

Data Sheet

USAID Mission:	Senegal
Program Title:	Private Enterprise
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	685-001
Status:	Continuing
Planned FY 2005 Obligation:	\$3,563,000 DA
Prior Year Unobligated:	\$0
Proposed FY 2006 Obligation:	\$3,793,000 DA
Year of Initial Obligation:	1998
Estimated Year of Final Obligation:	2006

Summary: This program seeks to increase private sector activity, especially that of small enterprises, by addressing key impediments to market-based growth in the areas of policy, finance, and business practices. Clients include female and male entrepreneurs, business associations, and financial institutions. The program includes 1) technical assistance to remove barriers to trade and investment; 2) training and technical assistance to improve enterprises' technical and managerial practices; and 3) technical assistance and training for increased commercialization of nontraditional agricultural and natural products. The program is increasingly targeting use of the African Growth and Opportunity Act (AGOA).

Inputs, Outputs, Activities:

FY 2005 Program: Increase Participation in Global Trade and Investment (\$500,000 DA). USAID will continue to assist the Investment Promotion Agency in its policy reform program to reduce the number and duration of steps needed to open a business in Senegal. USAID will assist in reducing the number of days it takes to conduct general formalities from 67 to 40 days, and will reduce the number of days required for operational formalities from 49 days to 20 days. USAID also plans to reduce barriers to trade by 1) providing focused training and marketing assistance to targeted subsectors such as hand-woven cloth, bissap (hibiscus), and services; 2) providing technical assistance to three subcommittees (services, environment, intellectual property rights) for the World Trade Organization (WTO) and other international trade negotiations; 3) conducting a second Investor's Roadmap study to assess progress made in reducing barriers to business creation; and 4) providing an investor's tracking system for Senegal's Investment Promotion Agency (APIX). Principal contractors, grantees, and agencies: Bearing Point, Foreign Investment Advisory Service and APIX (primes); and International Business Initiatives, International Intellectual Property Institute, and Manchester Trade (subs).

Increase Private Sector Growth (\$3,063,000 DA). USAID will build upon previous progress in improving services to businesses in selected sectors. Using the business development services (BDS) approach, USAID will contract with local firms for training and technical assistance in marketing, business planning, management, and production techniques to increase revenues of entrepreneurs in selected sectors by boosting their competitiveness. The BDS approach is one that seeks commercially viable solutions to obstacles in a subsector's value chain. The program will assist four major subsectors in market identification, training on norms and standards, and will create 250 jobs. USAID will also focus on public-private partnerships (PPPs) by providing training and technical assistance on improving institutional frameworks, creating PPPs, and PPP management techniques. The assistance will result in PPPs that leverage private capital in partnerships that can more effectively provide services. Principal contractor: Enterprise Works (prime).

USAID will continue to support technical assistance and technology transfer to promote profitable joint ventures between local communities and the private sector under the agriculture and natural resources management (AG/NRM) program, jointly funded with the local governance program. The program will provide support to 1,800 local associations, which include producer groups, women's groups, family-run businesses, and enterprises. Production and marketing will be strengthened for natural products (such as moringa, baobab, and gum mbep) and the cultivation and/or processing of nontraditional agricultural products (such as bamboo, palm oil and fonio). The program will conduct four market surveys of natural

products. USAID will extend these activities to include coastal resources such as shrimp harvesting in the Sine Saloum Delta. Principal contractors, grantees, and agencies: International Resources Group (IRG) and PA Consulting (primes); Winrock International, EROS Data Center of the U.S. Geological Survey, Cooperative League of the USA (CLUSA), and International Union for the Conservation of Nature (IUCN) (subs).

FY 2006 Program: Increase Participation in Global Trade and Investment (\$500,000 DA). USAID will continue to support Senegal's Investment Promotion Agency and other organizations working to reduce investment barriers. The program will reduce the time it takes to acquire land and develop services on development sites. To increase trade opportunities, USAID will continue to promote exports in key subsectors, especially through AGOA in hand-woven cloth, cashews, certain natural products, and processed agricultural products, and will encourage opportunities in telecommunications deregulation and investment. Same implementers as FY 2005 and others to be determined.

Increase Private Sector Growth (\$3,293,000 DA). To develop business skills USAID will continue to provide entrepreneurs with appropriate management and technical skills and will continue to strengthen economic growth-related PPPs. Another focus will be strengthening targeted productive sectors to increase production, value-added, and marketing opportunities. These efforts will be related to microfinance institution (MFI) products and AGOA and other trade initiatives. Principal contractors, grantees, and agencies: to be determined.

USAID AG/NRM technical assistance and training will continue to be directed at promoting high-value, nontraditional agricultural crops; establishing profitable joint ventures between communities and the private sector for marketing natural products from communal or protected forests (such as tourism or nontimber products); and developing grades, standards and quality control measures for commercially viable agricultural products. USAID plans to expand the AG/NRM activities in selected areas, including coastal areas, to promote appropriate technologies to increase agricultural and fisheries production, and to promote trade in Senegal's natural and agricultural products. Principal contractors and grantees: IRG and PA Consulting (primes); Winrock International, the EROS Data Center, CLUSA, and IUCN (subs).

Performance and Results: At the end of the USAID program, it is expected that 130,000 small and medium businesses will have registered, in part due to an improved business environment. In FY 2004, the microfinance training program for 197 managers and tellers, of which 99 were women, and for MFI boards made them more professional and efficient in their day-to-day work. Indeed, before training, many staff had little knowledge of basic accounting. In the Casamance region, USAID helped create 2,690 jobs, some 35% of these which went to young people and 47% to women entrepreneurs, and generated incomes of some \$4 million. Beneficiaries received valuable training in entrepreneurial development skills to help them better manage their businesses and ensure their sustainability. This training is required to become eligible to receive loans to create or develop income-generating activities. By providing training and guidance, USAID also helped create eight professional associations such as the National Federation of Banana Sector Operators and the National Federation of Milk Sector Operators.

In agriculture and natural resources management, USAID provided training and technical assistance to 1,019 local groups including: 44 enterprises (economic interest groups), 194 producer groups, 122 women groups, and 659 family-run businesses. This year, USAID funded five market surveys for natural products in the Tambacounda region to better inform of business opportunities. A total of 123 community-based groups successfully negotiated joint ventures with partners in the private sector and government to increase revenue from local resources. These groups increased their revenue by an average of over 20%.

US Financing in Thousands of Dollars

Senegal

685-001 Private Enterprise	DA	DFA	ESF
Through September 30, 2003			
Obligations	34,765	100	0
Expenditures	26,478	97	0
Unliquidated	8,287	3	0
Fiscal Year 2004			
Obligations	5,416	598	400
Expenditures	8,275	0	0
Through September 30, 2004			
Obligations	40,181	698	400
Expenditures	34,753	97	0
Unliquidated	5,428	601	400
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2005 NOA			
Obligations	3,563	0	0
Total Planned Fiscal Year 2005			
Obligations	3,563	0	0
Proposed Fiscal Year 2006 NOA			
Obligations	3,793	0	0
Future Obligations	1,365	0	0
Est. Total Cost	48,902	698	400