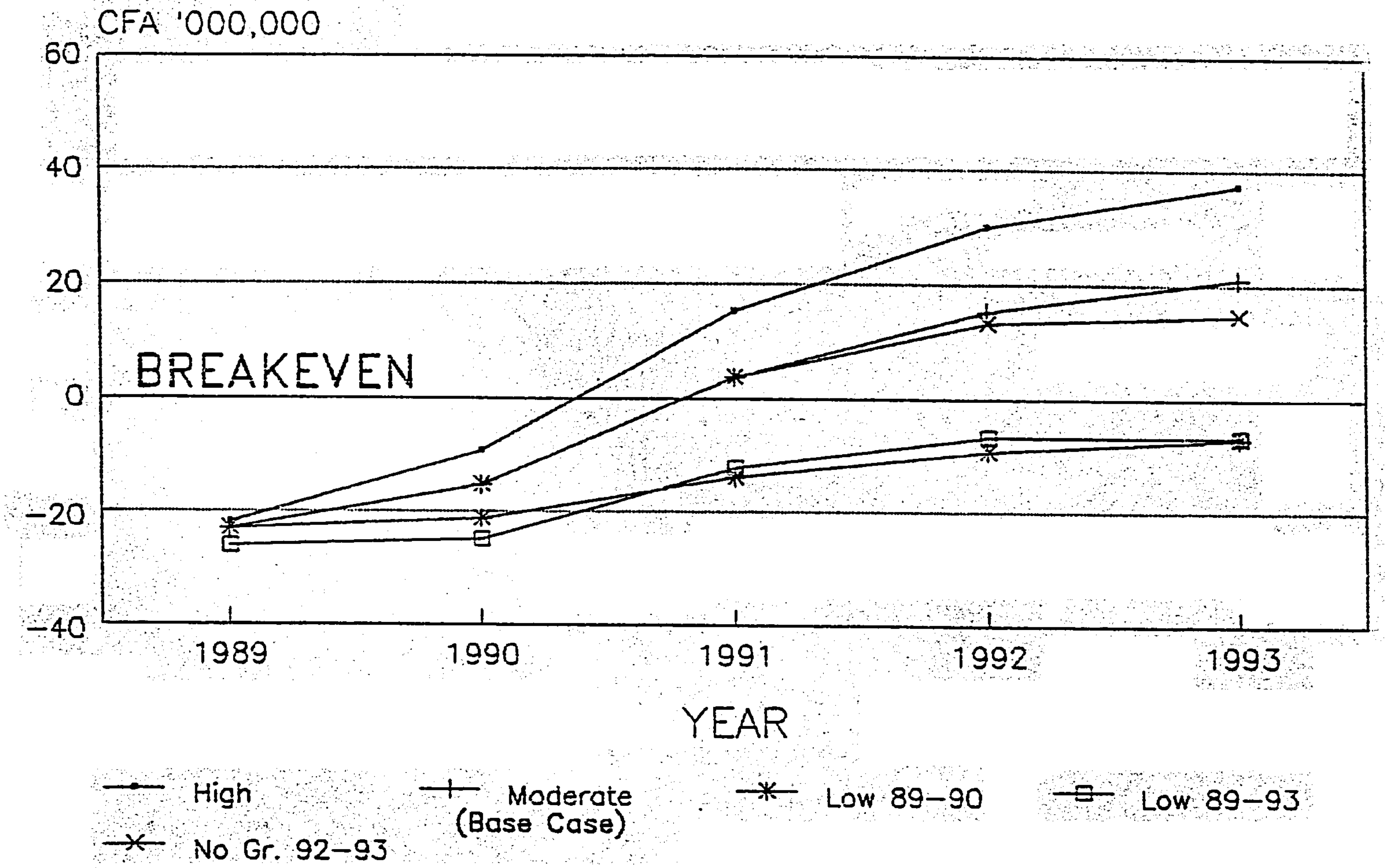
Using Various Default Rates



45

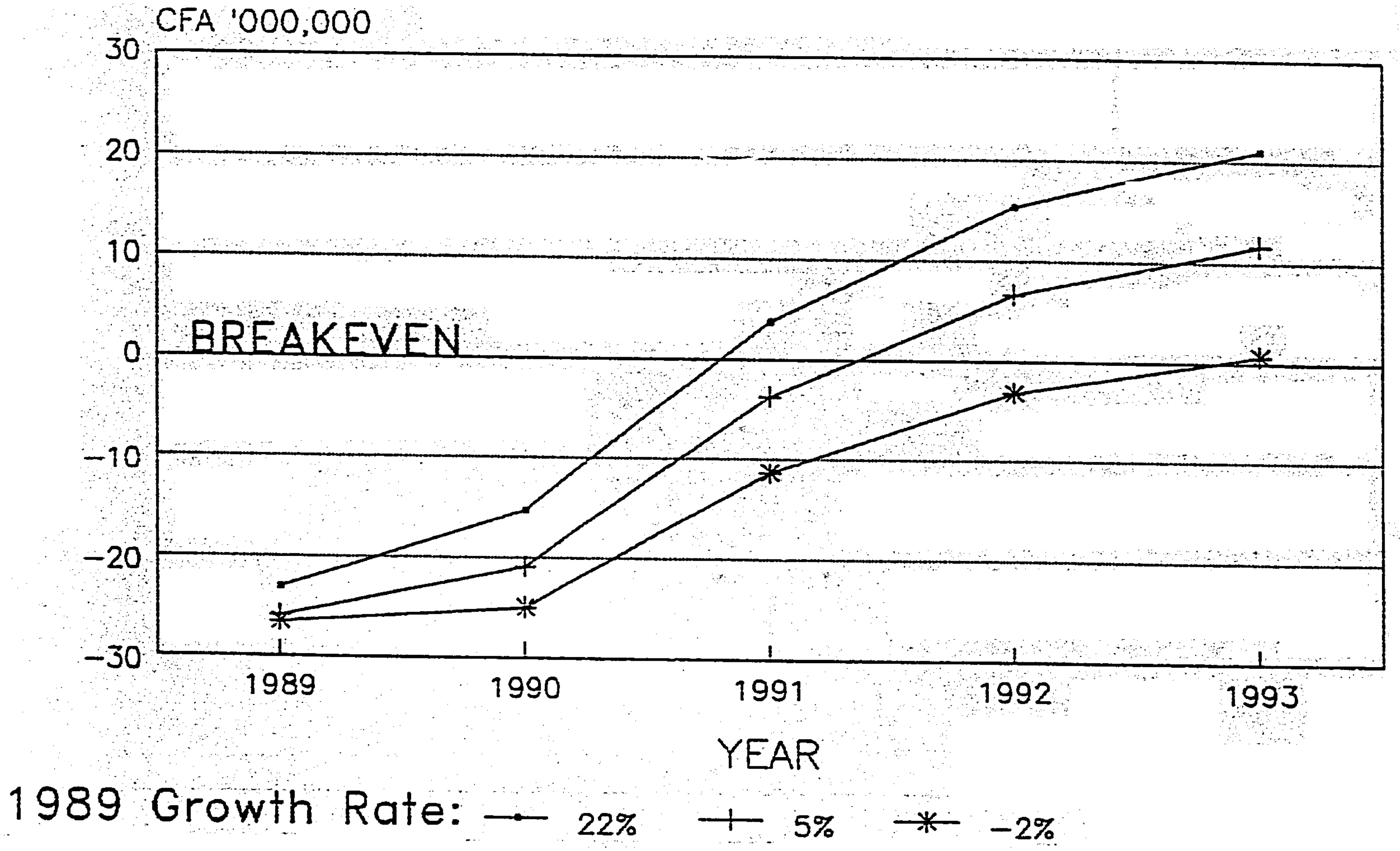
SSE CREDIT NET INCOME

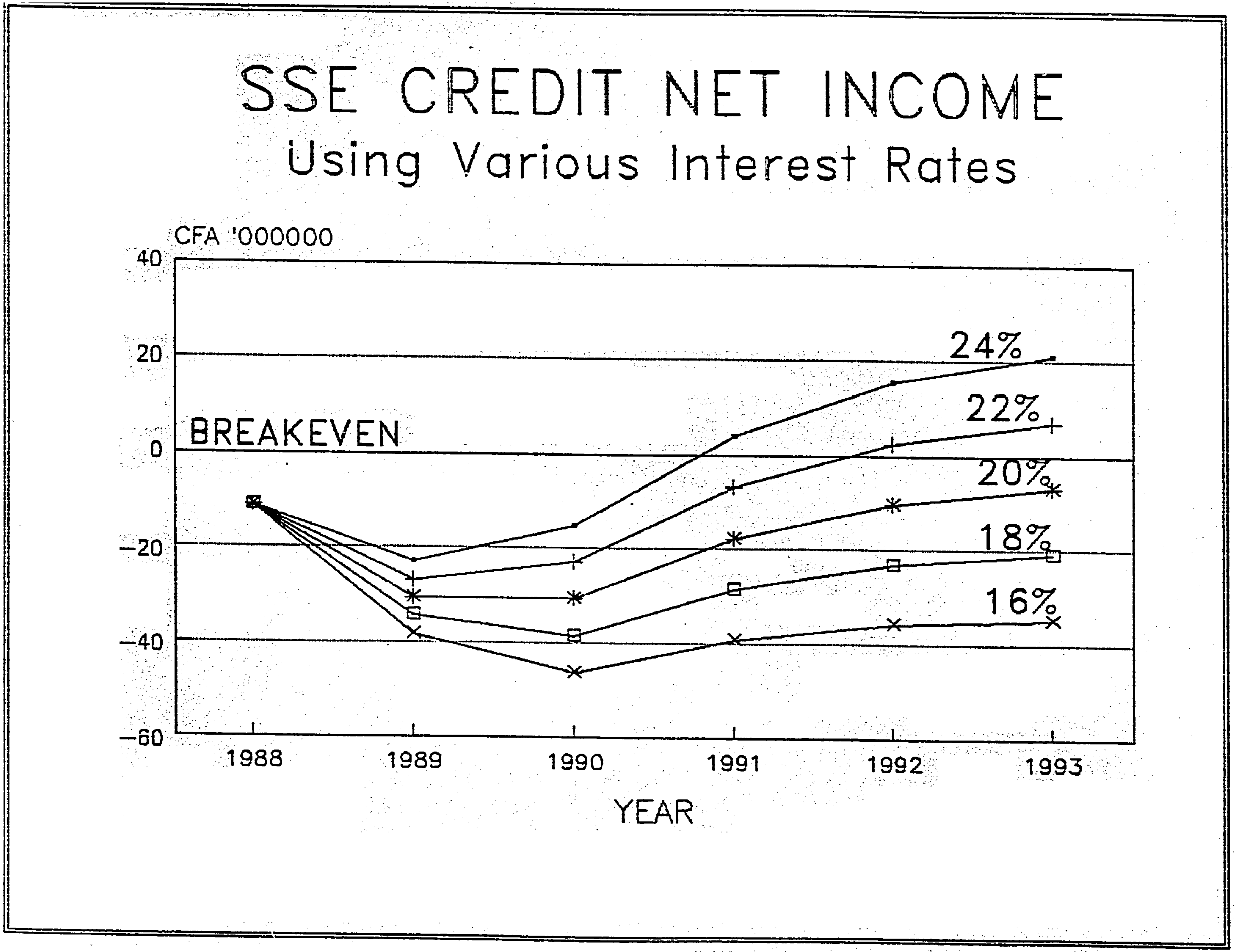
Using Various Portfolio Growth Rates



SSE CREDIT NET INCOME

Using Various Growth Rates for 1989




SSE CREDIT NET INCOME
Using Various Interest Rates
CFA '000000
40
20
0
-20
-40
-60
BREAKEVEN
24%
22%
20%
18%
16%
1988
1989
1990
1991
1992
1993
YEAR

ANNEX F

INITIAL ENVIRONMENTAL EXAMINATION, AMENDMENT ONE

Project Country: Senegal

Project Title: Community and Enterprise Development (685-0260)

Funding: $11 million

Life-of-Project: FY 1983 - FY 1991

IEE Amendment Prepared By: William Hammink, USAID/Senegal

Environmental Actions Recommended:

1. Negative determination
2. Risk-Benefit Analyses IEE for Pesticides as shown in Project Paper Annex 16

DISCUSSION: An IEE amendment is required for the planned extension of the Community and Enterprise Development (CED) project. The project will be extended for an additional 15 months, from June 30, 1990 to September 30, 1991; the Life-of-Project funding will increase from $9 million to $11 million, an increase of $2 million; and the geographic scope of the project will be extended beyond the original Kaolack and Fatick regions to neighboring regions in order to expand small-scale enterprise (SSE) credit opportunitities to a point of profitability.

The project purpose is to enable village organizations and small-scale enterprises in the regions of Kaolack, Fatick, Thies and Diourbel to manage and sustain their own development. The project activities consist of technical assistance, training, credit, commodities and equipment. The project has two components: (1) sub-grants to U.S. and local Private Voluntary Organizations to assist village associations to plan and implement financially viable productive activities; and (2) a loan fund providing credit to SSEs using strict business criteria and the highest legal allowable interest rate.

The IEE in the Project Identification Document (PID) included a negative determination with a requirement that an IEE of pesticides be included in the Project Paper and that deferred IEEs be done of project activities not presently identified at the time of the original IEE. Annex 16 of the Project Paper includes an amended IEE which provides a risk/benefit analysis for the use of pesticides. The activities to be undertaken during the planned project extension are the same as previously identified.

CONCLUSION: The environmental actions recommended in the IEE, as revised in Annex 16 of the PP, remain valid for the planned project extension.

APPROVED ______________________
S. J. Littlefield
Director, USAID/Senegal

Concurrence: AFR/Bureau Environmental Officer (STATE 108808 dated 4/7/89)

Clearance: RLA;EDragon EAD Date 4/12/89