



Case Studies

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The West African Enterprise Network

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Introduction

Background

The **West African Enterprise Network** (the "Network") is an association of over 300 business men and women in twelve countries in West Africa. The dual mission of the Network is to improve the business climate in member countries and to promote cross-border trade and investment in the West African region. To achieve this mission, Network members pursue four objectives: improve dialogue with the State, facilitate financial restructuring of enterprises, increase enterprise competitiveness, and foster national entrepreneurship.

The idea for the creation of a network of francophone and anglophone business persons in West Africa grew out of a private sector conference sponsored jointly by USAID/AFR/WA¹ and the OECD/Club du Sahel in November 1991. The purpose of the conference was to bring together private sector operators from the region to assess the environment in which the private sector was operating in West Africa and to establish an agenda for *private sector* action to produce changes in that environment.

At the close of the conference, private sector participants requested donor assistance to establish a network of business persons in West Africa who would work collectively to bring about the changes called for in the conference action plan. Funding for such an initiative was offered by AID's Africa Bureau (AID/AFR/ONI). Since the initiative sought to foster policy change through advocacy by the network, the

G/DG Implementing Policy Change (IPC) Project was selected to provide technical assistance. The initial project design was developed jointly by the IPC technical assistance team and AID/AFR/ONI.

The IPC intervention began in September 1992. AID-funded support to the Network will continue through September 1997. Funding for regional activities has been provided from two AID Africa Bureau divisions: AFR/SD/PSD and AFR/WA/RP. As the Network has gained visibility, other donors, including the Caisse Française de Développement, the European Union, the Canadian International Development Agency and the World Bank, have expressed interest in supporting Network activities.

Goal and Purpose of the IPC Intervention

The IPC project focuses on the process of policy change and how best to manage reforms so as to increase the chances for successfully attaining policy objectives. The IPC project is designed to support host country managers in using strategic management approaches to convert policy changes into action. Most IPC project activities have centered on assistance to public sector entities, to build their capacity for strategically managing the implementation of new policies. The Network activity provided an opportunity to work with a different set of stakeholders, the owners and operators of private enterprises.

The goal of this IPC intervention is to create and support a network of private business persons in West Africa that will enable and influence the formulation

and implementation of policy intended to enhance the contributing role of the private sector in economic development. The purpose of the intervention is to increase the capacity of African entrepreneurs, through strategic management tools, to dialogue with government and donors on the regional and the national level in order to influence business-related policy. Specifically, the IPC intervention has sought to facilitate (1) creation of a network of reputable entrepreneurs in twelve countries; (2) development of a strategic plan for each national network for achieving policy reforms favorable to private sector economic activities; (3) organization of the national networks to carry out their plans; (4) articulation and presentation of policy positions by the national networks to government policymakers and donors; (5) development of financial plans and strategies for achieving the long-term sustainability of the Network; and (6) exchange of policy experiences and approaches among national networks.

To achieve the project goal and purpose, IPC assistance to the Network consists of (1) periodic technical assistance from a two-person team to the twelve individual national networks and to the Regional Network; (2) use of a non-directive process-oriented approach to technical assistance, to allow Networks to set their own agenda and action programs; (3) application of strategic management tools in defining Network mission, objectives and advocacy initiatives; (4) logistics support to organize quarterly regional meetings of Network representatives, to publish a quarterly bilingual newsletter, and to hold bi-annual regional conferences.

This case study examines the political and economic context in which private enterprise operates in West Africa, the nature of the IPC intervention, the achievements of the national and regional networks and the preliminary lessons learned from the IPC intervention.

West African Political and Economic Context

Context for the Creation of the Enterprise Network

The idea for the creation of the West African Enterprise Network developed progressively. Between 1987 and 1990, the OECD/Club du Sahel carried out a series of studies on private enterprise in several francophone West African countries, including Senegal, Niger, Mali, Burkina Faso and Benin. The basic conclusions from these studies were the following:

- ◆ relations between the State and the private sector are very poor due to a long history of mistrust; there is no mechanism in place for on-going dialogue;
- ◆ although some improvements in the financial sector have been made, lending to the private sector is essentially limited to highly-collateralized, short-term loans at very high interest rates to clients well known to the banking sector;
- ◆ national markets are too small for the installed production capacity of local industry; modern sector firms do not engage in cross-border trade in the region;
- ◆ the private sector is very poorly organized; most of the traditional private sector organizations, e.g. chambers of commerce and employers' federations, are either controlled or strongly influenced by the state.

In 1990, USAID and the OECD/Club du Sahel decided to organize a regional conference to submit the conclusions from the above-mentioned studies to representatives from the West African private sector in order to obtain their feedback on the reality of the context in which private firms were operating in the region and to facilitate private sector-led discussion on actions to remedy the situation. A conference steering committee of West African business persons was named by the donors in July 1990. The steering committee was mandated to plan and organize the conference, to be held in Dakar, Senegal, in November 1991.

The conference brought together a representative group of over 100 private sector business men and women from both anglophone and francophone countries, as well as public sector officials and donor representatives interested in the private sector in Africa. The conference focused on developing a practical agenda for action. Participants elected to join one of four working groups, whose themes were as follows: (1) relations between the state and the private sector; (2) financing for the private sector; (3) markets for private firms; (4) organization of the private sector. In the two days each working group spent together, its members were responsible for analyzing the current situation, assessing its impact on private enterprise, and making recommendations for change. Each session began with a summary of the

conclusions from the Club du Sahel studies. To avoid a top-down, "specialist-driven" approach to the ensuing discussions, participants were asked to reach their own consensus on actions required to change the situation.

Conference participants agreed on the following: the formal private sector in West Africa is indeed experiencing a severe crisis. The indigenous formal private sector is tiny. The more profitable economic activities are controlled by state or foreign enterprises, although most state-owned enterprises are on the verge of bankruptcy and large foreign groups are beginning to withdraw from the region. The indigenous, formal private sector is often dependent on "favors" from the state bureaucracy. The financial sector is not structured to assist private enterprise. Domestic markets are minuscule due to the population's low purchasing power and the influx of cheap imports sold at prices significantly lower than the break even cost of domestically-produced goods. Regional economic organizations are inefficient. National private sector organizations are most often run either directly or indirectly by the state. Despite some differences between anglophone and francophone countries, the situation is exceedingly difficult for all private enterprise in the region. Participants called for action to strengthen private sector organizations to enable them to take a more active role in the policy process. Participants also stressed the need for more networking among private firms, to put an end to the traditional isolationist approach to doing business.

Participants asked the conference sponsors to seek a means of sustaining the momentum generated at the conference among its private sector participants. The National Employers' Federation of Senegal (CNP), which had co-hosted the event, proposed creating a regional Employers' Federation. Although a post-conference meeting was organized to discuss creating such a group, it never got off the ground. AID and the Club du Sahel decided to reconvene the conference steering committee and to add several of the more activist conference participants to the group. This meeting was held in Cotonou, Benin in March 1992. The idea of creating an Enterprise Network was put forth at that meeting.

AID/AFR/ONI invited the steering committee members to visit Washington in August 1992. During this trip, a concept paper for the creation of the West African Enterprise Network was written by participants and presented to AID, the World Bank and the UNDP. AID agreed to provide seed money to

create the network, but stipulated that the project be viewed as an experimental effort for one year's time, beginning in September 1992. Funds were provided by AID/AFR/ONI, through the Implementing Policy Change (IPC) project.

The first meeting of the new Enterprise Network took place in Lagos, Nigeria, in November 1992. Since that time, the initiative has expanded from its original, experimental stage which involved some 20 donor-selected private sector representatives from eight countries, to encompass today over 300 locally-designated members in twelve countries in West Africa. The twelve national networks make up the Regional Network, which is managed by a three-person Executive Committee who report to the national network coordinators. Network professional associations, known as "subnetworks," have been created for West African exporters, auditing and accounting firms, and financial sector firms. The Regional Network publishes a quarterly bilingual newsletter, called *The Networker*.

Despite progress in consolidating the Enterprise Network, the Network continues to face an extremely restrictive political and economic environment.

The Political Context

Democracy is gaining ground slowly in West Africa. Significant democratic movements in the region date only from the early 1980s. Free elections have now been held in Benin, Mali, Cote d'Ivoire, Ghana, Niger and Senegal, but these must be contrasted with recent military coups in Nigeria, The Gambia and Chad. Democratic institutions remain extremely fragile and the organization of civil society is modest, at best. However, journalists are increasingly able to express themselves openly, independent private radio stations are sprouting up, the public sector is no longer sacrosanct and instances of fraud and corruption are being exposed. The Enterprise Network is part of this changing political landscape and is able to call openly for reform in most countries, without facing the risks of repression it would have faced just five years ago.

Liberalization of the political environment has been identified as one of the key factors in the success of Network interventions. Networks have been most effective in advocating and achieving policy reforms in those countries where traditional political power is losing ground. Under the traditional political power structure, potential counterforces were strictly controlled by the ruling party. The only voice for the

private sector was the chamber of commerce, which was state-controlled in the francophone countries, and strongly state-influenced in the anglophone countries. The three most successful networks are all in countries where significant political change has occurred: Ghana, Mali and Senegal.

In Ghana, where the early years of Rawling's rule were marked by strong repression of private sector activities, there has been a significant reversal in attitude since 1983, the year that marked the beginning of the Economic Recovery Program. Major reforms in investment and trade policy have been enacted by the Ghanaian government, in an attempt to achieve higher rates of economic growth through the creation of capital markets and the promotion of non-traditional exports. Change has been facilitated by the nomination of several senior presidential advisors who are strongly pro-private sector. Both the World Bank and AID have provided funding to support government reform measures. The liberalized economic environment has prompted many young Ghanaians to return home. These returnees are aware of the types of economic and democratic institutions which work effectively in Europe and the U.S., and many are outspoken in their demands for reform.

The Ghanaian parliament, once considered to be only a rubber-stamp institution, has become more involved in policy issues and seeks input from the private sector on legislation and budget proposals. Private sector leaders are being asked to provide testimony before parliament and have been tapped to participate in an on-going dialogue with government through the Private Sector Advisory Group. The Enterprise Network is regularly consulted as the representative of the new generation of risk-taking Ghanaian entrepreneur.

In Mali, since the overthrow of the Traoré regime, political stability is tenuous. Students periodically take to the street, threatening new upheaval if their demands are not met. The government is seeking allies and is conscious of the need to work more closely with the private sector. Traditional private sector organizations have been seriously discredited, due to their close ties to the Traoré regime and their rent-seeking behavior. Efforts to "privatize" the Chamber of Commerce have failed due to the leadership's opposition to withdrawing government subsidies. The Network fills a representational vacuum very keenly felt by a large number of Malian traders and entrepreneurs. Government officials look to the Network for advice, as does the newly elected

legislature. Parliament has asked the Network to review proposed legislation affecting the private sector and to work directly with its Finance Committee on fiscal reform issues.

As in Mali and Ghana, formal private sector organizations in Senegal have lost much of their credibility and the younger generation is seeking an effective forum for discussion and action. The government is becoming more receptive to real dialogue with the private sector. The President of Senegal has made several strong statements in support of the private sector in 1995 and named a private sector consultant, Idrissa Seck, as his new Minister of Commerce. A Joint Consultative Group on Competitiveness, intended to advise the government on formulation of post-devaluation business incentives, has been created. The Network is well represented in this group and is seeking other opportunities for strategic alliances.

In contrast to these more open political environments, the military regimes in Nigeria and The Gambia have dealt harsh blows to the democratizing and free market tendencies of the late 80s and early 90s. After cancelling the 1993 elections, the Abacha regime in Nigeria revoked the economic liberalization measures of the previous seven years. The exchange rate was once again fixed, at a level well under market rate. Foreign investment was constrained and foreign firms began a mass exodus from the country. Political demonstrations were outlawed. The presumed winner of the elections was arrested. Pro-democracy groups, including the Enterprise Network, actively campaigned for a return to a free market economy. Faced with a dramatically lowered GDP, the Abacha regime had no alternative but to accept certain of the free market proposals. It announced a series of policy reforms that liberalized the investment code and allowed for a flexible exchange rate for private transactions. Pro-democracy groups continue to lobby for reform through a concerted action known as the Economic Summit.

In The Gambia, the July 1994 military coup by a group of young officers has caused foreign investment to decline, tourism to fall off significantly and local private firms to scale back their activities. Repression by the military against other military and several journalists and the resignation of the pro-free market Minister of Finance has made local advocacy groups more cautious. The Enterprise Network was initially prepared to go into hibernation, awaiting a more promising business climate. However, the military's

agreement to a 1996 timeframe for transition to democratic rule and the continued pressure from the international community, revived the Network's hopes for engaging a productive dialogue with the state.

Although progress is being made in the general political climate in West Africa, the threat of renewed political instability is never far away. Efforts to reinforce elements of civil society willing and capable of serving as a counterweight to the ruling parties may help stabilize the situation over time. However, such groups recognize the need to tackle economic reform issues gingerly, using a non-confrontational, partnership approach. For this reason, the IPC intervention has stressed technical assistance and training in advocacy techniques.

The Economic Context

In West Africa, formal private sector firms are struggling to survive. Their difficulties stem from the small size of the formal private sector, historically poor relations between the state and the indigenous private sector, a highly restrictive legal and regulatory framework and the lack of a regional market for their goods and services.

Size of the formal private sector

The small size of the indigenous formal private sector is an historical outgrowth of the colonial concessionary system, under which private firms were granted special licenses for particular markets. Many of these foreign-controlled concessions were tolerated in West Africa after independence by the new African bureaucratic elite. The latter was opposed to the development of an indigenous private sector, which might compete for power. The post-independence political leaders also created large state-owned enterprises whose management answered directly to them. A small number of indigenous private firms, with close ties to the political regime, were authorized to operate. To protect their vested interests, these firms staunchly opposed market liberalization. The result was a highly regulated economy and an almost total vacuum of indigenous private industry. Where indigenous entrepreneurs did engage in formal sector economic activities, it was usually in the services sector where the required investment was less onerous and profits could be achieved more quickly.

Because of the complex and costly web of legal and regulatory controls on business, a large informal sector now operates outside the law in West Africa. The

informal sector, broadly defined, includes all firms which are not legally registered and do not pay business taxes. Because they operate outside government regulation, labor laws and tax regimes, these firms are better able, as compared to formal sector firms, to provide goods and services to local populations at prices that correspond to the latter's low purchasing power. The continuing economic crisis and the high cost of doing business according to the book, is forcing many indigenous formal firms to move into informality.

Poor relations between the state and the indigenous formal private sector

Relations between the State and the indigenous formal private sector are strained in all West African countries, francophone and anglophone alike. As opposed to the Asian experience, West African states have not sought to support the indigenous private sector, although certain marriages of convenience have always existed.

The state's bureaucracy, run by an educated administrative class, enjoys a great deal of discretionary control over the formal private sector through an array of regulations and licenses. This educated elite often used its power to extract rents from the private sector, which had to beg favors to escape government controls. In Niger, for example, a "Business Police" existed until very recently that was responsible for monitoring private firms and reporting to the government on their activities and turnover.

Transparent relations have not been facilitated by the traditional private sector organizations-- chambers of commerce and employers' federations-- which many private sector operators regard as an arm of the state. In francophone countries, chambers of commerce are para-public organizations whose president is usually named by the Council of Ministers and whose operating budget is heavily subsidized by the state. Elected officers of employers' federations in francophone countries are usually individuals who are close to the ruling party. In anglophone countries, the situation is different, at least in theory. Trade associations elect their own president, who names his own staff. Employers' organizations claim to be independent. In practice, however, key officials of these organizations are usually senior managers of large multinationals whose inherent prudence restrains them from directly opposing government policy.

Restrictive legal and regulatory framework

The legal and regulatory framework in every West African country requires fundamental reform if the private sector is to serve as a "motor for economic development." The framework is often purposefully restrictive, especially for tax and customs regulations, since formal private sector firms are often the primary source of direct and indirect revenue for the State.

There is one sector in West Africa where sharp distinctions exist between the legal and regulatory regimes in anglophone countries and those in francophone countries: the financial sector. Regulations in anglophone countries have fostered the creation of a variety of specially adapted financial institutions and instruments for the private sector, including merchant banks and specialized investment and venture capital funds. Active stock markets exist in Ghana and Nigeria. In contrast, financial sector policy in the francophone countries is decided by the BCEAO, the Central Bank of West Africa, which imposes strict restrictions on capital markets. In both environments, however, much remains to be done to facilitate access to credit by private enterprise. Most financial holdings in West Africa remain outside the region. Foreign credit is far more attractive to business persons than local financing, despite the attendant exchange risk.

Achieving reform in this area means taking on the supranational BCEAO in the francophone countries and confronting the relative autonomy of the national central banks in the anglophone countries. Nonetheless, access to medium and long term credit through the creation of specially adapted financial instruments remains a key objective for all the national networks.

Lack of a regional market

Every country in West Africa advocates regional economic integration. Most have created a cabinet level ministry responsible for the issue. The private sector, for its part, is well aware of the fact that national markets are too small to permit significant industrial or agricultural development. However, despite interest from both public and private sectors, there has been no real progress towards regional integration. ECOWAS, the Economic Community of West African States, is notoriously inefficient and the recently created UEMOA (West African Economic and Monetary Union, regrouping all of the franc zone countries) is openly criticized, even by the francophone countries. Regional integration remains a distant dream for three main reasons.

First, national priorities have always taken precedence over regional ones. A strong sense of national pride has been instilled in the population since independence, which translates into rivalries in the region that go well beyond the very real divisions between anglophones and francophones.

Second, the regional market has little relevance for the formal private sector which has traditionally transacted more with European markets, and even the U.S., than with other countries in the region. Most Network members had never visited another country in the region before joining the Network. Most regional trade is handled by the informal sector, outside the legal framework. Formal sector firms are often unaware of the extent to which even their own products circulate throughout the region through informal sector trade.

Third, ECOWAS is viewed as a failed initiative by both anglophone and francophone business persons. Blame is generally assigned to a third party: anglophones accuse francophones of being manipulated by the French authorities who, claim the anglophones, fear losing a captive market for their goods. Francophones accuse anglophones, especially Nigerians, of wanting to control ECOWAS. The vast, inefficacious ECOWAS secretariat discourages private sector attempts to push for reform.

Recent Positive Trends

In the last few years, two positive trends have emerged: first, a new, aggressive generation of African entrepreneurs is playing an increasingly important role in economic activity. Second, West African economies have experienced the double shock of structural adjustment and devaluation of the CFA franc. Although many firms have suffered, there are definite positive outcomes from these changes.

A new generation of entrepreneurs emerges

The indigenous formal sector is changing rapidly. The first generation of post-independence business persons is being replaced by a new generation trained in Europe or in the U.S., whose technical skills are superior to those of their elders. They are operating in a difficult economic context that tolerates no mistakes. This new generation of entrepreneurs wants to avoid the errors of their elders. They are activists in the growing democratic movement in West Africa, and are calling for a share in the responsibility for government

decisionmaking. The members of the Network come from this second generation of African entrepreneurs.

Effects of Structural Adjustment and the CFA franc devaluation

These two events were imposed on West African governments by the donor community. In the case of structural adjustment, the IMF and the World Bank took the lead. In the case of the devaluation, the French government was largely responsible. Both produced immediate negative effects for protected national industries, which were forced to compete for the first time, and for consumers, who saw their purchasing power diminish. However, these two events had other positive effects for the indigenous formal private sector. Structural adjustment policies contributed significantly to reducing the state's role in the economy and to forcing government to accept the private sector as its partner. Although adjustment policies were often poorly or incompletely applied, they did facilitate macroeconomic stabilization, economic liberalization and restructuring of the bankrupt banking sector. On the whole, the private sector has benefited from structural adjustment.

The devaluation of the CFA franc put an end to the myth of the sanctity of the parity between the CFA franc and the French franc (and thus the myth of the need for "protection" from France). The shock of the devaluation was brutal. All of its effects are not yet known, but some are already apparent: products in the franc zone are more competitively priced, which has benefited the export sector and penalized imports. In theory, this phenomenon should promote development of local or regional products. Unfortunately, many governments are attempting to reap short term benefits from the devaluation, rather than seeking means of assisting the national private sector to grow for longer term benefits. Several indirect effects are also being felt: firms are beginning to seek supply sources in West Africa to avoid paying foreign exchange for imported goods. This movement should enhance regional trade over time, but only in a limited measure until the many problems in the region, relating to the coexistence of inconvertible and convertible currencies, inconsistent custom regimes and intra-regional transport, among others, are solved or at least diminished.

The Enterprise Network is tackling these contextual problems through its strategic plan which emphasizes promoting entrepreneurship, engaging in productive

dialogue with the state, increasing product competitiveness, and developing a regional market.

Nature of the IPC Intervention

In West Africa, government policy since independence has served to support command and control economies. By dealing only with governments, donors contributed unwittingly to this statist approach. Despite the economic liberalization measures of the 1980s, the private sector has, on the whole, remained outside the policy formulation and implementation process. Its lack of input has hampered the development of an "enabling environment" for private sector growth.

Donors have traditionally sought to improve policy reform performance in developing countries by providing support to government policymakers to achieve better policy analysis, design and impact assessment. In the Network activity, support was provided to strengthen private sector capacity to create and carry out a reform agenda, recognizing that reforms are more likely to bear fruit (or to be stymied) if groups within civil society are able to influence the policy process. The IPC intervention relies heavily on use of strategic management tools and advocacy techniques as means for achieving greater private sector influence in the policy process.

The purpose of the IPC intervention is to assist in the creation and subsequent strengthening of previously unorganized groups within the African private sector, to enable them to: a) perceive their common interests; b) organize themselves to pursue those interests; c) articulate and present their interests to government policymakers and to donors; d) identify means of sustaining their organization over time; and e) learn from each other through the exchange of reform experiences on the regional level.

The main features of the IPC approach have been:

- ◆ Provision of periodic short term technical assistance in a facilitative role over an extended period of time;
- ◆ Focus on the creation of strong national networks to serve as the base for the regional entity;
- ◆ Emphasis from the outset on long term sustainability, rather than dependence on external resources;

- ◆ Use of a non-directive process approach to encourage Network members to set their own agenda and do things for themselves;
- ◆ Application of strategic management tools to Network mission definition, action planning, monitoring and evaluation and advocacy;
- ◆ Cross-fertilization among networks regarding specific policy reform initiatives and advocacy techniques
- ◆ Active liaison with interested donors and U.S. and European private sector groups.

IPC Technical Assistance Team

IPC technical assistance (TA) to the networks since their inception has consisted of periodic visits from a two-person team. Both individuals have extensive private sector and advocacy experience in the region. TA trips usually involve travel over three weeks to three to five countries in the region. TA trips are timed to coincide with the quarterly regional meetings of the national coordinators. The core TA team is supplemented occasionally by experts in specific areas. For example, a tax reform expert was called in to assist the Mali Network; an expert on pension plan privatization addressed a regional meeting of national coordinators; and a strategic management expert assisted in implementation of a regional workshop on that topic.

During 1993, the first year of TA to the Network, the TA team worked with local private sector leaders to create seven national networks (Benin, Burkina Faso, Cote d'Ivoire, Ghana, Mali, Nigeria and Senegal). A total of six three-week trips were organized during the year, in conjunction with three regional coordinators' meetings and one regional conference. During this first year, the TA team visited the more dynamic networks more frequently than the weaker ones, believing that the stronger networks would serve as role models for the others and in order to showcase a certain number of Network "success stories" at the regional conference at the end of the year. In 1993, the TA team visited Ghana and Senegal four times each and Mali and Cote d'Ivoire three times. Benin, Burkina Faso and Nigeria were visited twice each.

In the first half of 1994, the TA team focused on the creation of four new national networks² (The Gambia, Guinea, Niger and Chad). In the second half of the

year, the TA team focused on assistance to the weaker networks to consolidate their membership and to strengthen their strategic plans. During this time, the TA team also began work with the Executive Committee of the Regional Network to plan for the long-term sustainability of the Regional Network. A total of seven three-week trips were organized in 1994, in conjunction with four regional meetings of the national coordinators. Network representatives visited the U.S. once to brief donors and to attend an international trade symposium.

In 1995, four regional meetings of the national coordinators were held, funded by the network members themselves. The focus in 1995 was on strengthening the national networks and on developing a transition plan for the transfer of management responsibility of the Regional Network to the national networks. The transition itself is scheduled to take place progressively over the three-year period 1995-1997. In 1995, eight three-week trips to the national networks took place, as did a follow-on regional conference in November 1995.

Facilitation Role of the IPC Intervention

IPC technical assistance to the Networks has been process-oriented from the outset, in line with the IPC approach, which calls for providing technical support to project clients in a fashion that will enable them to carry out tasks on their own. This orientation was also a practical imperative for this IPC activity since there are only two persons available to backstop nascent networks in twelve West African countries. Each national network is visited on average two to three times per year by the TA team. The team's first visit focuses on network consolidation, with subsequent visits intended to facilitate the development and monitoring of a strategic plan for policy reform. With such limited field support, it was critical that the TA team quickly transfer skills to network leadership so that the strategic management and advocacy skills needed by the Network would be applied and honed in the intervals between TA visits. (The TA team's skills development techniques are discussed below).

In addition to direct assistance to the networks, the TA team also ensures liaison between the Network and multilateral and bilateral donors, offshore investors and the banking sector and furnishes regular reports to the project's sponsors within AID and the Club du Sahel.

The six specific facilitation tasks of the TA team are described below.

Creation of national Enterprise Networks

Prior to launching the IPC Network activity, the technical assistance team consulted several African private sector leaders to develop a model for a start-up private advocacy organization representing the broader interests of the private sector at large in West Africa. The model adopted was that of an informal association made up of selected business persons, financially autonomous from the state and donors, led by an elected national coordinator responsible for developing group consensus on an action plan for improving the business climate in the home country and for identifying and pursuing business ventures among members. In the nearly three years since inception, the only significant change made to this model relates to the "informality" of the networks. As networks gain confidence in their purpose and their ability to sustain their organizations, most have opted to formalize their operations and have registered their national networks as NGOs or associations.

The initial creation of a national network involves a two-part process. First, the TA team consults with a variety of local private sector leaders to identify a core group (in French, a "noyau dur") of three to five of their peers who are respected for their integrity and entrepreneurship and who are thought to be interested in participating in an advocacy organization. The TA team interviews each of the proposed members individually. The purpose of the one to two hour interview is to describe the Network concept and to obtain the interviewee's feedback and commitment, if he or she is interested in joining the Network. The TA team specifies that the Network is intended to function as a nonpartisan policy reform catalyst among other private sector organizations. In almost all cases, the entrepreneurs who were identified as potential core members respond positively to the proposed network concept and work with the TA team to develop lists of other like-minded individuals.

In the second part of the network creation process, core members agree on potential additional members from lists each has prepared. Criteria for this cross selection include sectoral affiliation, professional qualifications, availability, level of interest in the policy process and global market vision. The TA team meets individually with these 10-15 additional persons, to discuss the Network concept. The TA team then meets again with the three to five core

members to review reactions of the interviewees. The core members select a final list of proposed charter members and convene a meeting of these persons. This meeting serves to determine which individuals wish to join, and to develop a preliminary action plan (see below). In most instances, this meeting also involves the election of a national coordinator for the Network.

In follow-up visits, the TA team is available to the Network for any recruiting or public relations requirements it might have. When networks undertake an expansion of membership (generally after the first year of operation), they often request TA team assistance to organize a General Assembly to present the Network to new members.³ The TA team has also worked with networks to carry out a membership assessment to determine recruitment needs in order to achieve a balance among sectoral interests and professional qualifications.

The above methodology grew out of a pilot initiative in Mali in November 1992. Although minor refinements were made as each new network was created, the basic process has remained the same. When a new group of four networks was created in 1994, the TA team "Africanized" the process by including a network coordinator from another country on the TA team. This approach has significant value-added, not only because an African leads it, but also because the national coordinator can provide useful examples to the new network of the way his or her network operates, the problems it has faced and the reform efforts it has undertaken.

The second generation entrepreneurs who have been selected by their peers to participate in the Network have the following general profile: they are heads of their own firm(s), which employ between 10 and 50 persons, with an average annual turnover of \$1,000,000. They are between 35 and 45 years of age and are not usually active in any other private sector organization. Many were educated abroad and returned to Africa in the last five to ten years to create their own firms. They have invested considerable personal equity in their enterprises. Shareholders are usually other family members or, in rare cases, close friends associated with the business. Many have a solid network of international contacts. A significant number of members are from the services sector. Many have been offered senior positions in government, but have opted to maintain their independence. Many had never visited another country in the region before joining the Network, but

are interested in pursuing commercial and investment opportunities in other West African countries. Until they joined the Network, most Network members had little, if any, contact with the donor community.

Development of a strategic action plan for policy reform

Once membership is established, the TA team assists the core members in organizing its first meeting, held before the conclusion of the TA team's first visit. At the meeting, a core member reviews the concept of the

- ◆ the need for their network to develop a practical, achievable action plan which identifies objectives, activities, responsibilities and deadlines for the Network's policy reform initiatives;
- ◆ the importance of monitoring, evaluating and modifying their action plan and strategies over time, based on experience and new opportunities which might arise.

Certain strategic management tools are introduced, such as stakeholder analysis and SWOT (strengths, weaknesses, opportunities, threats) analysis. The main objective of the meeting, however, is to initiate discussion on obstacles facing the private sector in the country and to demonstrate how those obstacles might serve as the basis for a policy reform action plan. The TA team asks participants to identify major obstacles to private sector-led economic growth. These obstacles are refined, regrouped and prioritized, to include no more than five. The litmus test for the participants for selecting the five obstacles is whether they feel the Network, working in alliance with other local private sector groups, can effect real change in that area.

The TA facilitators then work with Network members to identify Network-led actions to produce change in each of the priority reform areas. In addition to specific policy reform initiatives, such as investment code reform, participants often bring up issues related to the lack of dialogue with the state and the poor image of the private sector in their society. These concerns are included as strategic objectives, even though they are not themselves policy reforms. In determining actions, and subsequently in examining responsibilities, the principle of strategic alliances among various groups in civil society is developed.

At the close of this first organizational meeting, which often lasts over four hours, members have worked

Enterprise Network and makes suggestions as to how a network might be structured in that country. This presentation is followed by a briefing by the TA team on the IPC project and the application of strategic management tools to policy reform initiatives. Three points are stressed in this presentation:

- ◆ the usefulness of strategic management as a means of understanding the external environment in which an organization functions, in order to seek the best fit for it, particularly in unstable environments such as those in West Africa;

together to sketch out a preliminary action plan, assign tasks, evaluate alliances and identify required financial resources. By facilitating rather than driving this process, the TA team enables the group to achieve a strong sense of ownership of the agenda.

The TA team's primary objectives in its subsequent visits to the national networks are to work with members to refine their action plan, to evaluate progress in implementing the plan, to discuss ways of overcoming any obstacles to implementation (e.g., how to deal with a change in ministers) and to modify the strategic plan as needed. From the networks' standpoint, the periodic TA visits maintain pressure to keep the action plan moving, in line with the established schedule. The quarterly regional meetings of the national coordinators also help sustain momentum, since each coordinator wants to point to achievements since the prior meeting. Network strategic plans are updated in January of each year.

The TA team has encouraged the networks to concentrate, as feasible, on the strategic objectives identified at the Regional Conference in Accra in November 1993, i.e., improving dialogue with the state, financial restructuring of enterprises, improving competitiveness and fostering national entrepreneurship. This increases opportunities for sharing experiences in achieving similar TA team also emphasizes the need for ensuring the long term sustainability of the networks. Every network has made this issue part of its strategic plan.

Organization of the Network to carry out its plan

The TA team provides advice to national networks on organizational issues. One critical issue is the question of organizational models for the networks. At the outset, the TA team suggests an informal organization, for three reasons. First, it is preferable to avoid expending time and money on creating a

formal organization until the national network's viability is determined. Second, informal status allows networks to more easily serve as catalysts among other private sector groups in the policy reform process. As an informal group, the network does not pose a threat to established organizations. Network members can belong to several formal organizations and seek synergy among the various groups on issues of common interest. Third, informal groups are less likely to be viewed as political opponents to government authorities.

Over time, as the networks become more confident and visible, certain groups have moved to formalize their network. The legal status adopted by the six formalized networks is a function of the legislation in effect in each country; they include a non-profit corporation (Ghana), a non-profit association (Burkina Faso and Senegal), a non-governmental organization (Cote d'Ivoire and Chad), and a for-profit corporation (Mali).

The internal structure of the Networks is loose. Their spokesperson, known as the national coordinator, is elected democratically, usually without a fixed mandate. Coordinators estimate that they average one working day per week on Network business, excluding time spent by their support staff. Regional communications for the national networks are transmitted via the coordinator. The coordinator usually hosts network meetings and contributes significantly in cash and in kind to the Network's activities. The most successful networks (Ghana, Mali, Senegal) have innovative and articulate coordinators. Each is an aggressive entrepreneur who clearly understands the impact of the policy environment on business. The concept of strategic management also is fully assimilated by each of the three, who track and modify their action plans and devote considerable time to building alliances locally and regionally.

During the start-up phase, there was a high degree of continuity among network coordinators. Only two changes of leadership occurred in the first two years, both related to the selection of a coordinator from the older generation whose approach and style did not correspond to the vision of the other members. While this continuity was useful during the start-up phase, networks are now beginning to rotate leadership in order to share responsibilities, in some instances, or, in others, to provide a fresh outlook on opportunities.

The drawback to an informal organization with no permanent staff is that progress depends on the availability and good will of volunteers who have other priorities in their business and personal lives. In several instances, extended absences by Network coordinators on business travel has stymied Network activities. Networks use various techniques to avoid this: the Ghanaian network has named two "co-coordinators". The Senegalese network has created task forces responsible for specific initiatives. Those networks that are formalizing their legal structure have recruited a paid secretary, responsible for keeping minutes, organizing meetings, responding to Network correspondence, maintaining files and monitoring the action plan.

Articulation and presentation of policy positions to government policymakers and donors

The facilitation function of the TA team is critical to the long term success of the networks and to their ability to be credible interlocutors with government and donors. The TA team has focused much attention on transfer of advocacy skills to the networks, based on strategic management tools. The team has used a workshop approach to skills transfer, buttressed by local consultations on specific reform initiatives.

Since the IPC intervention began in September 1992, the TA team has implemented two regional workshops on advocacy skills and has organized national programs in almost every country, ranging from half-day training sessions to three-day workshops. The TA team has developed a training manual for advocacy skills transfer, geared to the acquisition of seven skills:

- ◆ mission definition and strategic action planning
- ◆ SWOT analysis
- ◆ analysis of government's decisionmaking process
- ◆ stakeholder analysis
- ◆ environmental mapping
- ◆ policy impact analysis and position development
- ◆ advocacy techniques, including direct lobby, use of media, public testimony, strategic alliances

Comments from participants in the workshops stress the usefulness of the tools, notably SWOT and stakeholder analysis. Participants also stress the utility of learning about the process of government decisionmaking.

In each workshop, network members are asked to select one reform objective to be used as a case

example for all of their practical exercises. Small group sessions allow participants to prepare their own strategies and plan for achieving reform. A good deal of time is spent on policy impact assessment and the development of position papers, with the requisite arguments, examples and proposals. For most Network members, this is their first experience in articulating a specific, carefully justified policy position for presentation to government.

Several networks have reported to the TA team their advocacy successes as a result of use of the tools learned at the workshop. By using stakeholder analysis, the Senegalese Network identified plant workers in a state-owned factory as key allies in influencing government to privatize the operation. (The workers had not been paid in over a year). In another instance, the Burkina Faso network used policy impact assessment to determine the effect of government regulations restricting the provision of auditing and consulting services by the private sector to government agencies. As the Network accumulates additional success stories from its advocacy initiatives, the TA team will revise and "Africanize" the training workshop.

As regards advocacy with donors and other external contacts, the TA team was initially responsible for liaison with donors, offshore investors and the banking sector. The TA team wrote and distributed minutes of all regional meetings and wrote or selected and translated articles for the quarterly network newsletter. The TA team also organized periodic briefings in Washington and Paris for the project's sponsors. All of these responsibilities are being progressively transferred to the Network. Members now write the minutes, produce the quarterly newsletter and are invited to brief project sponsors and other interested parties in Washington and in Africa. Using advocacy and strategic alliances techniques from the workshop, several networks have developed strong, ongoing relationships with local donor representatives.

Development of strategies for achieving long-term sustainability

The TA team has stressed to Network members from the outset that no funding will be provided by the IPC project to their local organizations. In all but one instance, networks adopted that principle without difficulty. Most coordinators, in fact, had only limited prior contact with the donor community. In the one case where the network coordinator regularly sought

donor assistance, the network members themselves voted a change in coordinator.

Networks assess membership fees to cover their operating costs. These fees range from \$200 to \$400 per person. Networks which host regional meetings make heavy financial contributions for meeting transportation, receptions and publications. The TA team has worked with the networks to consider what services or products they might offer to generate revenue. These include fee-based dinner debates on policy topics, sale of national network publications, workshops on issues of concern to the larger private sector, among others.

In addition to expenses incurred on the national level, network members also became responsible, as of 1995, for the recurrent costs of the Regional Network activities. These include a regional secretariat, communications, and publication of the quarterly newsletter. The total estimated budget is \$22,000, or \$2,000 per network. As of July 1995, ten of the twelve networks have paid in full their annual contribution. Networks can offset their national contributions by the sale of subscriptions to the newsletter and, in the medium term, by charging fees for trade information services provided by the Regional Information Center (see below).

Emphasis on self-sufficiency from the outset has been useful in fostering a practical approach to sustainability among the networks. Several of the more active networks have been very adamant about financial autonomy, which has served to influence other groups. The former have stressed that without financial autonomy, the network cannot hope to maintain its own agenda, independently of the projects and proposals of the donors. In constituting the multidonor Intervention Fund in Paris, the TA team stressed to donors that those funds can serve only to implement programs or activities in support of the networks' own strategic action plan. In addition, donor funds for such purposes are to be leveraged by Network funds. Donor funding cannot be used to cover recurrent operating costs of either the national or the regional networks.

Exchange of policy experiences and approaches among national networks

According to Network members, another of the useful services rendered by the IPC project is the opportunity to exchange information among national networks and, most particularly, between anglophone and

francophone countries. Although many common features are found in all environments (e.g., lack of dialogue with the state, inadequate financial institutions, overprotected industries, and an unfavorable regulatory environment), innovations are occurring in a few countries and advocacy efforts are beginning to develop. The efforts of each national network can be enriched by learning about the reform initiatives of others.

Exchanges of experience between anglophone and francophone countries on capital markets have been very instructive for network members. The reforms implemented in Ghana, especially, have served as illustrations of what could take place in the CFA franc zone countries if West African Central Bank requirements were relaxed. The restructuring of the banking sector in Ghana, the creation of a wealth of non-bank financial institutions, such as merchant banks, leasing companies, housing banks and venture capital funds, and the activation of the Ghana Stock Exchange, including the sale of shares in Ashanti Goldfields, have demonstrated that liberalization and increased competition within the financial sector promote increased savings, facilitate privatization and offer additional sources of funding to the private sector.

Drawing from the exchange of experience within the Network, several productive initiatives have been launched, including (1) policy proposals to relax capital requirements for venture capital projects in Senegal; (2) proposed revised regulations to facilitate the creation of small scale savings and loans operations in Guinea; (3) a joint venture proposal to create a financial services firm in The Gambia; (4) a policy reform proposal to privatize a portion of the National Pension Fund in Ghana; (5) launching of a regional investment fund in West Africa, sponsored by the Enterprise Network; and (6) draft tax reforms in Mali to lower corporate taxes without eroding tax revenues.

Case study of an IPC intervention: Ghana

The Enterprise Network of Ghana is one of the three success stories in the IPC experience to date. TA assistance to the Ghana Network in the two-year period since its creation focused on three objectives:

1. formulation of a realistic national action plan
2. skills transfer in strategic management and advocacy
3. periodic progress monitoring and evaluation

Total TA assistance over the two and one-half year period since the Ghana Network's creation involved eight 3-day trips to Ghana, including implementation of a one-day workshop on advocacy techniques in mid-1993.

The following summary highlights the types of TA provided to the Network and the initiatives taken by the Network members themselves. The 1994/1995 Strategic Action Plan for the Ghana Enterprise Network is provided in **Annex 2**.

Jan. 1993: TA team visits Ghana to work with local private sector leaders to identify core membership and establish work program. Five core members identified; 15 additional persons interviewed.

Work program established with five objectives: improving dialogue with the state, increasing foreign investment in Ghana, restructuring Ghanaian firms, promoting the capital market and fostering entrepreneurship. Focus is on the first three objectives, and a detailed list of actions and responsibilities is established.

Decision to host the Network's Regional Conference in Accra.

Feb. 1993: Network members begin process of developing strategic alliances with other private sector groups (Association of Ghanaian Industries and Federation of Associations of Ghanaian Exporters, especially), along with key government agencies (Ghana Export Promotion Council, Ghana Investment Promotion Center), public/private consultative groups (Private Sector Advisory Group) and influential presidential advisors and ministry officials (Ministry of Trade and Industry, Ministry of Finance, etc).

Ghana Network members prepare documents on the Ghana Stock Exchange and participate in trade visits to promote investments in Ghana. Initial lobby begins to remove restrictions in Ghana Investment Code preventing foreign investment on the Ghana Stock Exchange.

Expansion of Network membership to 20 persons

March 1993: Ghanaian Network delegation attends **coordinators' meeting** in Abidjan; presentation of strategic plan and proposed dates and logistics for the Regional Conference. Network coordinator agrees to prepare paper on financial sector innovations in

Ghana, for the regional conference. Kwabena Darko, president of Darko Farms, agrees to prepare paper on international competitiveness in Africa for the regional conference.

April-May 93: Ghana Network participates in several government commissions on investment code reform and develops linkages with key parliamentarians. After briefings to AID and the World Bank regarding its program, the Network is invited to participate in the Private Enterprise Foundation, which will regroup all major private sector organizations in the country, to allow them to dialogue and better analyze policy.

June 1993: Network holds a public launching of its organization where it is recognized by government officials in their remarks as a “nonpartisan association of individuals seeking to dialogue with government on means of achieving reforms favorable to private sector-led economic growth.”

Exchange Control Law reform allows foreign investment in stock market.

Following advocacy by the Network, privatization program is accelerated and discussions begin on creation of a privatization fund.

Network members participate in commission on creation of a Ghana Growth Fund and make trips overseas to identify potential foreign investors on Ghana Stock Market.

Network members begin preparation of a publication entitled Ghana: An Investment Opportunity.

July 1993: Ghana Network creates Investment Advisory Group to provide investment and financial advice to Network members and young entrepreneurs.

Ghana Network decides to fund the creation of a Chair of Entrepreneurship at the University of Ghana at Legon.

Ghana Network participates in Commonwealth Business International conference in London where Enterprise Network is presented.

August 1993: TA team visits Ghana to review strategic plan accomplishments and assist in updating plan (2 days) and to prepare for regional coordinators' meeting. **Workshop on advocacy** conducted for Ghana Network (1 day).

Regional **coordinators' meeting** in Accra (2 days) focuses on presentation of preliminary papers for Regional Conference and decision to highlight financial sector reforms as one of Network's key achievements.

Sept.-Oct 93: Ghana Network representative visits Washington on business and meets with donor representatives from AID and the World Bank.

Ghana Network prepares for regional conference; government representatives are identified and keynote speakers invited. Network membership increases to 30 persons, based on organizational assessment.

Government agrees to exempt mutual funds from corporate taxes, a measure the Network had advocated.

Government accepts the creation of a Third List on the Stock Exchange for smaller companies.

TA team meets (10/93) over 3 days with Network members on strategic plan. Final debriefing to update plan per most recent accomplishments and new initiatives.

Nov. 1993: Ghana Enterprise Network hosts **Regional Conference**, attended by over 125 business persons in region and by Vice Ministers of Finance and Trade and senior presidential advisor on private sector, along with major donor representation (USAID, OECD, EU, CFD, UNDP).

Jan-Feb 94: At Network initiative, government divests itself of holdings in seven multinationals, through stock exchange, based on reform of Exchange Control Law allowing foreign investment funds to trade on stock exchange.

At January Regional **Coordinators' Meeting**, Ghana Network addresses the impact of the successive devaluations in Ghana. Guidelines for advocacy program in post-devaluation climate are identified. The Coordinators vote to establish the Network's Information Center in Accra.

TA team visits Ghana to assist in updating plan and assessing Network visibility and impact based on local interviews, including Ghana Investment Center, African Project Development Facility, Ghana Export Promotion Council, UNDP and USAID. Decision to push the Private Sector Impact Bill, proposing that an economic impact assessment be carried out prior to

passing legislation affecting the private sector (see 1994 Ghana Strategic Action Plan, attached as Annex 1). Decision to use Ghana Plan as model for other networks.

Investment Advisory Group assists network members in accessing venture capital windows and in listing on stock exchange.

March 1994: Ghanaian Network Coordinator attends African Business Round Table meeting in Arusha, presents the Network and financial sector reforms in Ghana; is invited to Zambia as expert on capital markets reform.

April 1994: **TA team** visits Ghana to review strategic plan with Network; readjustment based on available resources. Decision to eliminate capital markets objective which is well off the ground and focus on investment promotion, working in conjunction with Ghana Investment Promotion Center.

May 1994: Network-proposed Private Sector Impact Bill makes rounds of government offices and receives endorsement of senior presidential advisor Obeng.

June 1994: Ghana Network receives authorization of Ministry of Social Action to create a non-profit corporation which would house a potential future Regional Information Center for the Network.

At Banjul **coordinators' meeting**, agreement on creation of joint venture financial services firm between Ghanaian and Gambian member firms, intended to support creation of capital markets in The Gambia.

Ghana Network members make presentations on lessons learned from the Ghana Stock Exchange experience and on venture capital in Ghana.

July 1994: Dinner debate between Network and Ministry of Finance officials is organized.

Network begins organized lobby for privatization of pension funds currently under SSNIT (National Social Security) management

August 1994: Ghanaian Network Coordinator visits Cote d'Ivoire to assess potential for regional stock market or venture capital fund.

Sept. 1994: Network is registered as non-profit company. Annual membership fees are instituted.

Network is invited to participate in monthly investment seminars organized by Ghana Investment Promotion Center at which policy issues are debated

As member of Regional Network Executive Committee, Ghanaian Network Coordinator participates in planning session on regional network strategic plan in Dakar with **TA team**, using national network needs as basis for regional action plan.

Oct. 1994: Regional **Coordinators' meeting** in Bamako opts to build a professional subnetwork for the financial sector, based on policy reform achievements in Ghana and targeting exchanges of information on reform initiatives and lobbying techniques to create or expand capital markets in West Africa.

Ghana Network proposes creation of Network-led West Africa Fund and lays out regulatory requirements and reforms which are needed to enact

Chair for Entrepreneurship is endowed at University of Legon by Network contributions.

Ghana Network Coordinator conducts **briefings in U.S.** with AID and World Bank. Latter meeting leads World Bank to invite Network to policy conference in Nairobi in December 94 to discuss means of further involving private sector in policy process and policy implementation. Ghana Coordinator shares podium at opening ceremony with World Bank Vice President for Africa Jaycox.

Nov. 1994: Ghana Network refines concept for West Africa Fund which is presented to private investment firms and donor agencies.

Advocacy efforts continue to pass Private Sector Impact Bill.

Ghana Network explores option of holding policy review conference with ECOWAS officials during President Rawling's chairmanship of ECOWAS. Proposal made to regional **coordinators' meeting** in Cotonou.

Dec. 1994: French Development Agency (CFD) makes first financial commitment to West Africa Fund and agrees to discuss certain policy issues which

constrain the creation of non-bank financial institutions in the region.

Ghana Network recruits bilingual administrative director, to be shared between Ghana Network and the Regional Information Center.

March 1995: TA team visits Ghana subsequent to the Dakar regional **coordinators' meeting**, to review plans for regional conference and meet with key government advisors to obtain their support.

May 1995: Ghana Coordinator visits Nigeria with TA team to discuss plans for the Network regional conference with ECOWAS officials and to inquire about obtaining observer status for the Network within ECOWAS.

June 1995: Executive Committee proposes that the Regional Network be constituted as an international NGO, based in Accra, Ghana. Ghana Network negotiates operational status with Government of Ghana.

July 1995: At regional **coordinators' meeting** in Ouagadougou, Ghana Network presents a formal proposal for the creation of the Regional Headquarters in Accra to the Assembly of Coordinators, which ratifies the proposal. Ghana Network agrees to cover all costs related to the legal registration of the Network in Ghana and to providing one year of free rent to the office.

TA team visits Ghana to assist in setting up Regional Headquarters office.

Regional Information Center installs an email capability, linking it to other Networks with such installed capacity: Senegal, Mali and Cote d'Ivoire. Other networks commit to installing email systems by end 1995. The first regional Trade Flash is distributed from Ghana to all national Networks, including data on commodity prices, road transport and port costs.

Sept. 1995: TA team visits Ghana to prepare for the upcoming regional conference. Conference steering committee meets in Accra with Ghana Network to discuss conference agenda and opening and closing ceremonies.

Nov. 1995: Second Regional Conference of the Enterprise Network slated to be held in Accra, Ghana on November 10-13, 1995, to be attended by 125

representatives of the private sector, senior government officials, journalists and five Ministers of Finance and Commerce from the region.

The level of effort and approach to technical assistance for Ghana is typical of the TA provided to networks in Mali and Senegal, which were considered to have the most potential for rapid development and achievement. The same skills transfer approach was used in the other countries in the first group of Networks (Cote d'Ivoire, Benin, Burkina Faso and Nigeria), but at a lower level of effort by the TA team. Three of the second group of networks (Gambia, Guinea and Niger) were visited twice in 1994. Chad was only visited once. However, opportunities for consultation are utilized during the regional coordinators' meetings during which coordinators can discuss achievements and obstacles with the TA team.

Achievements of National and Regional Enterprise Networks

National Network Achievements

While individual national strategic action plans vary according to local circumstances (see the summary of national network action plans in **Annex 3**), on the whole, national networks have focused on achieving six objectives:

- ◆ improving dialogue with the state
- ◆ increasing access to finance
- ◆ improving the competitiveness of national firms
- ◆ fostering national entrepreneurship
- ◆ improving the image of the private sector
- ◆ ensuring Network sustainability

Each of these objectives is described below, along with the types of actions carried out by networks in support of the objective and results achieved to date. While not all objectives or actions are directly policy-related, all do contribute to enabling the private sector to play a more proactive role in the government decisionmaking process. Of the six objectives, those adopted by the largest number of networks (see chart below) are improving dialogue with the state, increasing access to finance and ensuring Network sustainability.

Improving dialogue with the state

Only Benin and Cote d'Ivoire did not include this objective in their action plan.⁴ Networks use the

following process in identifying a strategy and actions for improving dialogue:

- ◆ participate in regional or national IPC advocacy workshop
- ◆ use SWOT and stakeholder analysis techniques to determine key players (agencies and individuals) in the policy environment, particularly in target reform areas
- ◆ identify strategic allies among other private sector organizations
- ◆ assign key stakeholders to individual Network members, for the purpose of regular briefings on issues and positions
- ◆ designate individual network members to run for office or serve as committee chairs in influential private sector organizations, to achieve greater synergy
- ◆ petition government to nominate Network members to participate in all joint public/private sector commissions or task forces
- ◆ identify key parliamentary legislative committees and propose to provide testimony and position papers on issues of interest to the Network
- ◆ request parliament to review of all draft legislation affecting the private sector
- ◆ propose to organize seminars on policy issues for parliament, bringing in external experts selected by the Network, as needed
- ◆ develop a media strategy to publicize Network initiatives, focusing on radio and print media
- ◆ organize occasional dinner-debates⁵ on policy issues of interest to the Network
- ◆ brief donors on Network policy positions

The networks have been very successful in their endeavors to create change in this area. Ghana's proposals and achievements were outlined above. The highlights of achievements in improving dialogue in other countries include:

	Dialogue	Finance	Competitiveness	Entrepreneurship	Image	Sustainability
BENIN		✓	✓	✓	✓	✓
BURKINA	✓	✓	✓		✓	✓
CHAD	✓		✓	✓		✓
COTE D'IVOIRE				✓		✓
GAMBIA	✓	✓	✓			✓
GHANA	✓	✓	✓	✓		✓
GUINEA	✓	✓	✓		✓	✓
MALI	✓	✓	✓			✓
NIGER	✓	✓			✓	✓
NIGERIA	✓	✓		✓		✓
SENEGAL	✓	✓	✓	✓		✓

Mali: Network members have lobbied the legislature intensely, with the result that the President of the National Assembly has instituted a monthly meeting with Network representatives, as did the president of the Assembly's Finance Committee; the Network has organized two very successful dinner-debates-- the first with heads of state central agencies and the second with the Council of Ministers; the Network organized a full-day seminar on public finance from a private sector perspective, for the newly-elected National Assembly which was attended by over 90% of the elected legislators; the Network has invited the Minister of Finance to meet with the Ghanaian network in Accra and has proposed organizing meetings between Ministry officials from both countries to discuss policy issues and business incentive programs. The Network's visibility and persistence in seeking opportunities for dialogue resulted in a request by World Bank President Wolfensohn to meet with the Network during his first trip to Africa in June 1995.

Senegal: The Network is the official host of the Joint Consultative Committee on Competitiveness, formed by President Diouf after the CFA franc devaluation, to advise the government on incentive measures for economic growth. Two network members serve on the committee. The network has made several policy proposals to this committee, on matters ranging from

reform of the interest rate policy to reforming the VAT policy.

Nigeria: Network members are working closely with other pro-democracy groups to lobby the military government for a return to a liberalized economy. To the surprise of many, the government's 1995 Budget reinstates several of the free market policies in place before Abacha's take over, including removal of restrictions on the flow of currency within and outside of Nigeria, repeal of restrictions on foreign investment, liberalized foreign exchange laws, revival of the privatization process. The Network continues to prepare position papers on policy issues affecting the operations of the stock market, foreign investment and exports.

Financial restructuring of enterprise

Policy reform initiatives in this area have varied to some degree between francophone and anglophone countries. Networks in francophone countries have undertaken advocacy efforts with government to encourage adoption of less restrictive capital requirements for local venture capital firms and smaller-scale savings and loans institutions and have organized meetings with Ministry of Finance officials to discuss regulatory changes which would allow the creation of new financial instruments to assist the private sector, modeled after innovations in the anglophone countries (leasing institutions, merchant banks, etc.). Specialized guarantee mechanisms for the private sector have also been advocated, particularly in Benin and Burkina Faso. Several Networks have made a strong appeal for venture capital windows (Gambia, Mali). The Ghanaian Network has made major inroads in reforming the investment code and in securing foreign investment on the Ghana Stock Exchange. The Ghana Network is also preparing a policy position paper on bankruptcy law.

A major initiative that all Networks intend to sponsor is the creation of a network "investment club" in their countries. Network members feel strongly that they must take leadership in developing a financial instrument to promote local savings mobilization. Networks are in varying stages of creating these investment clubs which will pool members' capital for local investment in private ventures. Models vary from country to country, but in general Network members contribute monthly to a fund that will be used, once sufficient capital is accumulated, to take equity positions in small to medium scale local

enterprises. One of the main tasks of the Financial Sector Subnetwork (see below) is to evaluate the structure and performance of the various funds, in order to make recommendations on a generalized model.

The Ghana Network has also taken the initiative for the creation of a \$30 million regional West Africa Investment Fund, intending to mobilize sufficient African private investment in the fund to leverage donor capital. Network members will serve as investment advisors in each country. A 30-page prospectus has been prepared by the Ghana Network and is being presented in various regional and international fora.

Improving competitiveness of national firms

Networks have undertaken a variety of policy and training initiatives intended to increase the competitiveness of national firms, including:

- ◆ studies of measures to reduce factor costs, with emphasis on utilities and communications
- ◆ information collection and case study preparation on Free Trade Zones
- ◆ case studies of the impact of the CFA franc devaluation in the year since it was enacted (January 1994-January 1995)
- ◆ quality control commissions to evaluate operations at national ports and airports
- ◆ study on the application of ECOWAS trade protocols in the region
- ◆ position papers on interest rate policy and tax incentives for start-ups
- ◆ creation of NETEXPORT in support of the region's exporters
- ◆ negotiations with Air Afrique concerning air freight policy in the region
- ◆ training seminars on packaging, quality control and sourcing

The Network's main accomplishments in this area on are the regional level. They involve the creation of the Regional Information Center and NETEXPORT, both of which are intended to support the national networks and exporters of West African products. In addition, Network members will participate in a regional study on the comparative advantages of five agricultural products in the region. The findings from Network studies on obstacles to regional trade will be presented at a regional conference organized by the Network in November 1995, with President Rawlings'

sponsorship. Individual networks will use the information and cases from these various studies to initiate lobbying efforts in their home countries in support of policy reform affecting factor costs, investment incentives, interest rates, etc. (See Section IV.B on Regional Network accomplishments).

Fostering national entrepreneurship

Measures taken by Networks to promote entrepreneurship focus on training, direct assistance to local firms, internships for potential entrepreneurs in Network firms and proposals on means of assisting indigenous entrepreneurs to participate in the privatization process. The Ivorian Network is preparing a case study on a privatization initiative sponsored by the Network and has assisted in the creation of an Ivorian NGO, in conjunction with the Federation of Ivorian Industrialists, to promote subcontracting between multinationals in Cote d'Ivoire and indigenous firms. The Senegalese network is working with two agricultural research institutes in an attempt to commercialize certain research products and has developed an outreach program to other local firms. The Ghanaian Network has endowed a Chair of Entrepreneurship at the University of Ghana at Legon and is preparing publications on entrepreneurship.

In the policy arena, the Ghanaian network has made proposals to government on means of making the privatization process more accessible to the average Ghanaian. The Malian network proposed a policy package to the Malian Government to speed economic recovery and promote the creation of new enterprises. The Network recommended the declaration by the government of an 18-month "State of Economic Emergency" during which business creation and expansion in priority sectors would be encouraged through customs exoneration on capital equipment, financial assistance for infrastructure and utilities for industrial facilities, tax exemptions to enhance creation of financial sector firms, among other incentives. The government responded favorably to the proposal, indicating that the concept of a Special Steering Committee for the initiative, as proposed by the Network, was a conceivable option. Further meetings took place in the first semester of 1995, to organize the initiative.

Improving the image of the private sector

Four networks opted to include this objective in their strategic plan. Of the four, three (Benin, Burkina Faso and Guinea) are from countries with a very recent

Marxist past where the private sector was castigated as an enemy of the state. The actions proposed by Network members to improve the image of the private sector include primarily public relations and philanthropic initiatives to put a better public face on the private sector, through radio and television programs, prizes in entrepreneurship, awards to student projects in entrepreneurship and the organization of a "Private Sector Week."

Ensuring sustainability

The following measures are taken by most Networks to achieve long term sustainability:

- ◆ accepting financial autonomy as an operational rule;
- ◆ joint development and local ownership of a multiyear action plan for the Network, including member assignments and timeline and budget for implementation;
- ◆ creation of network archives to maintain a permanent record of meetings, dues, activities and position papers, among other documents;
- ◆ recruitment of a permanent network secretariat to maintain network archives and to ensure regulation communications and information flow among members;
- ◆ assessment of membership fees to cover the recurrent expenses of the national network and the annual contribution to the regional network;
- ◆ expanding network membership once a solid foundation is laid, with adequate sectoral balance among members
- ◆ formalizing the network as a legal entity, as it gains in maturity, visibility and activity, including drafting of the necessary by-laws and statutes

As mentioned earlier, the fact that the national networks have had to assume full responsibility for their local network expenses from the outset has led to a self-sufficiency mind set which helps ensure sustainability. Despite donor willingness to fully fund certain initiatives, networks have agreed to the principle of co-financing for all of their activities.

Regional Network Achievements

The focus of network activity in 1993 and 1994 was on the consolidation of the national networks. Until late 1994, regional activities had been limited to the quarterly meetings of the network coordinators and publication of the quarterly newsletter. In October

1994, the Assembly of Coordinators reviewed and approved the first regional strategic action plan, for 1995/96. This action plan was updated in June 1995, and is attached as **Annex 4**. In July 1995, the Assembly of Coordinators voted to formalize the regional organization, after nearly two and one-half years of existence as an informal association. The achievements reported herein apply to the twelve-month period of October 1994 to October 1995.

Organization of the Regional Network

The organizational structure of the regional network is minimalist and flexible. Network members have intentionally avoided a complicated structure of committees, task forces or permanent staff. The primary decision-making body of the Regional Network, according to its charter, is the Assembly of Coordinators, which meets quarterly. Each meeting is hosted by a different network. To date, meetings have been held in Lagos, Abidjan, Accra, Dakar, Banjul, Bamako, Cotonou and Ouagadougou. The Assembly of Coordinators elects a three-person Executive Committee, whose mandate is to make organizational and financial proposals to the Assembly and to ensure the execution of all actions decided by the Assembly. Executive Committee members are elected for two years.

The Network's first Executive Committee was elected in January 1994 in Dakar. Two francophone members and one anglophone member were elected. They were specifically charged with proposing a transition plan for the progressive transfer of management and logistics responsibility from the TA team to network members. The basis for that transfer was the 1995 strategic action plan.

In addition to the Assembly of Coordinators and the Executive Committee, Network members created three regional professional subnetworks which are described below.

Professional Subnetworks

The professional subnetworks were created in response to network members' expressed desire for a forum to address common professional concerns among firms from given subsectors in the region. The idea for the subnetworks was the outgrowth of an initiative proposed by Marie Ba, the head of an auditing firm in Dakar. Ms. Ba was interested in creating a professional consortium of high calibre West African

firms that could respond to international tenders from the donor community or international firms for auditing or accounting services in the region. She presented her concept at the January 1994 regional coordinators' meeting in Dakar. The idea appealed to other sectoral groups who proposed their own professional associations, which members dubbed "subnetworks."

Each subnetwork is entirely self-financed from the start. Its members are responsible for selecting its organizational form and its membership criteria. To date, there are three subnetworks, with two others on the drawing board. Netforce includes accounting and auditing group; Netexport members are West African exporters and the Financial Sector Subnetwork (yet to develop an acronym) brings together professionals in banking, financial services, insurance and capital markets. The two subnetworks on the drawing board are IS-NET for West African industrialists and a training and management consulting subnetwork.

The subnetworks serve three important purposes:

- ◆ organization of regional training initiatives to address common needs;
- ◆ creation of a forum for the exchange of information on business opportunities;
- ◆ provision of cases and data for lobbying initiatives on the regional level.

The same process-oriented approach to technical assistance used with national networks is used with the subnetworks. The TA team provides facilitation assistance to the subnetworks to develop action plans, using strategic management principles, and a sustainability strategy.

Netforce

Netforce is a professional association of accountancy and auditing firms from anglophone and francophone countries. The headquarters for Netforce is in Dakar. The objective of Netforce is to bring together a select group of highly qualified accountancy and auditing firms who will work in partnership to achieve five strategic objectives in 1995:

- ◆ Harmonization of accounting and administrative practices: Netforce will develop reference manuals on auditing, consulting, organizational structures and technical assistance for its member firms.

- ◆ Training: Netforce will assess training needs of members and establish a schedule for specialized training in different activity areas and professional categories. Language training (French/English) is also a priority.
- ◆ Quality Control: Netforce is currently developing quality control guidelines and a quality monitoring and evaluation system for member firms.
- ◆ Needs Assessment: Netforce will identify client needs through regional level studies (e.g., effects of the devaluation). It will respond to these needs by offering its services for feasibility studies, enterprise evaluation, enterprise restructuring and training.
- ◆ Funding: Netforce operating expenses will be financed through member contributions to meet recurring costs.

Netexport

Network exporters met in December 1994 and February 1995 to create an export trading company, known as Netexport, whose purpose is to "create the dynamics and encourage synergy among its shareholders the partners in order to ensure the production, processing and commercialization of African products". Shareholders contribute FCFA 500,000, either on their own behalf or on behalf of the company they represent. The objectives of the company are to:

- ◆ develop trade among member countries in the subregion;
- ◆ identify obstacles to regional and international exports;
- ◆ undertake advocacy initiatives to eliminate identified obstacles;
- ◆ establish overseas contacts and identify markets; and
- ◆ create a practical, prompt and reliable information system concerning regional and international markets.

Netexport is the primary end-user of the products of the Information Center (see below). Its members have agreed to participate in the collection of relevant regional trade data and the review and critique of the monthly WAEN trade flashes, in order to ensure the accuracy, usefulness and timeliness of the trade information being circulated.

Financial sector

Financial sector professionals met in Dakar in March 1995 to develop a work program, which focuses on four objectives:

- (1) increase savings mobilization in Network member countries through:
 - identification of sources of international funds for private sector investment;
 - identification and networking with private sector investment promotion agencies;
 - identification of sources of domestic funds for private sector investment;
 - design of mechanisms to mobilize savings; and
 - lobbying government for policy changes to promote savings.
- (2) facilitate access to medium and long term credit through:
 - design of local vehicles to channel credit for private sector investment;
 - informing members of credit lines within the Enterprise Network, ADB, etc.;
 - creation of a West African Enterprise Fund.
- (3) provide support to local enterprises through:
 - identification and assisting in linkages with sources of business and technical advisory services; and
 - creating network mechanisms to exchange expertise/experience.
- (4) promote better identification of local projects and entrepreneurs through:
 - development of a referral system among Networks and other private sector groups;
 - creation of a Network database of projects;
 - organization of investment seminars (matchmaking).

The subnetwork will focus on five activities of short term priority:

- ◆ create a Network database on external sources of funds, business advisory services and adapted laws and regulations favoring private sector investment;
- ◆ develop a model for Network Investment Club, proposing level of contributions, project identification criteria, types of investment, legal status, management support, performance criteria, etc.;
- ◆ consolidate subnetwork membership;
- ◆ identify subadvisors to the West African Enterprise Fund, responsible for drafting country

economic profiles and assisting with project identification and evaluation;

- ◆ initiate lobbying initiative with BCEAO to modify regulations concerning creation of non-bank financial institutions.

A medium term objective is the organization in 1996 of an investment seminar to introduce institutional investors to Network projects.

1995 Strategic Action Plan

The Assembly of Coordinators approved the following mission statement for the regional network: “to promote the development of a network of business men and women in West Africa who are motivated and capable of carrying out actions aimed at improving the business environment and at developing cross border trade and investment.” The strategic action plan (included as **Annex 4**) is intended to support the achievement of that mission. The plan identifies three strategic objectives for 1995:

- (1) create a regional identity for the Enterprise Network of West Africa and ensure its long term sustainability;
- (2) promote the improvement of the business climate in each of the member countries of the Enterprise Network of West Africa; and
- (3) promote cross-border trade and investment in the Network member countries.

The three primary activities called for under the action plan for 1995 are:

- a. Creation of a **Regional Information Center** in Accra, Ghana.

The Regional Information Center is intended to centralize documentation on regional and bilateral trade protocols and national codes, laws and regulations related to taxation, customs and business creation and operation, and to provide up-to-date trade information on products and services in the sub-region, including data on supply and demand, costs, distribution and transportation.

A feasibility study was carried out in January 1995 to determine the information needs of

Network members, with emphasis on trade information on regional and international markets. The study also evaluated the telecommunications requirements for a functional, cost-effective e-mail system linking all the national networks to a central communications hub in Ghana. A one-person office has been set up in Accra and collection of documentation has begun.

b. **Comparative advantage study of five agricultural products** in the region

The objective of the study is to evaluate the competitiveness of products for regional trade, from a financial and economic point of view. For each of five regional products, the circuit from producer to end-consumer is being examined, recording for each intermediary the financial costs (market prices fixed by supply and demand) and the economic costs (including subsidies and taxes). After calculating costs and analyzing bottlenecks, the comparative advantage is obtained for that product. Networks will use this information to urge governments to improve the operation of the distribution circuit. The five products chosen for the study are potatoes from Guinea to Senegal, garlic from Chad to the coast, poultry from Ghana to the Sahel, pineapples from Cote d'Ivoire to Senegal and corn from Benin to Nigeria.

The research is being conducted by members of the Network in collaboration with experts from AIRD. The results of the survey will be presented at a regional conference and conclusions regarding trade potential in the region and required advocacy for policy reforms will be drawn.

c. **Organization of a conference to address obstacles to regional trade.**

The Network organized a conference in Accra in November 1995 to examine three sets of obstacles which hamper cross-border transactions in the formal sector. Those obstacles are:

- monetary transfers among countries in the region;
- lack of harmonization of custom barriers;
- inefficient road, rail, maritime and air transportation.

Since President Rawlings is the current head of Ecowas, the Network requested that the Government of Ghana support the conference. A working paper on each of the three obstacles is being prepared by the conference Steering Committee. The objective of the three days of deliberations by the conference working groups is to produce an Enterprise Network Platform of policy reforms to be used with regional and national institutions and leaders to advocate change to enhance regional trade.

Regional Network sustainability and financial plan

Network members adopted the following financial principles for the regional budget:

- ◆ Network members will cover the recurrent costs (operating expenses) for the Regional Network.
- ◆ Donor funding will be sought for defined activities, as of 1995. The Network will co-finance any activity which receives donor funding.

The estimated annual regional budget covers the following:

- ◆ operation of the regional headquarters office
- ◆ salary of the Network's Administrative Director
- ◆ communications to and from the Information Center, using email linkups wherever possible
- ◆ publication of a monthly Trade Flash
- ◆ publication of four bilingual editions of The Networker.

The estimated cost is \$36,000 per year, representing a \$3,000 contribution per network. Regional network products may be used by the national networks for income generation, which would offset a portion of their contribution locally. For example, national networks could generate income from the sale of subscriptions to The Networker in their country and could charge user fees for access to the Information Center.

Preliminary Lessons Learned from the IPC Intervention

As distinct from other IPC interventions, the West African Enterprise Network activity focuses on the creation and subsequent development of private organizations involved in policy **reform advocacy**, rather than policy formulation or implementation. Further, the intervention involved not only a

multiplicity of stakeholders, but also a multiplicity of policy areas and countries. Thus, while several of the lessons learned are similar to those learned from other IPC projects, many are unique to the Network initiative. Lessons below are divided into four categories: those relating to the policy reform advocates, to the process approach, to the role of strategic management and to the role of outsiders in the policy reform process.

Policy reform advocates

The following six factors or conditions appear to contribute significantly to the policy reform advocacy successes of the individual national networks and the regional network.

1. Presence of a policy reform champion

In every national network and on the regional level, the policy reform mission is strengthened when a strong, articulate policy champion is present. In the Network experience, at critical junctures in general assembly debates on policy issues and related resource allocation, interventions by respected policy champions have served to redirect the discussion and win the day for the policy reform initiative.

2. Adapting the advocacy organization to the needs and motivations of its membership

In creating and developing any new organization with voluntary membership, it is important to pay careful attention to those elements that galvanize members in order to maintain their interest and involvement. This is particularly true in communities with little history of structured private collective action. In a new organization, achieving the right blend of objectives and activities to appeal to the largest number of members-- even within a group whose membership is considered relatively homogenous-- requires a flexible approach to agenda setting. The Network activity, which was clearly recognized by donors, technical assistance personnel and policy advocates as an experimental initiative, provided a flexible implementation framework that permitted a trial and error approach to the definition of the Network purpose and objectives.

While Network members agreed on the dual mission of the Network, i.e., to pursue policy reform initiatives favorable to private sector economic growth; and to promote cross-border trade and investment, there was not general agreement on the balance between the two.

Some members are fully committed to the reform process, maintaining that without an adequate enabling environment there will be no economic growth. Other members maintain that while the Network should contribute to policy dialogue, the Network's true value added is its capacity to enhance deal-making among members, both nationally and regionally. These two factions were becoming increasingly confrontational until a middle ground emerged.

This middle ground where the interests of both groups converge are the professional subnetworks. Bringing together professionals from a same subsector provides members with an opportunity to develop business ventures **and** to study and debate policy issues relating to their specific subsector. The subsector policy issues and recommendations can be fed upstream to the regional network for their broader policy lobby.

By providing a two-tiered regional organization-- the first tier being the regional general assembly with a broad policy mandate and the second tier being the various professional subnetworks with a subsectoral focus-- everyone finds at least one niche in which he or she receives a sufficient return on investment.

3. Access to information on policy environments and policy change

There is very little information readily available to policy reform advocates in West Africa on the policy environment in the developed world and on successful reforms in the developing world. Network members agree that the ability of the IPC project to provide information on policy models or reforms in both the developing and the developed world is of very great value to them. Information provided, for example, on the privatization of pension plans in Chile, along with information on how the system operates and what its benefits are in the U.S., has been used by Networks in five countries to advocate reforms in national pension plan administration and investment. Other instances where the project responded to information needs of Networks include case studies on business impact assessment policy, bankruptcy law and tax incentives for export promotion.

Sample policy position papers, illustrating the types and presentation of technical data and the formulation of supporting arguments, have proven very useful to Network members, along with case studies of successful advocacy and lobbying groups in other parts of the world, including the Keidanren in Japan, the

U.S. National Federation of Small Businesses, Legislative Advisory Services in Poland, the Institute for Liberty and Democracy in Lima, Peru.

4. Building the advocacy organization from its grass roots

For the advocacy organization to succeed, grass roots elements of the organization must drive the agenda, rather than the top driving the base or, worse yet, the donors driving the entire activity. When the Network was originally conceived, the donor-designated members of the initial steering committee proposed a very formal, high budget regional advocacy organization, to be based in Cotonou, housed in a high rise office and equipped with vehicles and computers. Fortunately, this idea, which would have created yet another unsustainable regional bureaucracy, was abandoned and subsequent efforts to build a regional advocacy organization were redirected to the grass roots, i.e. the individual national networks, on the premise that a solid base would make for a more cohesive and meaningful regional network.

Another proof of the need to build from the bottom up rather than from the top (donor) down is the rejection of the donor-designated national representatives by the local networks once the latter began electing their leadership. For the Enterprise Network, ensuring that the base is regularly consulted and on board as far as regional initiatives are concerned is the only way to continue to sustain the regional organization, particularly since its recurrent costs are funded solely from national network contributions.

5. Need for African role models

The quarterly regional meetings of the Network coordinators facilitates the exchange of information on network initiatives and the emergence of a certain number of role models among the networks. There is now, in fact, a hierarchy of role models, with Ghana leading the group, followed by a second tier of networks which attempt to replicate many of the Ghanaian initiatives, followed by yet a third tier of networks working to catch up to the second tier. This type of internal competition and role modeling is healthy and productive. The fact that the main Network role models are from other countries in the subregion, rather than an abstract example from Southeast Asia or Latin America, strengthens the resolve of the weaker networks to persevere in their efforts since they have seen that progress can indeed

be achieved in West Africa by entrepreneurs like themselves.

6. Liberalized political environment

The political environment plays a significant role in the relative success of the various networks. The existence of the political will to dialogue with the private sector and to work in partnership for economic growth is a definite factor in the success of the Ghanaian, the Malian and the Senegalese networks where members have a close and continuing relationship with senior government officials. A more open political environment also allows a freer flow of information in the press and on television and radio, and encourages interaction between the private sector and the other branches of government, notably parliament and its technical committees.

Process approach

1. Importance of a "hands off" facilitation approach by the technical assistance to ensure ownership of the advocacy agenda

Since the Network members were entirely new to the advocacy process, the temptation was to allow the technical assistance team to assume responsibility for design and implementation of the reform agenda. Using a process approach pushed the networks to assume ownership and to produce results on their own in the interval between IPC visits. The approach also made the transition from external assistance to African management much smoother on the regional level.

2. Importance of a high degree of flexibility in the process

Use of various intervention methods, from workshops to studies to conferences to individual meetings, and the ability and willingness to correct mistakes are critical in innovative, experimental policy reform initiatives. In the Network activity, both the Network members and the IPC technical assistance team have been on a learning curve. When proposed structures did not fit, or certain actions lacked broad-based support, Network members and the TA team have been able to change tack and try a new approach. Cases in point include the mode of election of the Executive Committee, the design of the Information Center, and the creation of the professional subnetworks.

3. Importance of not phasing out external support too quickly

Despite the inclination by donors to assume that support is no longer needed once a method has been transferred, Network members have insisted on the need to maintain external support over a sufficiently lengthy period to ensure that the Network has fully taken root and that the requisite level of mutual trust among members is achieved. In a context where secrecy and mistrust among private sector operators had been the rule, particularly between francophone and anglophone countries, breaking down those barriers takes time. Network members acknowledge that a neutral, third party can play a key role in resolving internal conflicts and clarifying options. This role can be progressively assumed by the Network leadership, as members begin to know each other better and to build business and personal relationships. The Network members have specifically requested some level of external support through 1997, which represents a five-year period from the date of creation of the first networks.

Usefulness of strategic management approach

1. Strategic management provides a framework and a process for advocacy

Network members concur that use of the strategic management process allows them to better define their specific mission and objectives, to realistically plan for financing and implementing the reform agenda, to periodically track progress and modify the plan, and to employ an advocacy strategy adapted to the external environment and to their internal strengths and weaknesses. In their comments on the Network workshops on strategic management and advocacy, members have stressed that the greatest benefit derived from the training program was assimilation of a systematic approach to advocating change.

2. In the strategic management tool box, stakeholder analysis is the hammer

Network members agree that, when working through the strategic process, stakeholder analysis enabled them to more sharply define their advocacy strategies based on the identification of allies and opponents and their specific vested interests in the proposed reform. Stakeholder analysis shifts the Network's perspective from an internally-oriented one to an external one where all key players are analyzed. When time is short on periodic TA visits, this tool is probably the best for introducing a strategic perspective.

3. The strategic management process forces a more results-oriented agenda.

By carefully following the strategic management process, particularly the evaluation of organizational strengths and weaknesses, Network members are forced to reflect on how their action plan should be designed to ensure they achieve a limited number of practical, concrete objectives. A realistic plan which produces some measure of change is critical to the Network's credibility, both within and without.

Role of outsiders

1. IPC can be used as an organizing impetus for advocacy organizations

Without the IPC intervention, it is probable that no West African Enterprise Network would exist today. The IPC technical assistance team was responsible for initiating contacts in each Network country to gauge the interest in the creation of a Network. IPC also initiated the organization of the regional meetings that brought Network coordinators together to discuss policy reforms and share ideas and experiences. IPC liaison with donors and other external investors and agencies has increased the Network's visibility and confidence. Although ownership of the policy reform agenda belongs to the Network members, IPC assistance was instrumental in getting the advocacy organization off the ground and in fostering its development in its early stages.

2. The donor community can provide important, **non-financial** assistance to the Networks by opening doors and serving as an information broker

Donors can provide a very useful service to the Networks by opening doors for them in the community. As was clearly demonstrated in Ghana, Mali and Senegal, donor "moral support" strengthens network credibility vis a vis government officials and state agencies. For their part, donors have begun to recognize that they must work more closely with groups from civil society if their policy reform proposals are to be effective. AID and the World Bank regularly consult the Networks in Ghana and Mali to advise on means of reinvigorating the private sector.

A second useful role donors can play is that of information broker. Donors have access to statistics, specialized studies and cases and library resources which are very useful to Networks in their efforts to determine policy options and elaborate position papers.

3. Donors disserve local organizations when they attempt to drive the agenda or provide funding that exceeds the absorptive capacity of the organization

Donors have traditionally driven the agenda of the development projects which they have funded. However, external intervention in setting the agenda for an organization like the Network would be fatal to its sustainability. Since the advocacy burden falls on the shoulders of Network members, all of whom

volunteer their time, members must have a very strong sense of ownership of the reform agenda.

Donors also like investing in success stories. In the case of the Network, donors were prepared to invest significant sums in the network which it could not have absorbed effectively. The Network Executive Committee, in conjunction with the TA team, intervened to lower the expectations of the donor community to a level that the Network could meet.

ANNEX 1. LIST OF ACRONYMS

ABR	African Business Roundtable
ADB	African Development Bank
AFR/ONI	Africa Bureau, Office for New Initiatives
AFR/SD/PSD	Africa Bureau, Sustainable Development, Private Sector Development
AFR/WA/RP	Africa Bureau, West Africa, Regional Programs
AID or USAID	US Agency for International Development
BCEAO	Central Bank of West Africa
BOA	Bank of Africa
BOAD	Banque Ouest-Africaine de Développement
CFA	Central and West African Franc (Communauté Financiere en Afrique)
CFD	Caisse Française de Développement
CIAN	Conseil des Investisseurs en Afrique Noire
CIDA	Canadian International Development Agency
CILSS	Comité Permanent Inter-Etats de Lutte Contre la Sécheresse dans le Sahel
CNP	National Employers' Federation of Senegal
ECOWAS	Economic Community of West African States
EEC	European Economic Community
EU	European Union
FCFA	CFA francs
G/DG	Global Bureau, Center for Democracy and Governance
GDP	Gross domestic product
GIPC	Ghana Investment Promotion Center
IFC	International Finance Corporation
IMF	International Monetary Fund
IPC	Implementing Policy Change Project
IS-NET	WAEN subnetwork for industrialists
ISTA/ITA	Institut Supérieur de Technologie Appliqué/Institut de Technologie Appliqué
MOF	Ministry of Finance
NETEXPORT	WAEN subnetwork for exporters
NETFORCE	WAEN professional association of accountancy and auditing firms
NGO	Non-governmental organization
OECD	Organization for Economic Cooperation and Development

SSNIT	Ghanaian National Social Security
SWOT	Strengths, weaknesses, opportunities and threats
TA	Technical assistance
UEMOA	West African Economic and Monetary Union
UNDP	United Nations Development Programme
VAT	Value-added tax
WAEN	West African Enterprise Network

ANNEX 2. STRATEGIC ACTION PLAN: THE ENTERPRISE NETWORK OF GHANA

OBJECTIVES/ACTIONS	RESPONSIBILITIES	DEADLINES
I. IMPROVE DIALOGUE WITH THE STATE		
COORDINATOR: CHARLES QUIST		
1. Review the role and influence of key parliamentarians and other stakeholders in Government, in context of new institutional structures	Charles Quist	March 1994
2. Promote and pass the Private Sector Impact Bill <ul style="list-style-type: none"> a. Circulate draft bill to Obeng/MOF b. Propose implementation plan c. Lobby parliamentarians 	Ken Ofori-Atta	April 94-Dec. 1995
3. Sustain Network influence within the Private Sector Round	Afare Donkor	On-going
4. Develop strategic alliances and hold quarterly meetings with associations/donors	George Prah	On-going
5. Publish monthly "Flash" on Network activities	Reginald Laryea/	Dec. 1994
6. Organize two dinner-debates on key reform issues in 1994 and again in 1995	Kwarme Nyantekyi	May/Sept. 1994/95
7. Select and utilize applicable influence mechanisms of the Japanese Keidanren	Charles Quist	July 1994
8. Improve advocacy and association management skills through USAID/IPC resources	Charles Quist/D. Orsini	Sept. 1994/July 1995
9. Collect, analyze and disseminate information on key reform issues	Kwame Nyantekyi	On-going
II. PROMOTE FINANCIAL RESTRUCTURING OF ENTERPRISES		
COORDINATOR: KEN OFORI-ATTA		
1. Evaluate feasibility of creating an Investment Club for the Enterprise Network\	Ken Ofori-Atta	May-Dec. 1994
2. Propose a draft bankruptcy law to facilitate financial restructuring of heavily indebted enterprises (U.S. model Chapter 11)	Ken Ofori-Atta/ Fred Boadu	1995
3. Participate pro-actively in the design and implementation of the Business Fund and the Government's divestiture program	Nana Ben Addae	June-Dec. 1994
4. Create a database of all financial institutions and instruments in Ghana	Network Info. Officer	August-Dec. 1994
5. Promote specialized financial instruments in Ghana, including mutual funds and private management of SSNIT pension funds	Kwame Nyantekyi	On-going
III. IMPROVE COMPETITIVENESS OF GHANAIA FIRMS		
COORDINATOR: KWAME NYANTEKYI		
1. Promote partnerships and foreign direct investment in Ghana, including publication of an Investment Guide on Ghana, working with GIC	Kwame Nyantekyi	July 1994
2. Develop a central database of regional trade opportunities for the Network	George Prah	Dec. 1994-June 1995
3. Collect studies and carry out new research on informal capital mobilization	Sulley Gariba	Oct. 1994
IV. FOSTER NATIONAL ENTREPRENEURSHIP DEVELOPMENT		
COORDINATOR: REGINALD LARYEA		
1. Initiate a Business Forum and endow a Chair of Business at the University of Ghana at Legon	Reginald Laryea	Dec. 1994
2. Develop/circulate publications: Business Leaders in Ghana, Network Directory, The Networker	Network Info. Officer	On-going
V. ENSURE NETWORK SUSTAINABILITY		
COORDINATOR: GEORGE PRAH		
1. Establish membership criteria and a membership fee of \$250 per annum increase membership based on criteria	Georg Prah	May 1994

OBJECTIVES/ACTIONS**RESPONSIBILITIES****DEADLINES**

- | | | |
|--|-----------------|------------------|
| 2. Register the Network as an NGO, to allow it to join the Private Enterprise Foundation and secure premises at same | George Prah | Dec. 1994 |
| 3. Recruit a university graduate to serve as the Network Information Officer to handle Network publications and collect data/studies | George Prah | Jan. 1995 |
| 4. Organize two televised debates between government and private sector | Reginald Laryea | August/Nov. 1994 |
| 5. Establish and maintain contact with EEC officials and U.S. Congressmen | Ken Ofori-Atta | On-going |

ANNEX 3. 1994 Action Plans for the National Networks

BENIN:

1. Improve competitiveness of Beninese firms

- Conduct a study of possible measures designed to reduce factor costs (electricity, telephone)
- Promote the creation of industrial parks and a Free Trade Zone
- Organize a national seminar "Business Opportunities following the CFA Devaluation"
- Revise the Investment Code to accelerate approval of investment incentives
- Advise local firms on means of converting from import to export activities
- Organize a seminar on contract negotiation and dispute arbitration

2. Improve the image of private enterprise in Benin

- Improve the image of private enterprise and the entrepreneur, through radio/television programs, seminars, conferences, and an Entrepreneurship Prize awarded by the Ministry of Commerce
- Maintain leadership role in implementation of recommendations following the Private Sector Roundtable

3. Facilitate access to financing

- Create specialized guarantee mechanisms

4. Foster national entrepreneurship by providing direct support to local firms

- Canvass training needs of private sector organizations, with emphasis on advocacy
- Create a databank of business opportunities for national and regional projects

5. Ensure long term sustainability of Benin Network

Enlarge membership to twenty persons and reinforce sectoral balance
Register the Network as a non-governmental organization

BURKINA FASO:

1. Increase competitiveness of Burkinabé enterprises

- Organize debates on economic development, emphasizing the need for competitiveness in the context of the CFA franc devaluation
- Evaluate ways of making better use of local resources by inventorying resources and suppliers, evaluating price differences, suggesting improvements in methods of sourcing, contracting, distribution and payment

2. Improve dialogue with the State

- Establish dialogue with State agencies involved in policy decisions affecting the private sector (Tax and Customs Service, Min.of Finance)
- Develop direct lobbying techniques and improve advocacy skills of the Network through workshop

3. Improve access to financing

- Create a private sector-owned investment bank: mobilize resources, market the concept, seek support from the ADB and the BOAD
- Develop mutual guarantee facilities and inform entrepreneurs of their existence
- Create a Network Investors' Club

4. Improve the image of the Burkinabé entrepreneur

- Improve Network access to and analysis of information to allow it to take an informed stand on policy issues with government
- Recognize outstanding entrepreneurial effort (e.g. Network prize for the best student project; gala to recognize Entrepreneur of the Year)

5. Ensure the sustainability of the Network

- Provide member services in response to members' needs, e.g. management training and creation of a databank on business opportunities
- Increase the Network's financial resources by establishing a monthly fee and organizing fee-based activities, such as dinner debates
- Expand membership to twenty persons
- Formalize network legal status as non-profit association

CHAD:

1. Improve dialogue with the state

- Publicize Network activities via television, radio and newspapers
- Organize a conference/debate to discuss issues of public policy and invite Executive Committee member Abdoulaye Ndiaye
- Establish regular contacts with the Ministries of Plan and of Commerce

2. Improve competitiveness

- Work with the French Development Agency to organize training workshops on increasing competitiveness
- Organize a workshop on trade in Arabic gum

3. Increase national entrepreneurship

- Assess and respond to common training needs

4. Ensure sustainability of the Network

- Expand Network membership to 20 persons
- Formalize the Network as an association in 1995
- Institute a monthly membership fee

COTE D'IVOIRE:

1. Foster national entrepreneurship

- Pursue study of privatization of State-owned assets to Ivorian nationals (rubber plantation case)
- Carry out an assessment of subcontracting possibilities between multinational firms and smaller Ivorian firms and implement the same through the creation of a Network-sponsored NGO

2. Ensure the sustainability of the Network

- Increase membership to 20 persons
- Establish strategic alliance with Federation of Industrialists of Cote d'Ivoire to create a Network-sponsored NGO designed to identify and offer subcontracting opportunities to smaller Ivorian firms

GAMBIA:

1. Improve dialogue with the state

- Lobby for a right of review with Parliament of proposed legislation which affects the private sector

2. Increase access to finance

- Launch an initiative to develop capital markets in the Gambia
- Work with the Ministry of Finance to create new financial instruments
- Create a Network Investment Club

3. Improve competitiveness of Gambian firms

- Institute a comprehensive system of commercial law, beginning with the assessment of existing investment legislation and incentives

4. Ensure the sustainability of the Network

- Expand network membership to 20 in 1994

GHANA:

1. Improve dialogue with the State

- Review the role and influence of key parliamentarians and other stakeholders in Government, in context of new institutional structures
- Promote and pass the Private Sector Impact Bill, now in draft
- Sustain Network influence within the Private Sector Round Table
- Develop strategic alliances and hold quarterly meetings with other associations and donors
- Organize two dinner-debates on key reform issues in 1994
- Select and utilize applicable influence mechanisms of the Japanese Keidanren
- Improve advocacy and association management skills through USAID or IPC resources
- Collect, analyze and disseminate information on key reform issues

2. Promote financial restructuring of enterprises

- Create an investment advisory club for the Enterprise Network
- Propose a draft bankruptcy law (U.S. model Chapter 11)
- Create a database of all financial institutions and investments in Ghana
- Promote specialized financial instruments in Ghana, including mutual funds and private pension funds
- Participate in design and implementation of the Business Fund and the Government's divestiture program
- Create a West Africa Fund to be managed by national investment advisors drawn from Network members

3. Improve competitiveness of Ghanaian firms

- Promote foreign direct investment in Ghana, including publication of an Investment Guide on Ghana
- Develop a central database of regional trade opportunities for the Network
- Collect existing studies and carry out new research on informal sector capital mobilization and cross-border trade

4. Foster national entrepreneurship development

- Initiate a Business Forum and endow a Chair of Business at the University of Ghana
- Develop/circulate publications: Business Leaders in Ghana, Network Directory, The Networker

5. Ensure Network sustainability

- Register the Network as a non-profit company, to allow it to join the Private Enterprise Foundation
- Establish membership criteria and a membership fee of \$250 per annum, increase membership based on criteria
- Recruit a university graduate to complete the Network publications

GUINEA:

1. Improve dialogue with the State

- Analyze obstacles to dialogue with the State, develop an advocacy strategy
- Form strategic alliances with the Chamber of Commerce and the Employers' Federation
- Develop contacts with key government commissions, including Economic and Financial Coordination Committee, Nat'l Investment Commission, Office of Promotion of Private Investment, National Assembly

2. Improve access to credit

- Analyze existing financial instruments and their accessibility
- Establish a joint private sector/banking consultative group to discuss issues
- Implement a training workshop for the private sector on banking operations
- Monitor application of regulations on property rights, mortgages and liens
- Lobby for the creation of a Studies and Technical Assistance Fund, Guarantee Fund and an Investment Bank

3. Improve the image of the private sector

- Publish articles on entrepreneurship
- Organize television and radio broadcasts
- Select an "Entrepreneur of the Year" using management/social criteria

4. Improve competitiveness of Guinean firms

- Assess problems encountered by private operators at the Port of Conakry (e.g., security, cost, labor monopolies, docking services)
- Establish a quality control commission to make recommendations for operational improvements at the Port
- For the Regional Network, draft a simplified Manual of Ecowas Protocols

5. Ensure sustainability of the Network

- Formalize the Network as an NGO before 1995
- Expand membership to 30 persons with increased attention to sectoral representation

MALI:

1. Improve competitiveness of Malian enterprises:

- Organize a televised debate to demonstrate the positive effects of the devaluation, using case studies, and to propose policy measures

- Monitor the impact of the devaluation on the private sector and propose new policies and incentives to spur economic development
 - Draft legislation to remove the minimum tax on turnover
 - Conduct seminars on business law/management and obtain video cassettes on competitiveness for members of the Network
- 2. Facilitate access to finance for private enterprises**
 - Assess the feasibility of creating a venture capital company, including local demand for venture capital and potential legal structures
 - Draft a proposal to create a venture capital firm, obtain feedback from the private sector, government and donors; implement revised plan
 - 3. Improve dialogue with the State**
 - Meet monthly with the presidents of the National Assembly and the Parliamentary Finance Committee
 - Organize an annual dinner-debate with the heads of the Government's Central Services on improving public/private sector relations
 - Organize a trip to Accra for the Malian Minister of Finance to meet the Ghanaian Enterprise Network to discuss policy reform
 - 4. Ensure the sustainability of the Network**
 - Develop an internal databank on business opportunities for members
 - Establish an annual Network budget and assess member dues
 - Organize periodic meetings with donor agencies to keep them informed of Network activities and to provide input to donor project design

NIGER:

- 1. Improve dialogue with the State**
 - Meet with key government officials to explain Network mission and objectives
 - Establish regular briefings with Ministries of Finance and Plan
- 2. Increase access to finance**
 - Prepare and disseminate a study on means of instituting a mutual guarantee fund in Niger
 - Meet with local banks to discuss their criteria for bankable projects
- 3. Improve the image of the private sector**
 - Organize national Private Sector Week
- 4. Ensure the sustainability of the network**
 - Expand membership to 30 persons in 1994
 - Create sectoral balance among members

NIGERIA:

- 1. Improve dialogue with the State**
 - Maintain contacts within civil society and government related to provisions of draft constitution
 - Plan with other pro-democracy groups for a conference on Cooperation and the Democratic Process in a Multi-ethnic Environment
- 2. Facilitate financial restructuring of private enterprise**
 - Assist in setting up the Commodities Exchange
- 3. Ensure the sustainability of the Network**
 - Register the Network as an NGO
 - Expand membership

SENEGAL:

- 1. Foster national entrepreneurship by creation of new enterprises and the strengthening of existing firms**
 - Create an Investment Club: develop databank of projects, mobilize resources among members, take equity positions in new/existing firms, evaluate ways of using ISTA/ITA research for industrial projects, create an Investment Newsletter or investment section in The Networker
 - Improve management/technical skills of Network by training conducted by Network members

- Improve the image of the entrepreneur by offering prize for outstanding entrepreneurship and organizing student internships in firms
- 2. Improve competitiveness of Senegalese products**
 - Create a databank of potential national and regional business opportunities
 - Training of members in quality standards
 - 3. Facilitate financial restructuring of private enterprise**
 - Analyze the feasibility of creating a Mutual Guarantee Fund
 - 4. Improve dialogue with the State**
 - Improve Network skills in lobbying through training sessions
 - Establish strategic alliances with parliamentarians and donors
 - 5. Ensure sustainability of the network**
 - Formalize the Network as a non-profit association
 - Organize editorial committee to produce The Networker in Dakar

ANNEX 4. STRATEGIC PLAN FOR THE REGIONAL ENTERPRISE NETWORK
October 1994 - December 1995

MISSION: Promote the development of a network of business men and women in West Africa who are motivated and capable of carrying out actions aimed at improving the business environment and at developing cross-border trade and investment.

Strategic Objectives:

I. Create a regional identity for the Enterprise Network of West Africa and ensure its long term sustainability

1. Planning and Organization

1.1 Establish a work program for 1995 identifying specific activities to support the national networks in achieving their objectives and to make the Enterprise Network known in the region and externally
 Proposal by Executive Committee/
 Approval by Coordinators Executive Committee/T.A. October 1994

1.2 Organize quarterly meetings of the National Coordinators. Each country will be represented by a 2-person delegation, including the National Coordinator.
 Dates and locations for 1995 Executive Committee October 1994
 Checklist for meeting organization T.A. team December 1994
 Agenda and Invitations Executive Committee/T.A. February 1995
 Logistics Host country coordinator February 1995
 Transfer of responsibility to Network Executive Committee March 1995

1.3 Organize a regional conference every two years to take stock of the accomplishments of the Network:
 Planning Executive Committee August 1995 – January 1996
 Implementation Executive Committee February 1996

2. Financing

Preparation of an operating budget for Regional Network Executive Committee/T.A. November 1994
 Estimate of potential 1995 revenue from Network services Executive Committee/T.A. November 1994
 Estimate of contributions from Nat'l Networks Executive Committee/T.A. November 1994
 Identification of donor funding potential Executive Committee/T.A. October – November 1994
 Proposed financial plan Executive Committee/T.A. December 1994
 Budget control and reports to Coordinators Executive Committee/T.A. 1995
 Ongoing identification of funding sources Executive Committee/T.A. 1995

3. Create a Regional Network Information Center

Create an information center in Accra which will service member Networks, including information on legal/regulatory codes and studies, regional trade, investment, exports, taxes, financial instruments, factors of production, comparative advantage, privatization and donor projects.

Study of information needs T.A./Executive Committee January 1995
 Collection of codes and studies T.A./Executive Committee January - March 1995
 Equipment purchase T.A./Executive Committee March 1995
 Installation of Center in Accra T.A./Executive Committee April 1995

4. Publication of Documents

4.1 Publish a brochure describing the mission, objectives, members and activities of the Regional Network

Draft	T.A. Team	December 1994
Review and Approval	Executive Committee	December 1994
Printing and distribution	T.A. Team	January 1995

4.2 Publish and periodically update a Regional Enterprise Network Directory

1994 update	T.A. Team	December 1994
1995 update	Documentation Center	June 1995

4.3 Publish the quarterly Network newsletter "The Networker" in Senegal, in order to disseminate information on Network activities, business opportunities and changes in the business environment in West Africa

Nomination of Editorial Committee	Coordinators	November 1994
Production checklist	T.A. Team	December 1994
Selection of an Editor	Executive Committee	December 1994
Network Agreement on Articles/Ads	Coordinators	December 1994
Marketing strategy for Networker	T.A./Editor	February 1995
Network production of March edition	Editor/Editorial Comm.	January - March 1995

5. Information dissemination to external partners

Assure periodic contact with external partners, including donors (USAID, Club du Sahel, World Bank, EU, ACDI, CFD, etc.), regional institutions (ADB, CILSS, UEMOA, ECOWAS), financial institutions in the region (Meridien, IFC, BOAD, BOA, etc.), African and offshore investors (ABR, West Africa Committee, U.S. Corporate Committee for Africa, Chamber of Commerce of Paris, CIAN).

Mailing list	T.A. Team	December 1995
Distribution system	Executive Committee	February 1995
First Networker mailing by the Network	Senegal Network	March 1995

6. Support to the National Networks and Sub-Networks

6.1 According to demand, provide technical assistance as needed to the National Networks in strategic management, dialogue with government and donors, lobbying techniques and specific policy reforms

Technical assistance	T.A./Executive Committee	On-going
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6.2 Inform external partners of the existence and activities of Netforce; assist in identifying external experts

Organization	Marie Ba	October 1994
Information dissemination	Marie Ba/T.A. Team	December 1994
Identify experts	Marie Ba/T.A. Team	January 1995

6.3 Assist in the creation of a subnetwork of West African exporters

Proposal	Henri Gouthon/T.A.	October 1994
Constitution	Henri Gouthon/T.A.	Nov. 1994 – January 1995
Program and start-up	Henri Gouthon/T.A.	February 1995

6.4 Evaluate the possibility of creating a financial sector subnetwork

Evaluation	Ken Ofori-Atta	December 1994
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II. Promote improvement of the business climate in each of the member countries of the West African Enterprise Network

1. Analysis of successful initiatives to improve the business climate
 Analyze/disseminate information on successful initiatives throughout the world (policy/regulatory reforms) which promote private sector development (examples: Business Impact Act of the U.S., export promotion policy in Mauritius)

Choice of themes	Executive Committee/T.A.	January 1995
Collection of information	T.A./Documentation Center	February - March 1995
Dissemination of information	Documentation Center	April 1995

2. Comparative study of legal and regulatory regimes in West Africa
 Carry out a study of several selected legal/regulatory themes in order to draw conclusions regarding their impact on the development of a dynamic private sector; present the conclusions at a regional conference

Choice of themes	Executive committee/T.A.	December 1994
Terms of reference for study	Executive committee/T.A.	January 1995
Collection of info/conduct study	Doc. Center/Consultant	February - April 1995
Presentation of preliminary results	Consultant	March 1995
Approval of study	Coordinators	May 1995
Preparation of regional conference	Executive Committee/T.A.	March - Sept 1995
Implementation of conference in Accra	Executive Committee/T.A.	November 1995

3. Organize periodic regional and national workshops on advocacy techniques

Workshop prototype	T.A. Team	October 1994-January 1995
Periodic updates	Documentation Center/T.A.	February 1995 and on-going

III. Promote development of cross-border trade and investment in the member countries of the Enterprise Network

1. Obtain observer status for the regional network within ECOWAS and UEMOA

<u>ECOWAS:</u>		
Presentation document	Executive Committee/T.A.	December 1994
Letter of Introduction (Rawlings)	Executive Committee/T.A.	May 1995
Meeting with the ECOWAS Secretariat	Executive Committee/T.A.	May 1995
Observer status obtained	Executive Committee	November 1995
<u>UEMOA:</u>		
Meeting with UEMOA officials	Executive Committee/T.A.	August 1995
Strategy for cooperation	Executive Committee/T.A.	September 1995
Observer status obtained	Executive Committee	December 1995

2. Carry out or participate in studies on comparative advantages of products in the subregion for regional trade

Terms of reference	Executive Committee/T.A.	December 1994
Analysis of existing data	Consultant	January-March 1995
Choice of products/countries to study	Exec. Committee/Consultant	March 1995
Study	Consultant	April-September 1995
Presentation of results to Coordinators	Consultant	November 1995

3. Create a data bank and a dissemination system within the Documentation Center on issues relative to regional trade (including information on products, prices, factor costs, distribution channels, means and costs of transportation, technologies being utilized and sources of financing)

Terms of reference for a design study	Executive Committee/T.A.	December 1994
Carry out study (questionnaires and visits)	Consultant/Exec. Committee	January - February 1995
Presentation of conclusions	Consultant	March 1995 (Coordinators'

Equipment purchase	Executive Committee/T.A.	Meeting)
Information gathering and subscriptions	Documentation Center	March 1995
Start-up of dissemination system	Documentation Center	March-May 1995
		June 1995
4. Information dissemination on regional trade and investment		
4.1 Collect/disseminate information on new financial instruments/institutions e.g. investment banks, venture capital, stock markets		
Information gathering	Executive Committee/T.A.	January-March 1995
Dissemination	Documentation Center	April 1995
4.2 Develop and distribute a simplified manual of ECOWAS trade protocols		
Draft	Ismael Diakité	Oct. 1994 - September 1995
Review	Executive Committee/T.A.	November 1995
Dissemination	Documentation Center	December 1995
4.3 Organize workshops on issues of common interest to traders, e.g, packaging, transportation, quality control, and procurement management		
Survey of interest and training needs	Executive Committee/T.A.	February 1995
Workshop implementation	Executive Committee/T.A.	as of April 1995
4.4 Disseminate information to network members on meetings to promote regional trade (trade fairs, fora, seminars)		
Collect information for 1995	Coordinators	November - December 1995
Dissemination	Documentation Center	January 1995
5. Insure closer collaboration between private sector operators and research institutions in the subregion, such as IITA, ITA, INRAB and CRAT, for the purpose of increasing creativity and innovation among private enterprises		
Analysis of research institutes	A. Ndiaye/H.Gouthon	January 1995
Choice of a pilot institute and presentation	Ndiaye/Gouthon	March 1995
Program definition	Executive Committee	April 1995
Program start-up		

ENDNOTES

- ¹. A List of Acronyms is presented in **Annex 1**.
- ². Togo, the twelfth country, established its national network in June 1996 and has an application pending for membership in the regional network.
- ³. Network membership in each country ranges from 15 to 50 persons. Most networks require that prospective members be proposed by a current member and vetted by the general assembly. By maintaining a highly selective membership, Networks have achieved strong cohesion among members, offsetting the traditional lack of trust among entrepreneurs not of the same family or tribe. Most charter members of the networks remain very actively involved.
- ⁴. This may be explained by the fact that Benin has a membership that already has ready access to state officials and is being regularly consulted on policy issues in the context of a Private Sector Roundtable organized by the West African Development Bank. In Cote d'Ivoire, the political environment in 1993-1994, the year of Houphouet's death and the year following it, severely handicapped efforts at policy reform, even for the strongest of local organizations.
- ⁵. The "dinner-debate" format was the approach adopted by almost every Network as the best forum for public discussion of a sensitive policy issue.

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