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UPPER VOLTA: RURAL ENTERPRISE DEVELOPMENT

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I. THE RURAL ENTERPRISE DEVELOPMENT PROJECT

The Rural Enterprise Development Project, aimed at assisting small enterprises in the Eastern ORD region of Upper Volta, should be seen in the twin contexts of Upper Volta's development problems and A.I.D.'s programs.

A. Project Setting

1. Upper Volta's Economic Conditions

A landlocked Sahelian African nation of 6.5 million people, Upper Volta is one of the world's poorest countries with a GNP per capita in 1979 estimated at \$159. Besides being far from ports that provide essential imports, Upper Volta suffers from mediocre soils, limited rainfall and water supplies, rapid deforestation, high infant mortality and low literacy, low agricultural productivity, and scarce health care facilities.

The long West African drought from 1967-74 precipitated a setback in the country's development, but agricultural production has increased in past years. Agriculture provides a livelihood to 90 percent of the population; however, the largest foreign exchange earner is not one of the major cash crops but remittances from the 420,000 Voltan workers in the Ivory Coast. The national budget and balance of payments have slipped into deficit since 1975, a condition which has continued because of drought-induced food imports, increased domestic investment, and sharp jumps in import and energy prices.

Upper Volta receives substantial foreign aid from France, the Federal Republic of Germany, Canada, the World Bank, the Netherlands, and the European Economic Community Development Fund, as well as from the United States. Donors

have applied their funds to infrastructure, rural development, food aid, human resource development, industry, and natural resources. Increased food production is a principal objective of the Government of Upper Volta (GOUV) and aid donors, and efforts are aimed at improved agricultural techniques; land reclamation and resettlement out of overpopulated areas; improved policies in cereals marketing, pricing, and storage; and increased irrigation.

2. A.I.D. Activities in Upper Volta

A.I.D.'s principal areas of concentration in Upper Volta are food production, natural resources management and energy, population and health activities, and rural education. A.I.D. is providing over \$20 million annually (about half in food aid) in support of efforts in these areas. The level of development assistance is projected to rise rapidly over the next few years.

The GOUV has created 11 Regional Development Organizations (ORDs) to decentralize development responsibilities. Aid donors typically concentrate much of their activities in one or two of these ORDs. Much of A.I.D.'s program is found in the Eastern ORD, one of the poorest and least densely populated areas of the country. There, A.I.D. currently is carrying out the Eastern ORD Integrated Rural Development project, a rural roads program, and the Rural Enterprise Development project. All of these activities are focused directly or indirectly on increasing food production, A.I.D.'s highest priority objective in Upper Volta. As we will see later, assistance under the Rural Enterprise Development project has gone to farmers and agricultural processing activities, as well as to other trading and manufacturing enterprises.

Therefore, the Rural Enterprise Development project in the Eastern ORD is placed within a series of related A.I.D. activities in the same geographic area. At the same time, the rural enterprise effort is related to past and current activities in appropriate technology and the training of rural artisans. An Appropriate Technology project was begun in 1978 and included an appropriate technology documentation center, a workshop for development of prototype devices, a village prototype testing and dissemination program, and an information system. Two Voltaic organizations were to carry out this program: the African Society for Studies and Development (SAED) and the National Center for Rural Artisan Training (CNPART). SAED was to house the documentation center, information dissemination, and prototype development; CNPART the prototype testing and dissemination. A.I.D./Upper Volta is following this project with a grant to expand CNPART's training of blacksmiths, carpenters, masons, engine mechanics, and other artisans. One of the new training centers will be in Fada N'Gourma, the capital of the Eastern ORD. The connections of the Rural Enterprise Development project to these activities (which will be discussed in more depth later) lie in the fact that some of the artisans trained by CNPART have received assistance under the Rural Enterprise project. Second, many of the small entrepreneurs being helped under the project are experimenting or are eager to experiment with new technologies developed by the SAED workshop.

Therefore, the rural enterprise effort is part of a series of development activities being carried out by A.I.D. in the Eastern ORD, as well as a part of an incipient technology development and dissemination system that is assisted by two other A.I.D. activities.

3. Purpose of the Rural Enterprise Development Project

The Rural Enterprise Development project (hereafter known as the RED project) was conceived because development assistance activities in the Eastern ORD lacked any mechanism for assisting small-scale rural entrepreneurs. A.I.D.'s main activity in that region, the Eastern ORD Integrated Rural Development project, focused almost exclusively on increasing agricultural production. According to the Partnership for Productivity's Operational Program Grant (OPG), the project's purpose was to develop an appropriate technical package and credit system for rural enterprise development.¹ To develop their system, the Partnership for Productivity (PPF) advisors began aiding existing and new rural enterprises by improving business management techniques of local entrepreneurs; by improving the ability of local entrepreneurs to use credit and promoting the use of existing credit facilities; and by providing investment funds to rural enterprises.² The aim was not to create a new credit system but to enable small entrepreneurs to enter the existing credit system.

Resources provided under Phase I of the project (which ran from 1978 to 1980) totaled \$642,000 in grant funds. These funds were provided in an original grant of \$532,000 and a one-year extension for 1980 of \$110,000. The total grant provided two PPF advisors for three years each, a \$57,000 revolving credit fund, and a \$50,000 fund for experimentation with new technologies, facilities, and equipment.³ The objectives of Phase I (or outputs) were to involve 80 rural

¹Partnership for Productivity, "Operations Program Grant (OPG) Proposal, Rural Enterprise Development -- Eastern ORD (Upper Volta)," Logical Framework.

²Bengt Thoren and John Schiller, "Rural Enterprises Development Project Activities Report -- January-June 1978," Partnership for Productivity/Upper Volta, pg. 1.

³A. A. Vollbrecht, PES for Rural Enterprise Development Project (686-0219), USAID/Upper Volta, December 31, 1979, pg. 3.

enterprises, 20 of which would be new enterprises, and to make 40 loans.

In fact, at the end of the originally planned two-year project, the PFP advisors had made 110 loans. Fifty-five of the enterprises receiving loans were new. At the end of calendar year 1979, 150 loans had been made. Therefore, Phase I of the RED project far surpassed its original "output" level objectives.

B. Credit and Management Assistance

PFP's basic focus is on improving the basic management skills of its clients. Schiller and Thoren, the PFP advisors, strive to help as wide a variety of enterprises as possible to increase production of essential goods and services.

1. Credit Procedures

Loans are made to improve money management skills and to expand existing small enterprises or create new ones. Before making a loan, the PFP advisors seek to determine whether the enterprise will be self-sustaining, whether it will contribute to the general social and economic development of the area, and whether it will increase the supply of essential goods and services. PFP requires no collateral for a loan, but the PFP advisors study the feasibility of each proposed activity and normally require the entrepreneur to provide at least 20 percent of the total investment required. PFP charges 10 percent interest with the repayment period usually one to two years (the longest repayment period so far has been 26 months).⁴

⁴Bengt Thoren and John Schiller, "Rural Enterprises Development Project Activities Report, January-June 1978," Partnership for Productivity/Upper Volta, pp. 4-7.

2. Loans Made

Although the Operational Program Grant (OPG) of \$532,000 for this project was ready in FY 1977, AID/W approval took nine months so that the first loans were not made until May 1978. When the project was visited, the PFP advisors had been working with small entrepreneurs for about 14 months. Schiller and Thoren make loans to clients in Diapaga and Fada N'Gourma, respectively. Schiller had hired two Voltaic assistants and Thoren had a volunteer whom he hoped to hire, given additional funds. Through December 1979 PFP had granted 150 loans for 25.3 million CFA from the experimental fund (\$50,000) and the revolving credit fund (\$32,000). The average loan was 168,000 CFA (about \$790 at 212 CFA/\$1). Although in this first year of operation many of the loans have gone to entrepreneurs in Fada N'Gourma or Diapaga, a number of loans have gone to clients in smaller towns. As most loans are being repaid, PFP is relending the funds repaid for other loans.

Loans have been made for a wide variety of purposes:

- for vegetable production, orchards, and food grain production;
- for beekeeping;
- for pig, rabbit, and guinea fowl raising;
- for creation or expansion of village stores (a pharmacy; several general stores selling salt, sugar, butter, cloth, etc.; a stationery shop);
- for artisans, such as carpenters, welders, weavers, blacksmiths, tailors--generally, to allow them to purchase a sufficiently large

stock of raw materials to enable them to work over a period of several months before they have to go to Ouagadougou (250 km. away) to purchase more materials;

- for a grain mill;
- for a peanut press for production of peanut oil;
- for rabbit and pig raising and for vegetable gardeners.

In addition, Mr. Thoren has helped a group of small businessmen form a credit union in Fada N'Gourma to increase the amount of credit available to small entrepreneurs. However, the credit union had not gotten off the ground as of November 1979.⁵

When asked who was receiving loans, PFP staff acknowledged that not all loan recipients are the relatively poor. PFP's goal is to promote development through the creation of enterprises that serve the community. The example was cited of a loan to a relatively well-off trader for repairing his trucks. PFP's purpose in making this loan was to establish a relationship with the trader under which suggestions could later be made to him on how his business could better serve the region. The operating principle seems to be the need of the community or region for a particular type of enterprise, rather than necessarily providing loans only to the relatively poor.

⁵Galen Hull, "Evaluation Report on the Rural Enterprise Development Project in the Eastern Region ORD of Upper Volta," December 1979, p. 32.

3. Loan Repayment Rates

Although Bengt Thoren did not have readily available data on loan repayments from PFP clients in the Fada N'Gourma area, John Schiller did have data for his Diapaga clients. As of June 30, 1979, repayments for loans in the Diapaga area were the following:⁶

- a) 10.7 percent (3 out of 25) of outstanding loans scheduled to be repaid were not repaid on time.
- b) 15.8 percent (1.1 million DFA of 7.1 million CFA, or \$5,189 of \$33,491) of the amount of outstanding loans scheduled to be repaid were not repaid on time.
- c) 118 out of 130 payments (90.8%) due through June 30, 1979, were made on time.

As of December 1979 the proportion of payments made on time had dropped slightly to 89.2 percent.⁷ These delinquency rates are substantially lower than the delinquency rates for farmers receiving medium-term credit for animal traction under the Eastern ORD and lower than credit programs in LDCs in general.

4. Management, Assistance and Training

In addition to providing credit, PFP advisors attempt to teach their clients improved but simple management skills. It was unclear what types of such skills Mr. Thoren is teaching his clients, but the skills Mr. Schiller attempts to teach his clients are the following:

⁶Data provided by Mr. John Schiller of PFP/Upper Volta. Also, Appendix D of January-June 1979 Activities Report.

⁷Bengt Thoren and John Schiller, "Rural Enterprises Development Project Activities Report--July-December 1979, Appendix D.

- simple accounting and bookkeeping, including cash flow control (keeping a cash book);
- basic inventory control for commercial enterprises to enable businessmen to figure out what, how much, and when to reorder stock;
- how to do elementary market studies (two of which have been done by clients);
- how to set prices for commercial and manufacturing enterprises.

With regard to the last skill (pricing), Schiller had a carpenter who applied for a loan agree first to figure out the effect of his prices on his profits for the doors, windows, tables, and stools that he made. The carpenter discovered that he was making a profit on doors, losing money on windows, and breaking even on tables and stools. A condition of the PFP loan was that the carpenter would raise his prices on the non-profit-making items.

Schiller has also devised simple accounting systems for illiterate clients. With the help of his Voltaic assistant, Schiller devised a bookkeeping system of colored boxes for seven businessmen--four blacksmiths, two dyers, and one butcher. This system enables the businessmen to separate their sales into a working capital fund and a fund for PFP loan repayments, hired labor costs, and personal needs. The businessmen were first helped to calculate the costs of materials for each of their products.⁸ Therefore, when one of them sells a product, he puts in a green box the amount of money needed to buy materials to make the item. The rest of the money from the sale he puts in a yellow box whose contents are used to repay the PFP loan, to pay hired help, or to pay for personal needs.

⁸ According to Schiller, even illiterate Voltaic artisans can perform basic arithmetical calculations. They seem to learn this skill in traditional ways.

The PFP advisors see the improvement of the management abilities of their clients to be as important as the loans they provide. Consequently, simple management systems are developed appropriate to the skills of clients that allow them

to record sales, expenses, take inventory, maintain a revolving fund for the purchase of raw materials, calculate costs and profit margins and determine at the end of a given period whether or not the business has made a profit . . . the aim is always to insure that the entrepreneur understands the procedure of recording the data, as well as the reason for which it is being recorded.⁹

PFP staff visit their clients at least once a month to continue to help them with these management systems. Some clients only need their calculations checked; others need help with a particular procedure; still others require more intensive training. The aim is to see clients moving gradually toward independence of PFP's managerial assistance. The frequency of visits probably also helps in keeping the loan repayment rate high.

C. Implementation

1. Start-up Problems

The main problems encountered by PFP in carrying out the program were funding delays and an ambiguous GOUV attitude. The grant was expected to be

⁹Bengt Thoren and John Schiller, "Rural Enterprise Development Project Activities Report, January-June 1979," p. 9.

authorized in September 1977; consequently, Schiller and Thoren arrived in Upper Volta at that time. However, A.I.D. did not sign the grant before FY '77 expired at the end of the month. The OPG proposal, therefore, had to be resubmitted and was not finally signed until February 1978. Thoren and Schiller did not begin making loans until May 1978.

A further implementation problem was the discovery by Schiller and Thoren after arriving that the Upper Volta Government (GOUV) had never formally approved the project. A convention giving formal GOUV approval of the project was finally signed in August 1978, but there are indications that the GOUV and the director of the Eastern ORD were not overjoyed with the project.

The GOUV expressed its reservations regarding the project in a letter dated October 28, 1977, from the Voltaic Minister of Rural Development to the USAID Mission Director. These reservations were that the GOUV was to have no role or responsibility for the project, that an effort was needed to coordinate the PFP project with A.I.D.'s Eastern ORD project in the same area, that the project did not provide for Voltaic personnel, that the intended credit fund was insufficient for the needs of entrepreneurs in Fada N'Gourma and Diapaga, and that clarification was needed on what donors might be willing to fund a second phase of the project. John Schiller of PFP responded to these points in a letter dated November 15, 1977, and indicated that PFP intended to cooperate closely with the Eastern ORD, to hire and train Voltaic nationals as soon as the project was under way, and to search for other possible donors for a phase two of the project. With regard to the credit fund, Schiller

indicated that this was a small experimental fund which was never intended to meet all needs but to provide some loans to small entrepreneurs as a training device.¹⁰

That these reservations may have originated with the Director of the Eastern ORD is suggested by the unsuccessful attempts in November 1979 of USAID Upper Volta's evaluation team to discuss the PFP project with the Eastern ORD Director. Although the Eastern ORD Director was in his office, he was unavailable to meet with the evaluation team. However, A.I.D.'s rural development director in Upper Volta did meet later with the ORD Director and was told that the director wished PFP activities to continue, but to be more closely linked to the ORD.¹¹

In fact, the PFP advisors acknowledge that their activities should be coordinated with development activities of the ORD, as well as with other A.I.D.-supported activities, such as the National Center for the Promotion of Rural Artisans (CNPAR) and the African Society of Studies and Development (SAED), and some cooperation with these programs is occurring. With regard to the Eastern ORD, Mr. Thoren was able to borrow an ORD tractor to plow and prepare irrigation structures for an experimental farm. Mr. Schiller borrowed from the ORD a manual peanut sheller for experimentation and has made at least five loans to farmers to buy the ORD's animal traction package (oxen and equipment).

¹⁰Galen Hull, "Evaluation Report," December 1979, pp. 14-15.

¹¹"Rural Enterprises Development (PFP-OPG)" Project Evaluation Summary, December 31, 1979. The evaluation (cover memo) concluded: "Priority must be given to securing an institutional framework for the PFP project in the next 12 months. A letter of understanding by the Eastern ORD Director giving approval of such an arrangement should be signed by the end of the pilot phase."

ORD extension agents have taught the farmers how to use the equipment. CNPAR trains artisans, such as blacksmiths, in improved techniques. Of the four CNPAR graduates in the Diapaga area, Schiller is working with three. PFP has attempted to work with SAED's technology development workshop and has requested that SAED provide prototypes of several different devices for testing. However, SAED has been able to deliver only one prototype, an evaporative refrigerator.

2. Experimentation

Although there is some question whether the Rural Enterprise Development project has been sufficiently coordinated with the Eastern ORD's activities, there is no doubt that PFP advisors Thoren and Schiller have done a substantial amount of experimentation with simple management techniques and with technologies. As discussed above, Schiller has devised simple bookkeeping systems used by several illiterate businessmen. When unexpected A.I.D. funding delays held up project activities and construction of housing for the PFP advisors, John Schiller took it upon himself to construct his own house and to use as much of the traditional style and design as was appropriate. He also used a Peace Corps volunteer to carry out several simple market surveys in and around Diapaga on new investment possibilities for PFP and, simultaneously, to train a Voltaic to do such surveys. The volunteer analyzed existing production and marketing of honey for possible loans for beekeeping; investigated the need for expanding production of eggs, pork, peanut oil, and soubala (a spice made from nuts of the nere tree); examined the adequacy of the area's salt trade and Diapaga's water supply and distribution system; and investigated why local people buy the more expensive soap in a boutique rather than less expensive soap in a government store.

Both Schiller and Thoren have carried out a substantial amount of experimentation with small-scale technologies and new techniques. Schiller has experimented with diesel and hand-powered grain grinders, a peanut decorticator, an evaporative refrigerator, and various kinds of agricultural implements. He plans to test a small-scale peanut press for making cooking oil. In the Fada N'Gourma area, Thoren has introduced African Long Bar hives, and a variety of American sweet corn--which commands twice the price of corn of the native variety. Thoren is also planning a gravity irrigation system for one vegetable garden and wishes to test the feasibility of solar power for irrigating the PRP experimental farm's vegetable garden and for cold storage of potatoes, whose price rises dramatically after harvest season. If A.I.D. funds a Phase II of the project, Thoren hopes to establish a small industrial estate with electricity for cold storage of fruits and vegetables, for welding, and for other businesses.

3. PPF Advisors and Clients - Some Impressions from Fada N'Gourma

During a brief visit to Fada N'Gourma, visits were made with Bengt Thoren to seven clients and to an experimental farm.¹² From these visits and conversations with PFP advisors Thoren and Schiller, it was clear that PFP was reaching mainly relatively small to very small businessmen, artisans, and farmers. Thoren's clients seem to be mainly in and around the town of Fada N'Gourma; whereas 37 of Schiller's 53 clients (as of September 1979) lived outside of Diapaga. Both Schiller and Thoren seemed committed, knowledgeable

¹²For more detailed field notes on the visits to each of these PFP clients and photographs, see Appendix A.

about their clients' problems and progress, and experienced in their work. From the visits to Mr. Thoren's clients in company with his volunteer Voltaic assistant, it seemed clear that Thoren had developed good rapport with his clients and his Voltaic assistant.

Of the seven clients (one of which was a group of 30 weavers), three were in agricultural pursuits (vegetable gardening and rabbit raising) and had received five of nine loans given the seven clients. Three clients were artisans (a carpenter, a welder, and the group of weavers) and had received three loans. The ninth loan had gone to a shopkeeper who sold bicycle and motorcycle spare parts. Except for the loan to the weavers, the size of loans to individuals ranged from \$118 to \$1,698 and averaged \$925. This average was slightly lower than the average size of loans made in the first year of operations (the average of 110 loans being \$943). Of these nine loans, two had already been repaid, six were being repaid on time, and one, for a piggery which proved uneconomic, had been written off. The piggery loan (for \$1,179) had failed because soon after the loan was granted prices for pork had fallen drastically while prices for animal feed had risen dramatically. Mr. Mandia Thombiano, the client, had sold off his animals quickly to cut losses. He then moved into rabbit raising with another PFP loan. The shopkeeper, Mr. Moussa Thombiano, had paid back ahead of schedule his \$1,415 loan for inventory. With Bengt Thoren's assistance, Fada N'Gourma's National Bank of Development (BND) had recognized him as a good credit risk, and Mr. Thombiano had "graduated" to the commercial banking system. Thoren said that two others of his clients had made similar moves to the commercial credit system.

Of the seven clients, four said they had plans for expansion. Mr. Foldia Diabri, one of the vegetable gardeners, planned to expand his second plot. Mr. Mandia Thombiano, even though his piggery had not worked out, said he planned to repay his current loan for rabbit raising in one year and planned to request a larger loan for further expansion. The shopkeeper, Mr. Moussa Thombiano, wanted to enlarge his stock to include spare parts for larger motorcycles (which are more expensive and would increase his gross sales). At the time of the visit, Mr. Thombiano was selling farina (grain meal for hot cereal or pudding) at a lower price than other merchants around him to attract more customers. The group of weavers indicated that more members were paying the \$5.00 to join their group (which funds were being used for working capital) and that they hoped to bring tailors and dyers into their operation to enable them to sell additional finished products.

The group of 30 weavers is especially interesting because of the size of the group and their plans for expansion and because their loan typifies PFP loans to artisans. The purpose of the \$1,425 loan--as with two other loans to artisans who were visited--was to enable the weavers to buy a large enough supply of thread so that they could buy in bulk directly from the factory in Ouagadougou at a lower price than they could get in Fada N'Gourma. They would also have enough raw material to work steadily over a long period of time producing cloth and clothing instead of being forced to stop working every few days to sell the items they had made to pay for more thread (at higher retail prices). PFP's loans to the carpenter and the welder were basically for the same purpose. The \$1,425 loan to the 30 weavers could be

regarded as 30 individual loans of less than \$50. According to the weavers, an individual could clear over \$90 per month (assuming he could sell everything he produced at his asking price) and thus could add over \$450 to his income with five months' work (the weavers work mainly during the five-month dry season; during the rainy season they are farmers).¹³

It must be said that as of July 1979, women did not seem to be significant beneficiaries of the PFP program. John Schiller said that in 14 months (up to July 1979) only two women had come to him to seek loans. Bengt Thoren said that he had given loans to several women for various activities, such as purchasing a large quantity of rice which would then be sold by the cup in local markets. Only one of the enterprises visited with Thoren--a shop in the Fada N'Gourma market--included a woman, and it was unclear whether that woman was an employee or the shop's owner. Since July 1979, some increase in the participation of women seems to have occurred. Women received six of 40 loans in the last six months of 1979.¹⁴ A.I.D./Upper Volta should encourage this increase in involvement of women.

The final activity visited was an experimental, eight-hectare farm which Bengt Thoren has established near the village of Tiparga, six km. from Fada N'Gourma. Through this farm, Thoren intends to test varieties of crops and technologies new to the area. He has invested 500,000 CFA (\$2,358) to

¹³ Other estimated increments in income for PFP clients attributed to the PFP loan (assuming their enterprises would succeed and their rough estimates were correct) were over \$1,108 for the shopkeeper selling motorcycle spare parts and several thousand dollars for the person raising rabbits (which seems quite high, admittedly).

¹⁴ Thoren and Schiller, "Project Activities Report July-December 1979," pp. 2 and 5.

hire a tractor from the Eastern ORD for construction of an earthen dike and irrigation ditches for rice fields, to dig a well for dry-season vegetable and fruit production, and to introduce beekeeping. Future plans include fish farming. The village of Tiparga has allowed him to use this land and farmers from the village work in the rice fields and the vegetable garden.

Thoren estimated that the rice harvest alone would gross 300,000 CFA per year. Thus, the farm would recoup the 500,000 CFA investment in two years from rice production alone. Proceeds from fruit and vegetable sales and the beehives would be profit. In the $1\frac{1}{2}$ -hectare fruit and vegetable plot, Thoren was planting a variety of vegetables and fruits, emphasizing white potatoes, onions, mangoes, lemons, avocados, and figs.

For the dry season, Thoren planned to experiment with a solar pump to irrigate the vegetable and fruit garden. Because potatoes become scarce late in the year (rising in price from 100 CFA/kg to 175 CFA/kg between February and December), he also envisioned a solar refrigeration system to store potatoes long enough to take advantage of this seasonal price increase.

The experimental farm's program also included testing of beehives to see whether beekeeping would be a profitable dry season pursuit for Eastern ORD farmers. Thoren had distributed 50 East African Long Bar hives to several farmers. The most profitable product of the hives for Voltaics is not honey but beeswax, because beeswax is in short supply in Ougadougou and sells there for 1,000 CFA/kg. Brass artisans need it for casting statues that are sold

throughout West Africa to tourists. This price of 1,000 CFA/kg is 300 CFA/kg (43%) over the world price (as of July 1979).

The potential addition to a farmer's income is substantial. After the six months needed for a hive to be fully populated, each hive produces 6,000 CFA per year (\$28.30) in honey and beeswax. The improved hives cost 7,400 CFA each. Given stable prices for honey and beeswax, each hive will pay off its cost in the second year, plus providing some profit. A hive will continue producing for about 20 years, according to Thoren. Thus, a farmer with 10 hives would add 60,000 CFA/year (\$283) to his income for 15-18 years, after recovering his costs. This is a substantial increment to a Voltaic's income.

In the latter part of 1979, two setbacks occurred to the plans for the experimental farm. The potato crop failed because the well to provide water during the dry season went dry. Because PFP could not obtain permits for purchase of imported fencing, wild rabbits ate the corn and beans grown during the dry season.¹⁵

4. Tentative Data on Impact - Diapaga

Although clients at Diapaga were not visited, John Schiller has begun to collect certain information on loan repayments and increase in assets of his clients. Of 314 loan payments due through December 30, 1979, 280 (or 89.2%)

¹⁵Thoren and Schiller, July-December 1979, p. 4.

were made on time. However, the fact that 10.8 percent of the payments were late does not mean that they were not made. Schiller's records for July-December 1979 show that 22 of the 184 loan payments (12%) due during that period were late. However, only five of the payments were late over two months.¹⁶

More interesting is a survey Schiller conducted of the change in net assets of 22 entrepreneurs in the Diapaga area aided by PFP. Schiller compared the most recent balance sheets of the 22 enterprises with their balance sheets prior to their receiving a loan. Of the 22 entrepreneurs, 19 had increased their net assets--from a low of 10 percent to a high of 219 percent. Their average increase in net assets was 67 percent.¹⁷ Although it is not clear that the sample of enterprises was random and Schiller did not use "control" enterprises (for which there would probably be no balance sheets in any case), these results suggest substantial success by these PFP clients. But, there is also a need for more conclusive data on impact of the project, especially since PFP and A.I.D./Upper Volta are preparing a \$2.3 million Phase II of this project. Implementation of this expanded project should be guided by hard evidence on what is happening to PFP clients and by information which may enable the positive impacts of the project to be enhanced.

¹⁶ Bengt Thoren and John Schiller, "Rural Enterprise Development Project Activities Report - July-December 1979," Partnership for Productivity/Upper Volta, Appendix C.

¹⁷ Thoren and Schiller, "Project Activities Report July-December 1979," Appendices E and F.

D. Expansion of the Project

The Rural Enterprises Development project began with an Operational Program Grant in 1978 to PFP/Upper Volta of \$532,000. After an evaluation in November 1979, A.I.D./Upper Volta extended the project through December 31, 1980. and provided an additional \$110,000, of which PFP planned to allocate \$25,000 to their revolving credit fund. Because the initial project has exceeded its loan targets and because loan repayments are high, A.I.D./Upper Volta has proposed a \$2.3 million Phase II to assist 1,000 entrepreneurs over five years in the Eastern ORD.

This represents a quadrupling of the original funding and a much greater expansion of the number of entrepreneurs to be aided. The Mission reports that the activities of the expanded project "will be carried out by an indigenous Voltaic institution, the personnel of which will be trained and given increasing managerial responsibility by a staff of four PFP expatriate technicians."¹⁸

For the Rural Enterprise Development project to take on a Voltaic identity, the number of Voltaic staff will have to expand significantly and the project organization will have to become institutionalized in some manner. As was discussed earlier, PFP's lack of coordination with the Eastern ORD organization was, on the surface, a problem which delayed GOUV formal approval of the project for six months. Further, in November 1979 the Eastern ORD Director refused to meet with the A.I.D. team evaluating the project (although he later met with A.I.D./Upper Volta's chief of rural development to request that PFP's program be more closely linked with the ORD's activities). Current plans seem to

¹⁸"Annual Budget Submission FY 82, Upper Volta," Agency for International Development, June 1980, p. 9.

involve the formation of a non-profit foundation which will be sponsored by a Voltaic organization, the Association for the Economic, Social, and Cultural Development of the Eastern Department (or Eastern ORD), also known as the Gourmantche Association. The Minister of Information, Mr. Edouard Tarri, who is a resident of the Eastern ORD, is president of this association.¹⁹ Such a link would appear to satisfy the Eastern ORD Director, who suggested that PFP explore a link with the Gourmantche Association.²⁰ Creating a Voltaic institutional base for the project by affiliating with a Voltaic organization like the Gourmantche Association is also preferred by an outside evaluator of the Rural Enterprise Development project to integration with the Eastern ORD or election of a Voltaic Governing Council by local client committees.²¹

The PID and PP will presumably clarify under what time schedule the multiple objectives of an expanded Rural Enterprise Development project-- substantially increasing the number of Voltaic employees, training new Voltaic and expatriate staff, devising a satisfactory Voltaic institutional basis for the expanded program, providing the same quality of technical and managerial assistance to 1,000 new clients (as opposed to a maximum of 150 current clients),

¹⁹Thoren and Schiller, July-December 1979, p. 1.

²⁰PES, December 31, 1979.

²¹Galen Hull, "Strategies for Development for the Rural Enterprise Development Project in the Eastern Region ORD of Upper Volta," January 1980, pp. 7-8.

and maintaining a high loan repayment rate for the revolving credit fund-- are to be met. Since problems and setbacks are almost certain to occur in meeting some of these objectives, it would seem important that a simple but adequate information system is needed for indicating progress in meeting project objectives. In addition to oversight of implementation issues, however, it would seem important that A.I.D./Upper Volta, as well as PFP, be able to determine the impact the project is having on clients, on technology development and dissemination, and on other related A.I.D.-funded projects in the Eastern ORD. These related projects are the A.I.D.-supported animal traction efforts of the Eastern ORD, the Rural Artisan Training Project through CNPAR, and appropriate technology development and dissemination through SAED. To do all this will require sufficient A.I.D. or personal services contract staff to perform the monitoring and mid-course corrections required and to see that an impact information system is fashioned and working.²²

II. DETERMINING EFFECTIVENESS AND IMPACT

A. Need for a Monitoring and Impact Information System?

It is important to document clearly the effectiveness and impact of Phase II of the Rural Enterprise Development project because of the lack of knowledge of A.I.D.'s experience in such projects, and the growing interest of several offices in A.I.D. regional and central bureaus in funding such activities. Another reason is the growing pressure from Congressional authorizing and appropriations committees for more impact evaluation and, especially, for

²² Although one might argue that AID/W or contract TDY personnel could perform much of this work, it seems unlikely that such visitors, without a deep and current grasp of the rural Voltaic setting, could provide satisfactory help.

evidence that results of such evaluation is being used to improve A.I.D. projects and programs.²³ An information system that also monitored progress in reaching established objectives could provide the project manager with early warning on needed changes in how the project was being carried out. In addition, the development and testing of such a system would help in establishing similar impact information systems for other small producer-oriented projects in the Eastern ORD (such as the Rural Artisan Training Project and the animal traction efforts of the Eastern ORD). It could also help develop a system for other small enterprise projects in other countries.

But, a number of objections would likely be raised against the development of such a monitoring and impact information system. We should consider those objections and answers to them. Probably the first such objection to be raised would be that developing such an innovative system for Phase II of Rural Enterprise Development project, scheduled for approval in FY '81, would delay the development of the project and cost too much.

However, the design of the information system could occur simultaneously with the design of Phase II of the project. PFP advisors John Schiller and Bengt Thoren already have begun collection of some of the types of data required, such as loan repayment rates and change in net assets of their clients. Further, a number of organizations, including Rural Development Services of Ann Arbor, Michigan, Accion/ATTEC, and Development Alternatives, Inc., have already done

²³ Foreign Aid Appropriations Committee Report, 1981, (House Report 96-1207) July 29, 1980, pp. 34-35.

substantial work in this area, even to the point of field-testing symbolic methods of data collection from illiterate small producers. As for the expense of such a system, the use of paraprofessionals, Voltaic capabilities, and ex-Peace Corps volunteers would keep costs to a minimum.

A related objection to the information system could be that such a system is really meant more for the arcane needs of A.I.D./Washington than for the needs of project managers. Putting substantial time and effort into developing such a system would distort the project into more of a research activity than a development project. Further, the increased burden on Mission staff of instituting the system and keeping it running would not help the Mission.

This objection ignores one of the two main foci of such an information system--monitoring progress toward the project's several interrelated objectives of staff expansion, institutionalization, and outreach to more clients. The monitoring aspect of the system would enable PFP and the Mission's project manager to see quickly the need for changes in various aspects of the project and to maintain progress toward the main objectives of the project. Moreover, if the expanded PFP effort is successful, the Upper Volta Mission could consider expanding the program (or initiating other similar activities) in other parts of Upper Volta. To judge the degree of success, the Mission would need to know the project's impact on its clients and on technology development and spread, as well as how to better meet objectives at lower costs. Because the information system would be providing results continually, the Mission could begin drawing lessons for the design of new activities much sooner than if one waited until the midpoint or end of the project to evaluate its implementation

and impact. The objection that such an information system would make the project more a research than a development project is exaggerated. The information system would allow the Mission and AID/W to learn while doing rather than afterward. Since A.I.D. is likely to be doing more small-scale enterprise projects in the future, the faster A.I.D. learns from its experience, the better. As for the burden on the Mission, it might be more appropriate for AFR/DP's evaluation staff to play more of a role in the design and management of the system, in cooperation with the Mission, than it otherwise would. This would relieve the burden on Mission staff.

A third objection to the proposal of a monitoring and impact information system could be that if the project's results are mixed the system may just prime Congressional critics who want to cut foreign aid.

But, on the contrary, given Congressional committees' rapidly growing interest in impact of development projects, it is the absence of such systems that will embolden Congressional critics of aid. The foreign aid authorization and appropriations committees are increasingly pressuring A.I.D. for evidence on the impacts of its programs and for examples of how A.I.D. is using evaluations to learn from mistakes, as well as successes, and to improve its programs.²⁴ Consequently, development of such an information system would weaken, not strengthen, the hand of Congressional aid critics.

²⁴ See Section 125 of the Foreign Assistance Act, as well as House Report 96-1207, pp. 34-35, Senate Report 96-732, p. 17, and House Report 96-884, p. 38, for FY 1981 committee report language from three of the four committees which handle A.I.D. authorizations and appropriations legislation.

Another objection to such an information system could be that it represents too much cost and effort when relatively little is to be learned. A.I.D. has carried out a number of other such small enterprise projects in the past whose experience should be utilized rather than adding a complicated component to this project, which is nothing very new.

Although it is true that A.I.D. has undertaken a number of small enterprise projects, practically no information exists on the results, cost-effectiveness, and impacts of such projects.²⁵ Further, although the design of RED II may not be so new, the context in which it will be developed is new. RED II will be implemented in the same area--the Eastern ORD--as an A.I.D.-supported rural development project, an A.I.D.-supported rural artisan training program, and an A.I.D.-supported appropriate technology development and dissemination effort. Therefore, through a monitoring and impact information system focused on RED II, A.I.D. has a great opportunity to document what may become a technology development and dissemination system--in which PFP-assisted enterprises and entrepreneurs may play a major role. A.I.D. needs to learn more about how to improve developing countries' indigenous technology development systems to improve the quality of its growing activity in the science and technology area. The information system, in focusing on the interrelationships between RED II and other programs in the area, could also shed much light on

²⁵A.I.D.'s Rural Development Conference held in November 1979, concluded that no evaluations existed of past small enterprise projects and that such evaluations, emphasizing impact, should be carried out.

how a balanced rural-market town development effort can be initiated. If aspects of a self-generating development process appear in the Eastern ORD and can be traced in part to one or more A.I.D. activities, A.I.D. will gain essential lessons on how to initiate such processes elsewhere. A.I.D. will also have a valuable case study to present to Congressional committees. Finally, this set of activities is taking place in a Sahelian country and what successes there are must be documented and used to improve A.I.D.'s other interventions in the Sahel.

A last objection to the introduction of a monitoring and impact information system in this project might be that it may rekindle suspicion and opposition to the PFP program by the Eastern ORD Director if not by other parts of the GOUV. The Eastern ORD Director has criticized the PFP project in the past for not being sufficiently coordinated with the ORD, and addition of a new component to the RED II project focused on monitoring and impact could seem to him as interference in his ORD and another example of too much independence by PFP.

However, this objection overlooks the fact that one of the main types of impact that would be documented would be the degree of interaction between PFP and other development activities in the Eastern ORD, the degree of mutual dependence of these efforts, and the identification of ways to increase interactions among these activities that would strengthen all the various projects. Thus, a result of the information system would be greater, not less, coordination among development activities in the Eastern ORD.

B. Determining Cost Effectiveness

The questions that arise prior to issues of impact are those of cost effectiveness. What are and will be the costs per loan or per client as the program expands? And, are these costs reasonable? The total costs of the project so far have been \$632,000 in A.I.D./Upper Volta funds, plus program support (expatriate staff salaries, certain travel, and certain consultant expenses) provided by PFP's Washington headquarters. If one subtracts from the total cost of the project, the \$82,000 provided for loans and experimental activities, that leaves an approximate total program support cost of \$550,000. Dividing that by 152 loans made gives a rough cost per loan of \$3,667. Because some clients have received more than one loan, this cost per loan is lower than the cost per client would be, but it is a rough measure of cost per unit of output. This figure is somewhat understated because of the exclusion of program support provided by PFP's Washington staff. However, it is likely overstated from the costs in Phase II because of start-up costs and the experimentation that was going on.

The question then arises, is this a reasonable level of cost per loan and is this sort of yardstick a reasonable measure of efficiency for such projects? If not, how should cost effectiveness in such projects be measured and judged? If so, the same measure should be computed for other small-scale enterprise projects so that costs can be compared. Costs per loan or per client in the early stages of such projects are likely to be high because approaches, procedures, and bugs in the system are being worked out. However, the ultimate question is, can the project become self-sustaining or will a

large part of its support costs have to be paid by the GOUV (or other governments in different cases)? To become self-sustaining, it would seem necessary that the project charge interest rates high enough to meet its costs of operation and allow for inflation.

A final question, which may not be answered until Phase II of the Rural Enterprise Development project begins, but which the A.I.D. project manager should take care to have answered, is how are the multiple objectives of Phase II mutually dependent? The project staff will be multiplying; both new Voltaic and expatriate staff will need training; the project's new Voltaic institutional basis must be established; the number of clients reached each year needs to be doubled or tripled; and the loan repayment rate needs to drop no further if not be improved. PFP and A.I.D./Upper Volta need an information system that indicates the progress or lack of progress toward these objectives. The mutually dependent nature of these objectives must also be recognized so that the primary objectives can be reached to make possible the attainment of other goals.

C. Determining Impact of the Project on Its Clients

More important from the viewpoint of whether A.I.D. should expand its funding of such projects is the issue of what impact PFP loans and management assistance have had on its clients. John Schiller's data on loan repayments and change in net assets of his clients in Diapaga is helpful and suggestive, but only a beginning. The same data is needed for Fada N'Gourma clients. Further, a measure of the impact of project assistance on clients relative

to cost of such assistance needs to be devised. One such measure might relate costs to change in net assets and change in employment by entrepreneurs attributable to PFP credit and management assistance over a reasonable time (several years).

Schiller has wanted to collect various types of information on his clients--such as monthly sales, types and numbers of articles sold, numbers of customers of PFP clients, changes in net worth and profit of businesses, ability of clients to continue correct bookkeeping methods, and changes in employment through hiring of new employees or creation of new enterprises. However, he has evidently had difficulty in gathering more than a few pieces of this data as has Bengt Thoren. This is not hard to understand, given Schiller's and Thoren's burdens in starting and running a new program. As the project expands, there would seem to be even less possibility that PFP staff will be able to document the impacts of PFP assistance on its clients.

In establishing the design of Phase II of the Rural Enterprise Development project, A.I.D. should, therefore, include the development of an impact information system for small enterprises aimed at determining how clients are affected by the project. Such a system should be as simple and as inexpensive as possible and usable by illiterate as well as literate entrepreneurs. The process of collecting sales and profit information should involve entrepreneurs so that they gradually learn more about managing their own businesses.

The Rural Enterprise project must not be weighed down by a complicated, burdensome, and expensive information system to monitor progress and unearth

impacts of the project. Therefore, the categories of information collected must be the minimum necessary to make possible proper monitoring and impact assessments. Since many of the businessmen involved may be illiterate, symbolic means of providing information can be used (such as the colored boxes devised by PFP for blacksmiths or a multicolored board game devised for collecting farm systems information developed by Rural Development Services). Designing and carrying out such a system would require some outside expertise, an additional staff person on the PFP or A.I.D./Upper Volta staff (perhaps an ex-Peace Corps volunteer who speaks Gourmantche), the involvement of the A.I.D. project manager, and the use of existing information and capabilities in Upper Volta.²⁶

D. Identifying Impact on Technology Development and Dissemination

In addition to impact of the PFP project on its clients, there is a second dimension of impact which should be documented in the expanded Phase II of the Rural Enterprise Development project: impact on technology development and dissemination. As was discussed earlier, PFP advisors Schiller and Thoren have experimented with certain new technologies and have requested a number of prototypes for testing from the SAED appropriate technology workshop. Further, PFP has made some loans to artisans trained by CNPAR (the National Center for the Promotion of Rural Artisans) and to farmers to buy the Eastern ORD's animal traction package. Therefore, PFP's activities are

²⁶ See Appendix A for a more detailed proposal of the characteristics, content, and process of development of such a monitoring and impact information system.

linked--through its credit, management assistance and through its experimentation with new technologies--to all the existing activities in the Eastern ORD which carry out technology development and dissemination. If the expanded Rural Enterprise Development project reaches 1,000 new entrepreneurs in the Eastern ORD over the next five years; these entrepreneurs will likely be major channels by which the existence of new technologies will be made known to other businessmen; by which local innovative capacity will be strengthened; and through which PFP and A.I.D. could learn essential lessons about what types of new technologies are needed, how new technologies spread, and the impact of these technologies on the poor. Some of the questions that need to be addressed are the following:

- the degree to which the system in Upper Volta for developing, testing, adapting, and disseminating technologies for small producers (farmers, artisans, small businessmen) is adequate.
- the degree of spread of these technologies through informal channels.
- the impact of the technologies on income distribution, social roles and structures, employment, and the environment.
- the effect of the technologies or their manner of introduction on the growth of local capacities for innovation.
- the cultural and social suitability of the technologies introduced and the measures by which to effect such suitability.
- the degree to which small producers can make, sell, repair, use, and adapt the technologies introduced.

E. Documenting Interrelationships with Other Eastern ORD Activities

The interrelationships of PFP clients with the introduction and spread of new technologies occur through connections with other projects. Examples were cited above of PFP loans to artisans trained by CNPAR or to farmers for animal traction, which is encouraged under the Eastern ORD, and PFP's requests to the SAED appropriate technology workshop for prototypes for testing.

A brief description of the activities of each of these activities is necessary here.²⁷

CNPAR was established in 1971 with the help of UNDP and the ILO and trains 120 rural artisans per year in improved craft techniques, as well as in business management. In seven-month courses at training centers in Ougadougou and Bobo-Dioulasso, CNPAR trains blacksmiths, carpenters, masons, small engine repair technicians, and other artisans. CNPAR also has a rural advisory service--Assistance, Counseling, and Support Service (SACS)--whose purpose is to follow up on artisans trained by CNPAR to offer advice and monitor progress. A.I.D. has supported CNPAR and is supporting an expansion of its program, including a training facility at Fada N'Gourma.

The Eastern ORD is a regional unit of the GOUV, one of 11 which the GOUV has created to decentralize development responsibilities. Each ORD has a number of responsibilities, the core of which is agricultural development through extension, agricultural research, farm credit, and marketing. A.I.D. provided \$3.6 million in 1974 to the Eastern ORD with major emphasis

²⁷More detailed descriptions of these projects are found in Appendices C and D.

on introducing animal traction in the area. SAED is a private study and development organization with an appropriate technology documentation center begun in 1977 with help from Volunteers in Technical Assistance (VITA) and the Peace Corps. In 1978, A.I.D. granted \$495,000 for the establishment of a SAED appropriate technology workshop and for other purposes. The workshop was to develop prototype village technologies which CNPAR would test and disseminate.

As is evident, the various development activities that A.I.D. supports in the Eastern ORD affect each other. It is important to know the manner in which they affect each other. Since A.I.D. is now involved in agriculture, artisan training, small-scale enterprise development, and technology development in the same region of the country, A.I.D./Upper Volta could be in the process of fashioning a model for combined rural and market town development. Determining whether this set of activities in the Eastern ORD can help set in motion a broader development process will require careful observation of the interactions between and among the various development programs in the Eastern ORD.

The types of interactions that can occur between and among these three different programs are many and varied. If one begins with PFP's support of small-scale enterprises, it is clear that new and expanded small-scale enterprises need increasing demand for their goods and services from rural areas and market towns to remain viable. Increased rural incomes can come in part from rising farmer incomes as farmers increase their productivity

through animal traction, which is encouraged through the Eastern ORD. Successfully introducing animal traction requires in part sufficient blacksmiths, carpenters, and harness makers to make and repair various pieces of animal traction equipment--such as plows, yokes, and harnesses. So that they can assist farmers, these artisans need the credit for new equipment and the training provided by CNPAR (an extension of whose activities to Fada N'Gourma A.I.D. is supporting). Some of the increased demand for the products of small-scale enterprises could also come as such enterprises hired more employees. The employees of these enterprises would also purchase more agricultural products. Of course, this extremely simplified description does not take account of uncounted other transactions and relationships between and among farmers, artisans, businessmen, and others in the Eastern ORD of Upper Volta which would take place independently of PFP, CNPAR, and the Eastern ORD's activities. But, this description illustrates a few ways in which each of these three discrete development activities supports and is supported by the other two activities.

Because of these mutual interactions, an attempt to measure impact of the RED project must begin to measure the frequency and kind of these interactions. Such measurements will suggest means by which these activities can more effectively reinforce each other. If PFP, the Eastern ORD animal traction program, and CNPAR artisan training begin to support each other more effectively, it is possible that some aspects of a self-generating process of development might appear in the Eastern ORD. Consequently, less outside resources might be needed to support all three programs and could be applied

to other bottlenecks in the Eastern ORD or elsewhere in Upper Volta. Therefore, definition of the types of interactions to measure (such as where small enterprise, artisan, and animal traction-induced growth are occurring simultaneously) and means of measurement must be included in the impact information system.

III. FINDINGS AND RECOMMENDATIONS

A. Overall Success of Phase II of the Rural Enterprise Development Project

Phase I of the Rural Enterprise Development project, implemented by the Partnership for Productivity (PPF), seems to be highly successful compared to most such efforts. PPF has had substantial success in initiating new enterprises, in experimenting with simplified management techniques and small-scale technologies, and in achieving a high loan repayment rate (probably the most interesting result). At the same time as A.I.D./Upper Volta and PPF are preparing a larger Phase II for this activity, a number of questions remain concerning the impact of the program on its clients, the viability of the new enterprises, the cost effectiveness and sustainability of the effort, and its effects on other related programs in the same geographic area.

B. Need for a Monitoring and Impact Information System

To answer the questions cited in point A above, A.I.D./Upper Volta should devise a monitoring and impact information system for Phase II of the Rural Enterprise Development project. This system could be used to determine the impact of other small producer projects in Upper Volta. More generally, since A.I.D. will probably be doing more small enterprise projects

in the future, the development of such a monitoring and evaluation system could be used for a whole category of projects.

C. Characteristics of the Information System

The monitoring and impact information system developed for Upper Volta (and more generally for A.I.D.) should be simple, inexpensive, and developmental (in the sense that beneficiaries are involved in collecting information and learn from their participation). The system should use paraprofessionals to keep costs down. To avoid needless work, information already collected in Upper Volta (such as PFP data and CNPAR files on artisans) should be used in devising the system. In developing this system, A.I.D. should use individuals or firms that have already done high quality field work in this area.

D. Focus on Technology Dissemination and Rural-Market Town Development

Use of a monitoring and impact information system to follow the development of Phase II of the Rural Enterprise Development project in Upper Volta can enable A.I.D. to learn a great deal about two important areas: small-scale technology development and dissemination and combined rural and market town development. This opportunity exists because of other A.I.D.-funded activities unfolding in the Eastern ORD of Upper Volta--the Eastern ORD rural development project and, especially, its animal traction component and the CNPAR program for training rural artisans, which is to be expanded into the Eastern ORD. The interactions of the PFP program with these other programs, if followed and studied, will provide a window on a number of critical technology dissemination and rural development processes. The lessons from

the rural enterprise effort and related activities in the Eastern ORD should enable A.I.D. to improve other African programs, if not programs in other regions.

E. Creative Project Management Requires Adequate Staff

The implementation of the Rural Enterprise Development project was plagued with basic implementation problems as were other small producer projects in Upper Volta. These problems included delays in funding, delay in arrival of equipment, delays in arrival of advisory staff, and lack of sufficient A.I.D. direct-hire staff for adequate management and problem-solving. The lack of direct-hire staff is especially evident with regard to the various small producer projects in the Eastern ORD which do not account for large funding. Although the Rural Enterprise Development project holds great promise as a model for Upper Volta and for other countries, the fact that it accounts for relatively small amounts of funds makes it difficult for overworked A.I.D. personnel to allocate sufficient time to it. Developing a creative design for Phase II of this program, devising ways to have the PFP efforts reinforce the Eastern ORD rural development program and the CNPAR artisan program, and working with contractors to devise a monitoring and impact information system would require a substantial amount of staff time. Although these tasks are critical for the success of the particular project, A.I.D.'s program in Upper Volta, and other African programs, it is not likely that A.I.D./Upper Volta staff will receive the signals they need to carry out this work or the additional staff necessary. Therefore, the Africa Bureau should make clear to A.I.D./Upper Volta the importance of developing the monitoring and impact