



EVALUATION OF DYNAENTREPRISES ACTIVITIES IN SENEGAL

Contract No. 685-C-00-00-00002-00
Task Order under AMAP Contract # GEG-I-00-02-00012-00

Final Evaluation Report

An Evaluation of Lessons Learned of the Dyna Program and Recommendations to USAID Senegal on the Nature, Scope, and Approach of Future Activities in Microfinance and Small Business Development

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Final Report - Contract No. 685-C-00-00-00002-00
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Dear Mr. Stamm,

IBM is pleased to resubmit the final report entitled: Evaluation of DynaEnterprises Activities in Senegal under the above referenced contract. IBM is now submitting two (2) bound copies of the complete report, each copy includes English and French versions of evaluation report plus 14 annexes. The remaining eight (8) bound copies contain the evaluation report in both languages excluding annexes. Ten copies of the annexes were previously submitted on June 11.

In addition, IBM is submitting a CD with the report in both languages plus the annexes. For your convenience, the CD contains the report in MSWord and pdf formats.

If any questions or concerns should arise relating to any portion of this submission, please do not hesitate to contact me at jsabetta@us.ibm.com or by telephone at 1-703-485-4524.

Sincerely Yours

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IBM Business Consulting Services

EVALUATION OF DYNAENTERPRISES ACTIVITIES IN SENEGAL – WHERE TO FIND THE ANSWERS TO QUESTIONS FROM SOW DECEMBER 5, 2003

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
Recommendations to USAID/Senegal on the nature, scope and Approach of possible Future Activities	Chapter V.4	Chapter V.5 for MF and V.6 for BDS	Overall scope of the evaluation (please see purpose under USAID/Senegal SOW)
1. Assess the special circumstances that have positively or negatively affected the design and implementation of Dyna activities	Annex 5		Following USAID/Senegal guidelines this has been summarized and attached as an annex in the evaluation.
What are the principal lessons learned from the Dyna project?	V.1		
How could Dyna have designed more effectively its activities?	V.3	Chapter III.10 for MF and IV.9 for BDS	
What would make Dyna’s activities more effective?	V.3	V.5 for MF and V.6 for BDS	
Has Dyna effectively targeted beneficiaries’ needs and interests?	V.2	And III.5,6,7,8,9 for MF and IV.7 for BDS; Also I.5	
2. To what extent the Dyna activities have contributed to a)improved access to FS by microenterprises and small business entrepreneurs b)adoption by more micro entrepreneurs of best technical and managerial techniques	See below for specific questions and answer locations		
To what extent has Dyna achieved its planned results with respect to indicators and targets?	Chapter I.3		
To what extent have Dyna activities met the needs of intended customers? Have the activities effectively reached their customers?	V.2	Chapter I.4 and I.5.	

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
3. Microfinance	See below for specific questions and answer locations		
What number of clients were served by targeted MFIs before Dyna, compared to now?	Chapter III. 1,3, 5,6,7		Information is not available for segments 4 and 5. Global information is provided in III.3
To what extent has Dyna’s support to these MFIs contributed to their being able to increase their clientele?	III.1,3, 5,6,7		
What are the major constraints of these MFIs in satisfying their clients despite Dyna’s assistance?	III 3		
What was the amount of loans outstanding before Dyna and what are they now?	III.1,3 Annex II		
What was the average loan size before Dyna, compared to now?	III.1		
To what extent did Dyna help client MFIs increase the number and value of loans?	III.1,2		
What were the interest rates charged before Dyna and what are they now? (repeated below)	Annex 11 III.3		
Have interest rates changed by targeted MFIs changed as a result of Dyna’s intervention?	III.3		
What were the savings outstanding before Dyna and what are they now?	III.3		
To what extent did Dyna help client MFIs increase the number and value of loans?	III.1		
What were the interest rates charged before Dyna and what are they now? (REPEATED)	III.3 Annex 11		
Have interest rates changed by targeted MFIs changed as a result of Dyna’s intervention? (repeated below)	Annex 11 III.3		

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
What were the savings outstanding before Dyna and what are they now? To what extent has Dyna contributed to helping MFIs increase their savings deposits?	III,1,2		Baseline does not include savings outstanding
What training was directly provided by Dyna and what training did Dyna subsidize?	III.10		
What is the impact of the training provided or subsidized by Dyna on the operation and management of these MFIs?	III.2		
What is the percentage of cost share contributed by MFIs to Dyna activities? How was the cost share calculated?	III.3		
To what extent has Dyna contributed to financial deepening? Change in # of clients reached by all MFIs Change in rural vs urban clients Change in distribution of loan size Change in loan terms	Annex 2 III.1, 2		We do not have information on loan terms.
How has the # of MFIs changed – before Dyna vs now?	III.2 Annex 2		
What is the likely future of the market with/without future subsidy investments?	III.10		
If investments are planned for the future, what are the key needs of the sector?	III.1,2, 10, 11	V.5	
Was the 75% subsidy appropriate? What would the client MFIs be willing to pay for future services similar to those received from Dyna?	III.3,10		
What is the current level of profitability and efficiency of MFIs receiving direct and indirect aid from Dyna?	III.1,2,5,6,7,8,9		Information per segment is not available
What were these figures before Dyna?	III.1,2,5,6,7,8, 9	II.6	

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
To what extent did the technical assistance provided by Dyna to these MFIs contribute to their sustainability in terms of their ability to operate efficiently?	III.1,2,5,6,7,8, 9		
What is the current level or profitability and efficiency of MFIs receiving direct and indirect aid from Dyna? What were these figures before Dyna? To what extent did the TA provided by Dyna to these MFIs contribute to their sustainability in terms of their ability to operate efficiently?	III 1,2,5,6,7,8,9		
How many MFIs have reached financial sustainability and/or operational sustainability, or neither, before Dyna vs now?	III 1,2,5,6,7,8,9		
Which type of Dyna intervention most increased the performance of the MFIs?	III.10		
Which size of MFI benefited most and best from the Dyna interventions?	III.10	III.10	
What has been the overall pattern in client retention/drop out for MFIs receiving Dyna direct or indirect assistance? To what extent, and in what ways, has Dyna assistance contributed to client’s confidence?	III.2		
Were the processes used to select service providers transparent?	III.10		
Did contractors providing services to the MFIs benefit from their collaborations with Dyna other than the revenue from the contracts? If so, in what ways?	III.10		
To what extent have the participating MFI service providers independently followed through with non-subsidized contracts with their Dyna contract clients?	III.10		

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
Will MFI service providers be ready to charge full cost to entrepreneurs for the same types of services provided through Dyna contracts?	III.3		
Were the contractors' follow-up evaluations of the MFI activities performed as planned?	III.10		
In what ways did Dyna use the evaluation feedback to improve the program?	III.10		
Business Development Services	See below for specific questions and answer locations		
Did BDS providers benefit from their collaborations with Dyna other than the revenue from the contracts? If so, in what ways?	Chapter IV.2		
Subsidies – did the level of subsidy remain uniform among Dyna BDS interventions? If not, why not?	IV.3	Annex 12	
How were participant cost contributions calculated?	IV.3		
Has Dyna, promoted equal competition among Dakar-based and non Dakar-based providers?	IV.4	V.2, Annex 5	
What barriers have existed or still exist with respect to decentralization?	IV.4	V.6	
What were the processes used to select service providers, and were they transparent?	IV.4	Annex 5	
Have Dyna BDS interventions met trainee expectations?	IV.5	I.5, V.2, Annex 5	
In what ways has Dyna developed/improved the activities of supported SMEs?	IV.5, 6	IV.3, Annex 13, 14	
Once an intervention area was selected, was the depth of intervention sufficient to allow the trainees/participants to adopt best management practices?	IV.5	Annex 13,14	

Issues to be addressed	Primary response in Final Report	Secondary response in final report – if any	Comments, if any
Has Dyna, in implementing its BDS activities, developed an appropriate approach for sustainability?	IV.5	V	
Will Dyna-supported SMEs and BDS providers have changes to be sustainable in an open and fair competition after Dyan’s intervention?	IV.5	IV.2,3, V Annex 5	
To what extent have the participating BDS providers independently followed through with non-subsidized contracts with their Dyna contract clients?	IV.2	Annex 5	
Would participants have been willing to pay more for the services? Is so, how much would they have been willing to pay?	IV.5,2	V	
Will BDS providers be ready to charge full cost to entrepreneurs for the same types of services provided through Dyna contracts?	IV,2,5	V	
Were the contractors’ follow-up evaluations of the BDS activities performed as planned? In what ways did Dyna use the evaluation feedback to improve the program?	IV.7		
Which type of BDS intervention, according to the evaluations, had the highest impact on BDS clients?	IV.8	IV.5,6	

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Abbreviations

ACEP	Alliance de Crédit et d'Épargne pour la Production
AP	Associations Professionnelles
APIMEC	Association Professionnelle des Institutions Mutualistes ou Coopérative d'Épargne et de Crédit au Sénégal
AT/CPEC	Assistance Technique aux Caisses Populaires et d'Épargne et du Crédit
BOA	Basic Ordering Agreement
BDS	Business Development Services
CAPAF	Programme de Renforcement des Capacités des IMF en Afrique Francophone
CMECAT	Caisse des Mutuelles d'Épargne et de Crédit des Artisans de Tamba
CMS	Crédit Mutuel du Sénégal
CREC	Caisses Rurales d'Épargne et de Crédit
DFS	Decentralized financial systems
DynaEntreprise	Dyna
FENAFILS	Fédération Nationale des Acteurs de la Filière Lait du Sénégal
FNGPF	Fédération Nationale des Groupements de Promotion Féminine
GEC	Groupements d'Épargne et de Crédit
GERME	Gérer Mieux Votre Entreprise
GOS	Government of Senegal
IFAD	International Fund for Agricultural Development
ILO	International Labor Organization
INTER-CREC	Entre les Caisses Rurales d'Épargne et de Crédit
KIR	Key Intermediate Result

LOE	Level Of Effort
LOP	Life of Project
MEC	Mutuelle d'Epargne et de Crédit
MF	Microfinance
MFI	Microfinance Institution
PAMECAS	L'Union des Mutuelles du Partenariat pour la Mobilisation de l'Epargne et du Crédit
PMP	Performance Monitoring Plan
PROMER	Projet des micro entreprises rurales
REMIX	Réseau d'Etudes et d'Informations pour la Minimalisation des Risques d'Exploitations
RESIG	Réseau Sénégalais d'Institutions GERME
RTT	Results Tracking Table
SO	Strategic Objective
UEMOA	West African Economic and Monetary Union
UMEC	Union des Mutuelles d'Epargne et de Crédit - Sédhiou
UMEC U	Union des Mutuelles d'Epargne et de Crédit d'UNACOIS
UNACOIS	Union Nationale des Commerçants et Industriels du Sénégal
UNAFIBS	Union Nationale des Acteurs de la Filière Banane Sénégalaise
USAID	United States Agency for International Development
USU	Umbrella Support Unit

EVALUATION OF DYNAENTREPRISES ACTIVITIES IN SENEGAL

I. Executive Summary

I.1. Background

This evaluation of the DynaEntreprises Senegalaises Project of Senegal was conducted by IBM Business Consulting Services and Enterprise Resource Group, Inc. under the Accelerated Microenterprise Advancement Project, (Contract # GEG-1-00-02-00012-00) beginning in March 2004 and ending in April, 2004. The consulting team evaluated the DynaEntreprise contract signed between Chemonics International, the Umbrella Support Unit, International Business Initiative and the Center for International Private Enterprise and successive contract amendments.

The evaluation has three purposes, namely to:

1. Analyze the impact of USAID-funded microfinance and business development activities;
2. Identify lessons learned; and
3. Make recommendations to USAID/Senegal regarding the nature, scope and approach of possible future activities in microfinance and business development services.

I.2. Project Description

USAID/Senegal signed a five-year US \$26.5 million contract with Chemonics International to implement the DynaEntreprise Senegalaises Project in November 1999. The goal of this project was to support the Mission's private sector strategic objective number 1: "sustainable increases in private sector income generating activities." The purpose of the DynaEntreprise project was to support key intermediate results (KIR1.2): improved access to financial services" and (KIR1.3) "increased use of managerial best practices" which target the development of micro, small, and medium enterprises.

I.3. Project Achievements

Over its four years of operations, the Dyna project has gained increased levels of activity and results by outsourcing as many activities as possible through local private sector subcontractors. The tendering and contracting approach promoted by Dyna has grown in popularity among service providers, and has gradually been institutionalized within Senegal as a standard process for contracting. Dyna has been able to establish a functional administrative network of five regional offices, which has enabled the program to carry out its brokering activities through a decentralized project structure.

As a result, Dyna has continued to gain operational efficiencies in the management of the tendering process and develop effective policies and procedures that have enabled the institution to achieve and surpass its objectives in most indicators of key intermediate results 1.2 and 1.3. The charts below indicate that Dyna has generally exceeded targets in 7 out of 9 indicators for KIR1.2, and has exceeded targets in 6 out of 8 indicators for KIR1.3:

**Achievements under KIR 1.2: Improved Access to Financial Services
2000 - 2003**

Indicators	Project Results Achievements Vs. Targets		
	2001	2002	2003
1. Number of institutions using full cost-recovery interest rates and fees	62%	212%	117%
2. Number of MFI's with delinquency rates below 10%	100%	200%	81%
3. Number of MFI's with loan losses below 5%	83%	175%	104%
4. Total number of savers	148%	157%	201%
5. Total number of borrowers	121%	277%	81%
6. Value of loans offered	177%	205%	123%
7. Value of savings collected	165%	280%	160%
8. Branch offices trained	52%	121%	116%
9. Ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all MFI reported	97%	304%	334%

From 2000 through 2003, the Dyna project provided capacity-building activities to the microfinance sector contributing to an increase in its robustness, stability, and economic growth. Most of the project results through the four years of implementation of the programs have been reached and surpassed as per the targets above. The program's technical assistance activities have enabled rapid sectoral growth and increased formalization of the microfinance industry in Senegal. As a result, the microfinance sector has experienced continuous growth in its client base of borrowers and savers and today is considered the largest in West Africa.

Most of Dyna's capacity-building activities have focused on developing and strengthening microfinance institutions. Technical assistance delivered under the project has been concentrated on the asset side of microfinance and network institutions: encouraging savings mobilization, delivery mechanisms, information systems and human resources. In the table above, the indicators related to client growth such as the number of savers and value of savings collected are among the most salient achievements reached by the program.

The Dyna capacity-building activities in the microfinance sector pursued both breadth and depth in their outreach. A key indicator that has been widely surpassed is the achievement in the ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all MFIs reported. Given the availability of funds under this project, Dyna was able to target all segments of the market. This is clearly demonstrated by Dyna's market coverage of 91% of the Senegalese microfinance market. Most of the microfinance institutions operating in the country were touched by the program resources in one way or another which enhanced Dyna's branding strategy.

It is also important to note that the downscaling of operations in 2003 has negatively impacted the project's ability to extend its outreach to new clients. Undoubtedly, the phase-out of subsidies from the Dyna project will also negatively impact the level of project outreach. In addition, it

appears that some of the critical decisions made by the program to focus on depth of outreach has negatively impacted the quality of the Dyna portfolio and explains why the institution has not been able to reach its intended delinquency target.

Achievements under KIR 1.3: Technical & Managerial Best Practices

Indicators	Project Results Achievements Vs. Targets		
	2001	2002	2003
1. Number of fee paying participants from SMEs, consulting firms, associations and groups that purchase business training	139%	152	178%
2. Number of private sector participants	154.0%	176%	143%
3. Number of Agricultural-related participants	170%	317%	146%
4. Number of all new products and services	225%	373%	47%
5. Number of agricultural -related new products and services	260%	1380%	34%
6. Number of SME's acquiring quality technical assistance (not training) from BDS providers	262%	558%	167%
7. Number accessing market and technical information	146%	334%	155%
8. Number purchasing market and technical information	604%	1673%	350%

Note: The project results indicators have been calculated based on targets and achievements for 2003, includes the latest set of indicators made available by the Dyna project. Raw data is contained in Annex 2.

In the same time period from 2000 through 2003, the Dyna project has also been the driving force behind MSME development in Senegal. While most project resources had been allocated towards microfinance activities, the business development services under the project have struggled to produce similar gains and have surpassed most of its BDS targets. The business development services interventions have tried to bring services deeper into the rural areas where most of Senegal's population lives, while offering MSME's wider options for enterprise growth.

Initially, Dyna pursued BDS interventions based on the general mandates dictated by the private sector objective of providing information sharing and technical interventions based on perceived demand. Much of the first year of operations was devoted to understanding existing local markets for business services, its main actors, characteristics, needs, and willingness to pay but still managed to surpass all of its project results.

In 2002 the program performed a market assessment that led to further understanding of the demand, supply, and delivery of BDS services in the local markets and enabled the program to understand the different tiers of market players, namely service providers, associations and MSMEs. Wanting to stimulate the market for business services, Dyna revamped its model in 2002 targeting specific sub-sectors and associations and federations providing them with an opportunity to scale up their operations. These successful dissemination channels for BDS led

the program towards its highest level of growth enabling them to double and in many cases triple their project results for that year.

The business development service component has achieved and surpassed most of its targets. Nevertheless, given the actual short-term implementation of the program compounded by the downsizing of operations, the program has not been able to fully roll-out all of its activities.

To date, Dyna has issued over 351 contracts for microfinance activities with a contract value of US \$10,124,806 providing training, equipment, organizational development, and information dissemination to Senegalese microfinance institutions, reaching over 43,769 borrowers and 219,760 depositors. The project has also leveraged its resources to nearly twice the scale of its business development service operations which have included more than 237 contracts valued at US \$1,832,057, surpassing the initial funding allocated for this component. This has encompassed interventions in ten different sub-sectors and included a wide array of activities reaching more than 38,727 micro small and medium enterprises in 2003¹.

The scale of the funding provided under this umbrella project has positioned Dyna as an important player in the local market for goods and services, enabling the institution to have a broad impact. Dyna capitalized on this opportunity by revamping local contracting. Through its open tendering process, the project has been able to upgrade the skills of local consulting companies. Many of the companies interviewed mentioned that Dyna's solicitation process provided a valuable learning experience. As a result of the tendering process introduced by the Dyna project, many local consulting firms have gained additional expertise by responding to solicitations. These new skills-- acquired by service providers-- have enabled local companies to increase their overall proposal acceptance ratios to between 30 to 50 percent, a figure that seems to be an acceptable local standard among consulting firms.

I.4. Principal Lessons Learned

The principal lessons learned on the Dyna Project from this evaluation include:

- 1. Increase Private Sector Involvement:** The magnitude of the funding provided under this project positioned Dyna as an important player in the local market for goods and services, enabling them to have a broader impact. Dyna capitalized on this opportunity by revamping local contracting, and through its open tendering process was able to upgrade the skills of local consulting companies. Many companies interviewed mentioned that the solicitation process was an important learning experience.
- 2. Build on local skills and communicate results:** Dyna's strategy to outsource technical services from local firms and particularly firms from rural areas contributed to the branding of the project. This was viewed as a highly positive outcome from the project. The development of communication tools in the form of manuals, reports, events, and intranet web pages has contributed tremendously to the project branding.
- 3. Provide opportunities for service providers and clients to learn incrementally:** The project's efforts to upgrade the capacity of local service providers were also integral to the

¹ The 38,727 MSME's reached by the program correspond to the actual number of enterprises which BDS partner institutions have reported to Dyna they are reaching through their programs.

success of the Dyna strategy. The project's policy of offering training services to local service provider staff provided an ideal opportunity for local firms to upgrade their skills and provide improved services to MFI/BDS clients.

- 4. Support product development by upscaling and downscaling consulting services:** By outsourcing technical activities to local consulting firms, Dyna has supported the development of new products. This has provided consulting companies opportunities to either a) downscale their services for the MSME market, or b) upscale their services by reaching a higher tier of this market segment or by forming sole proprietorships.
- 5. Promote training interventions:** Although training activities only represented 33 percent of all BDS interventions, Dyna's trainings have experienced a strong level of demand. For example, in Tambacounda, over 40 staff from PROMER attended the GERME and Making Cents training. These training modules have now been replicated in the field providing micro, small and medium enterprises the opportunity to access business training. The replication of training resources in reaching MSME's has been very successful.
- 6. Develop interventions for disadvantaged groups (rural populations, youth, disabled, female clients) and upgrade indigenous associations and networks:** A successful strategy pursued by Dyna has been to work in partnerships with federations, a type of cooperation that has provided an innovative and effective information and service distribution system and made a direct link with intended target populations.
- 7. Work through indigenous networks and associations:** Dyna was able to reach and work through existing indigenous networks and associations successfully by taking advantage of the existing exchange and mutual support mechanisms within Senegal. The project's work with local associations and federations has enabled these organizations to reach economy of scale and cost-effectiveness.
- 8. Create synergy with other SO's in health and governance:** Other USAID-funded projects have been able to benefit from the success behind Dyna's branding and communication strategies. For example, computer stations in the public entrance of major microfinance institutions now include information technology kiosks that disseminate health messages.

I.5 Recommendations to Increase the Effectiveness of Dyna's Program Design

Though the numbers reached and lessons learned from Dyna are impressive, there are also challenges to the approach it pursued. Dyna inserted itself into the complex tendering contracting process of supply and demand as an indispensable broker between the MFI/BDS clients and the service provider. Dyna's insertion of itself as a requisite institution in service delivery and defining demand-driven activities has perhaps retarded MFI and BDS institutions from mastering the process of contracting between service providers and clients. Through the tendering and contracting process, Dyna has become the integral link between service providers and clients. The structure of Dyna's intervention as an intermediary between supply and demand has therefore promoted a tendering response capacity rather than direct client demand-identification.

The Dyna project has brought to the forefront some of the impinging issues on how donor agencies might better serve the microfinance and business development industry by shifting the focus away from direct provision of services toward removing barriers by building capacity within institutions and in the sector as a whole.

Performance-based projects like Dyna have strong incentives to show results in numbers of operations and combined volume. In this context, Dyna provided an innovation: the development of a tailored technical assistance strategy that enabled the institution to allocate large-scale resources available under the project through its tenders. This provided a transparent and competitive mechanism. Although the program provided substantial operational support to individual microfinance and business development institutions it did not provide as much emphasis to very specialized technical assistance to strengthen these markets as a whole such as credit bureaus in microfinance or particular interventions through out the value chain of critical sub-sectors to strengthen the participation of MSME in these sectors as well as contribute to the overall economy of Senegal. This assistance could have built the capacity of the microfinance and business development industry as a whole and provided further competition and dynamism within the sector on a sustained basis.

The Dyna project has had positive results in stimulating the consulting services market, making it perform more dynamically in Senegal, as well as establishing positive linkages between service providers and MFI and BDS institutions.

A key recommendation of this evaluation is for USAID/Senegal to continue its investments in these two sectors to maximize the results of the investments that have already been made, bearing in mind that an exit strategy must be in place.

Since the Dyna program will not be extended beyond its funding cycle, it is important to ensure that the momentum created by this large scale project is fully maximized. Therefore the evaluation team recommends a rethinking of the framework and delivery structure of assistance to microfinance institutions and the provision of business development services.

The key overall recommendations for the Dyna Project are as follows:

1. Move from brokering towards facilitation of business services
2. Invest in market research to define a possible follow-up design to the Dyna project
3. Focus market research on capacity, willingness, and ability to pay for services
4. Phase-out subsidies particularly at the transaction level
5. Ensure that performance results adequately measure market development goals
6. Perform mid-term evaluations
7. Catalyze donor consensus towards market development goals.

It is envisioned that the recommendations proposed in this report would enable the USAID/Senegal mission to: accomplish more with fewer resources; strengthen operating models by aligning follow-up programs more closely with good practice principles; maximize the results of earlier investments; and continue the momentum and branding that have been successfully built by the Dyna project.

II. Introduction

This evaluation of the DynaEntreprises Senegalaises Project of Senegal was conducted by IBM Business Consulting Group and Enterprise Resource Group, Inc. under the Accelerated Microenterprise Advancement Project Contract, (Contract # GEG-1-00-02-00012-00) from March through April, 2004. This introductory chapter explains the purpose of the evaluation and the project description from the scope of work, and concludes with a description of the organization of the report.

II.1. Purpose of the Evaluation

This is the final evaluation of the DynaEntreprises Senegalaises Project Contract No. 685-C-00-00-00002-00, signed between Chemonics International and USAID/Senegal on December, 1999. The evaluation has three purposes, namely to:

1. Analyze the impact of USAID funded microfinance and business development activities;
2. Identify lessons learned;
3. Make recommendations to USAID/Senegal regarding the nature, scope and approach of possible future activities in microfinance and business development services.

II.2. Project Description

DynaEntreprises Senegalaises is a market-demand project implemented on behalf of USAID/Senegal by Chemonics International Incorporated, the Umbrella Support Unit, International Business Initiative and the Center for International Private Enterprise. The project officially began its five-year capacity building activities in December 1999 and has been working with service providers and MFI and BDS client institutions with the goal of building technical capacity in these two areas that are crucial towards the development of the micro, small and medium enterprise sector. Through its microfinance intervention the program has expanded access to savings and other financial services, while fostering an array of business development services to improve market access, technology and management skills catalyzing complementary and synergistic relationships between these interventions.

The Dyna project has focused its activities on building the capacity of local and national MFI and BDS institutions operating in five regions of the country including: Pikine/Rufisque, and in the regions of Kolda, Thies, Tambacounda and Ziguinchor which offer the greatest potential for entrepreneurial development. Dyna has developed an innovative capacity building program for MFI and BDS institutions outsourcing technical assistance to private local consulting firms. The Dyna program strategy has been to work with local firms, partly for sustainability and partly because local service providers have a better chance to meet the needs of a large proportion of MFI and BDS institutions affordably. The goal of the project has been to strengthen the capacity of Senegalese consulting firms and the institutional capacity of MFI and BDS institutions to link both the demand and supply of services.

Over its four years of operations the Dyna project has gained increased level of activities and results by outsourcing as many activities as possible through local private sector subcontractors. Dyna has been able to establish a functional administrative network of five regional offices,

which have enabled the program to carry out its brokering activities through a decentralized project structure. The Dyna headquarter based in Dakar and regional offices have played a brokering role between MFI/BDS client institutions and service providers. Until 2003, the project had focused approximately 42 percent of its resources to contract firms for local technical services, allocating 35 percent of these resources for microfinance client institutions and 7 percent for business development services activities. Through out its four years of operations Dyna has paid substantial attention to managerial and financial issues developing the project's capacity to fulfill adequately its brokering role between MFI/BDS client institutions.

II.3. Organization of the Report

Following this introductory chapter, Chapter II presents the evaluation's scope of work and the methodology developed in the evaluation work plan approved by USAID Senegal. This section provides a causal model utilized during the evaluation and articulates the project objectives and the aims and measurements utilized during the evaluation.

Chapter III: Lessons Learned and Major Findings from the Microfinance Industry in Senegal, provides a detailed analysis of each of the activities undertaken by Dyna under this component of the project. The chapter identifies lessons learned, findings, and recommendations for the MFI component.

Chapter IV: Lessons Learned and Major Findings from the Business Development Services Activities in Senegal, provides a detailed analysis of each of the activities undertaken by Dyna under this component of the project. The chapter identifies lessons learned, findings, and recommendations for the BDS component.

Chapter V: Principal Lessons Learned and Recommendations, includes lessons learned and makes recommendations concerning ways in which USAID/Senegal could provide further assistance to the microenterprise sector should the Mission decide to do so.

Annexes 1- 15: The report annexes include the statement of work for the evaluation, quantitative findings for each of the program objectives negotiated with Dyna under the second contract amendment, and baseline, targets, and achievements for each of the four years of implementation of the program.

II.4. Acknowledgements

The evaluation team gratefully acknowledges the help of many people who were interviewed for this evaluation. A list of interviewees is provided under Annex 4. Of particular importance in providing information and clarifying issues were Mr. Charles May and Mr. Victor Lubyoeski, as well as the following individuals:

- John Stamm, Private Enterprise Officer, USAID/Senegal
- Ousmane Ndao, Monitoring and Evaluation Specialist, USAID/Senegal
- Annica Jansen, USAID
- Charles Alan MAY, Ph.D., Project Director, Economist, DynaEntreprises
- Victor Luboyeski, Deputy Director, DynaEntreprises
- Mamata Bah LO, Responsible for Contracts, DynaEntreprises

- Awa Paye Gueve, Administrator for the Support of the Decentralized Financial Systems, Dyna
- Helene SOW-DAHOU, Technical Director for the Microfinance Department
- Madeleine Cisse, Administrator for the Support of the Decentralized Financial Systems
- Fatou Thiam, Director for Monitoring and Evaluation, Analysis, and Communication
- Bachir N'daye, Technical Director for Business Development Services

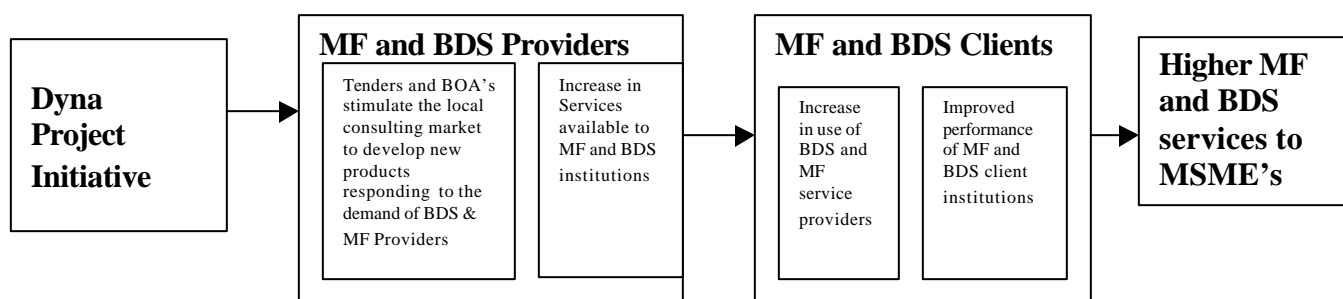
II.5. Approach

As required by the scope of work, the evaluation team had an initial entry interview with the Mission Project Officer, Monitoring and Evaluation Specialist, and Contracts Specialist. Within a week of initiating the evaluation, the team submitted a draft work plan for the evaluation which included the methodology that would be pursued in the evaluation and a draft detailed outline of the final report for the Mission review. Subsequent comments served to identify issues to which the Mission assigned high priority and the work plan was resubmitted and approved by USAID/Senegal (Annex 1).

II.6. Methodology

The evaluation team obtained information from a variety of sources to analyze the impact of USAID/Senegal-funded microfinance and business development activities implemented by Dyna. The evaluation of the Dyna project followed a causal model, described below, which attempted to identify lessons learned, and to make recommendations to USAID/Senegal regarding the nature, scope and approach of possible future activities in microfinance and small business development.

Causal Model for the Evaluation of the Dyna Project



The consulting team applied a comprehensive approach to gather pertinent information from USAID/Senegal, the GOS, Dyna, technical service providers contracted by the project, and microfinance and business development client institutions affiliated with the project.

The evaluation included the following project objectives that represent the indicators negotiated between Dyna and USAID/Senegal during its second contract amendment and baseline targets:

Indicators for KIR 2

Indicators for KIR 2	Measure	Baseline	
		Year	Value
1. # of institutions using full cost-recovery interest rates and fees	among institutions receiving assistance from DynaEntreprises	2000	2
2. # of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio	# with delinquency rate below 10%	2000	2
	# with loan losses below 5%	2000	2
3. # of savers disaggregated by gender	# of male savers	2000	6,796
	# of female savers	2000	12,629
	# of male groups savers	2000	85
	# of female groups savers	2000	1,353
	# of mixed groups savers	2000	483
TOTAL Number of Savers			21,346
4. # of active borrowers disaggregated by gender	# of male borrowers	2000	2,129
	# of female borrowers	2000	4,640
	# of male groups borrowers	2000	23
	# of female groups borrowers	2000	435
	# of mixed groups borrowers	2000	110
TOTAL Number of Borrowers			7,337
5. value of loans offered	Value	2000	2,086,803,530
6. value of savings collected	Value	2000	964,648,290
7. branch offices trained	Number	2000	68
8. managers & tellers trained by gender	Number	2000	104
	% women	2000	83%
9. Share of all decentralized financial system loans at the National Level provided by USAID funded partners	Ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all Microfinance Institutions reported by the Ministry of Finance regulatory body *	2000	0%

Indicators for KIR 3:

Indicators for KIR 3:	Measure	Baseline	
		Year	Value
1. Number of fee paying participants from SMEs, consulting firms, associations and groups that purchase business training	Number	2000	0
2. Number of private sector participants	Number	2000	0
3. Number of Agricultural-related participants	Number	2000	0
4. Number of all new products and services	Number	2000	0
5. Number of agricultural -related new products and services	Number	2000	0

Indicators for KIR 3:	Measure	Baseline	
		Year	Value
6. Number of SME's acquiring quality technical assistance (not training) from BDS providers	Number		
7. Number accessing market and technical information	Number	2000	0
8. Number purchasing market and technical information	Number	2000	0

The performance results achieved by the Dyna project have been compiled in Annex 2, based on information provided by the Dyna Project. These performance results include the baseline, target and achievements for each of the indicators included above as project tables. The focus of this evaluation has been to analyze critically these results in light of the contract terms and conditions to gather lessons learned from the projects and make additional recommendations to USAID/Senegal on future programming activities.

II.7. Project Phases

The consulting team applied a comprehensive approach to gather pertinent information from all stakeholders affiliated with the project. During the first phase of the evaluation, the team reviewed relevant documents prepared by DynaEntreprise Senegalaise and contract amendments and drafted a work plan. In the second phase of the evaluation, a focus group was performed with 16 client and partner institutions. This enabled the evaluation team to obtain a wide perspective of the lessons learned and to narrow in on specific issues that were further pursued through individual interviews and field visits. During the third phase, the consulting team performed a random sampling of 41 service providers, microfinance, and business development client institutions. These were interviewed to identify the lessons learned from this large-scale project. (Annex 3 contains a list of the Institutions Interviewed).

III. Lessons Learned and Major Findings from the Microfinance Industry in Senegal

This section presents the following:

- Dyna's achievements against targets for the MFI component of the project
- The status of the microfinance industry in Senegal
- A detailed analysis of each of the activities undertaken by Dyna under this component
- Lessons learned findings, and recommendations for the MFI component.

The Dyna activities reviewed in this component are:

- Activities to Support the Development of Recognized Networks
- Activities to Support Networks under Consolidation
- Activities to Support the Networks under Construction
- Activities to Support Emerging Networks
- Activities to Support Isolated MECs and GECs.

III.1 Dyna MFI Achievements Against Targets

From 2000 through 2003, the Dyna project provided capacity-building activities to the microfinance sector contributing to an increase in its robustness, stability, and economic growth. The program's technical assistance activities have enabled rapid sectoral growth and increased formalization of the microfinance industry in Senegal. As a result, the microfinance sector has experienced continuous growth in its client base and today is considered today the largest in West Africa. Increasingly, MFI's and networks have been formalized by signing recognition agreements with the ATCPEC, the regulatory body for microfinance institutions in the country. The ATCPEC estimates that over 400 agreements were signed with local microfinance institutions and networks during Dyna's program implementation period of which over 60 percent are GEC.

Dyna's capacity-building efforts and technical assistance for the microfinance sector has been integral to the growth and formalization of the microfinance sector. Most of Dyna's capacity-building activities have focused on developing and strengthening microfinance institutions. Technical assistance delivered under the project has been concentrated on the asset side of microfinance and network institutions: encouraging savings mobilization, delivery mechanisms, information systems and human resources. In the table below, the indicators related to client growth such as the number of savers and value of savings collected are among the most salient achievements reached by the program.

The Dyna capacity-building activities in the microfinance sector pursued both breadth and depth in their outreach. A key indicator that has been widely surpassed is the achievement in the ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all MFIs reported. Given the availability of funds under this project, Dyna was able to target all segments of the market. This is clearly demonstrated by Dyna's market coverage of 91percent of the Senegalese microfinance market. Most of the microfinance institutions operating in the country were touched by the program resources in one way or another which enhanced Dyna's branding strategy.

Below are the MFI achievements of the Dyna project against target through 2003:

Achievements under KIR 1.2: Improved Access to Financial Services

KIR 1.2	Project Results		
	Achievements Vs. Targets²		
Indicators	2001	2002	2003
10. Number of institutions using full cost-recovery interest rates and fees	62 percent	212 percent	117 percent
11. Number of MFI's with delinquency rates below 10 percent	100 percent	200 percent	81 percent
12. Number of MFI's with loan losses rates below 5percent	83 percent	175 percent	104 percent
13. Total number of savers	148 percent	157 percent	201 percent
14. Total number of borrowers	121 percent	277 percent	81 percent
15. Value of loans offered	177 percent	205 percent	123 percent
16. Value of savings collected	165 percent	280 percent	160 percent
17. Branch offices trained	52 percent	121 percent	116 percent
18. Ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all MFI reported	97 percent	304 percent	334 percent

During the period 2000 to 2003, the number of actives borrowers working with institutions supported by Dyna went up significantly moving from 7 337 in 2000 to total of 104 373 at end of year 2003. During the same period, the amount of savings was multiplied by 16 while the amount of loan offered was by 8. The value of savings collected jumped by 263% from 2001 to 2002.

The table below summarizes the growth in savings collected and the amount of loans offered by USAID-funded partners as they join the program over the period 2001 to 2003.

**Growth in value of savings and loans offered
From 2001 to 2003
Amount in million FCFA**

By Dyna partners	2000	%	2001	%	2002	%	2003
Value of Savings collected	965	114%	2 061	263%	7 482	108%	15 562
Value of Loans offered	2 087	112%	4 425	146%	10 882	48%	16 108

The average loan size with regard to MFI which have received support from Dyna has increased by 30percent over the period 2001 to 2002, rising from \$438 at end of year 2000 to \$569 at end of year 2003. Both number of borrowers and total loan offered have been multiplied by 5 and 6.8 respectively. This average loan size is comparable to the sector's ratio which indicates an increase of 15percent from 1999 to 2001.

By end of year 2003, 26 institutions were using full cost-recovery interest rates and fees. Only two had reached this target at the inception of the Dyna project. This indicates that performance has improved within the sector. It also indicates the scale of Dyna's contribution to the

² The project results indicators have been calculated based on targets and achievements for 2003, which includes the latest set of indicators made available by the Dyna project.

structuring of the MFI in Senegal given the fact that the project has reached over 90 percent of the market. Dyna project did not monitor the retention ratio and the evaluation team does not have adequate historical information to appreciate the overall retention/drop out pattern of the IMF supported by the project.

It is important to note that the downscaling of operations in 2003 has negatively impacted the project's ability to extend its outreach to new clients. A large number of commitments made through mutual agreement (Protocôle d'Accord) with IMF partners will not be honored because of the program's cash shortage. The program experienced cash deficit in early 2003 and on to 2004 as a result of the spending mechanism in place and also the weakening of the USD dollar.

Undoubtedly, the phase-out of subsidies from the Dyna project will also negatively impact the level of project outreach. In addition, it appears that some of the critical decisions made by the program to focus on depth of outreach has negatively impacted the quality of the Dyna portfolio and explains why the institution has not been able to reach its intended delinquency target.

Although Dyna has undertaken tremendous efforts to build the capacity of the microfinance sector particularly in financial management and reporting, there is still barely sufficient information on financial performance. The delinquency problem particularly of the savings and credit groups is largely due to the lack of industry statistics and insufficient transparency.

The increased involvement of the public through savings puts donor agencies and regulators in a complicated situation: how can they support the funding of the industry without crowding out the private sector? Given the large funding levels allocated by USAID/Senegal for Dyna and its microfinance component, the project has been able to assume greater risk in the provision of technical services to client institutions. It has gone down-market by providing technical consulting services to most of the actors involved in microfinance in the country.

Given the actual capacity which has been built within the microfinance sector, USAID/Senegal will need to make some critical decisions to define their funding role within the sector in a follow-on program reconciling the many market segments and their potential absorptive capacity. A decision on a follow-up program will need to consider the tradeoffs between breadth and depth of outreach particularly given the projected lower availability of resources and the low potential for isolated MEC and GEC's sustainability.

III.2 Status of the Microfinance Industry in Senegal

Although difficult to measure precisely, Senegal has an estimated 9.7 million poor people or between 1,616, 667 poor households as a potential market for microfinance services³. Official figures reported by the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO) estimate that market penetration has evolved from 18.2 percent in 1999 to 25.5 percent in 2001. These figures are corroborated by those of the Central Bank of Senegal, which state that the country has one of the largest microfinance sectors in the West African Economic and Monetary Union West African Economic and Monetary Union (UEMOA) region. Based on these statistics of market penetration, it appears that access to financial services does not only affect the poor but the country as a whole.

³ Banque Centrale Des Etats de l'Afrique de L'Ouest, Monographie des Systèmes Financiers
Decentralises.Senegal.2001

Another feature of the local demand for financial services is that most Senegalese live in very small rural communities, thus complicating the ability of microfinance institutions (MFIs) and other organizations to provide and deliver cost-effective financial services⁴.

The microfinance market in Senegal is estimated to comprise 446,000 to 700,000 clients with approximately US \$56.2 million in savings mobilized and loans outstanding of US \$56.8 million. This variation in the client base is mainly due to how the credit and savings groups have been counted, either as a unit or individually. Therefore the estimated microfinance market penetration varies between 26 percent (if GEC's are counted as a unit of one) to 42 percent (if members are counted individually). Therefore the microfinance market penetration rate in Senegal is quite impressive when compared to the penetration rates in other countries in the UEMOA region.

The key players in the Senegalese microfinance market are large-scale networks of cooperatives, which focus narrowly on the market and have by far the largest lending operations among microfinance institutions. The Crédit Mutuel du Sénégal (CMS) is the most important network accounting for 40 percent of the customers and 54 percent of deposit operations. It is followed by l'Union des Mutuelles du Partenariat pour la Mobilisation de l'Épargne et du Crédit (PAMECAS), that groups approximately 27 percent of local microentrepreneurs. Femmes Développement Entreprise en Afrique (FDEA) represents the third network in terms of the number of branches in the country. The next microfinance institutions in line are Alliance de Crédit et d'Épargne pour la Production (ACEP), Union des Mutuelles d'Épargne et de Crédit - Sédhiou (UMEC) and Union des Mutuelles d'Épargne et de Crédit d'UNACOIS (UMECU), which all have over 10,000 members each.

Most of these market leaders offer both savings and credit services. All offer time deposits, and the majority offer demand deposits. On the credit side, all networks offer mainly short-term loans and increasingly are entering the business of providing larger scale loans. The most developed and sophisticated networks are also starting to develop technological innovations such as the use of automated teller machines (ATM's), although this is a very recent undertaking.

The following table provides some critical statistics for these microfinance market leaders in Senegal furnished by the ATCPEC and the BCEAO. This provides a picture of the performance of some of the leading local institutions:

Microfinance Statistics for Sector Leaders until September 2003⁵

	Number of Clients	%	Outstanding Savings Amount	%	Outstanding Loan Portfolio	%
CMS	176,763	40%	30,114,112	54%	16,115,849	28%
ACEP	21,653	5%	2,569,957	5%	17,216,588	30%

⁴ BCEAO reported a population density in Senegal of 50 habitants/KM² in 2001.

⁵ Source: BCEAO statistics of end of December 2003 published on the BCEAO site and data provided by the ATCPEC for the end of September 2003. Important to note that the rationale for the accounting of microfinance clients for the ATCPEC is to count each grouping (GEC) as one customer. Actually, each GEC groups a number of customers ranging from 50 to over 500 members. Accordingly, the actual number of GEC should be around 100,000. Therefore it would be more accurate to estimate the number of customers served by the decentralized financial system in Senegal at or around 700,000 by the end of September 2003.

	Number of Clients	%	Outstanding Savings Amount	%	Outstanding Loan Portfolio	%
UM-PAMECAS	119,483	27%	11,310,532	20%	9,001,271	16%
UMECU	37,815	8%	6,393,704	11%	4,318,982	8%
FDEA	63,323	14%	1,304,627	2%	1,604,549	3%
UMEC	13,156	3%	474,771	1%	555,846	1%
S/total	432,193	97%	52,167,703	93%	48,813,086	86%
Total Industry	446,023	100%	56,201,538	100%	56,787,692	100%

As in other parts of the West Africa region, the savings and credit cooperatives tend to be predominant among microfinance institutions. Even though credit unions have been in existence in Senegal for a long time, they have achieved a substantial percentage of growth within recent years due to the development of new lending technologies. The number of clients served within the microfinance market has grown at an average rate of 21 percent per year during the period of implementation of the Dyna Project, 1999 until 2004. This dramatic growth suggests that there is a strong market demand for microcredit in Senegal and that people are willing and able to pay relatively high prices to access such loans.

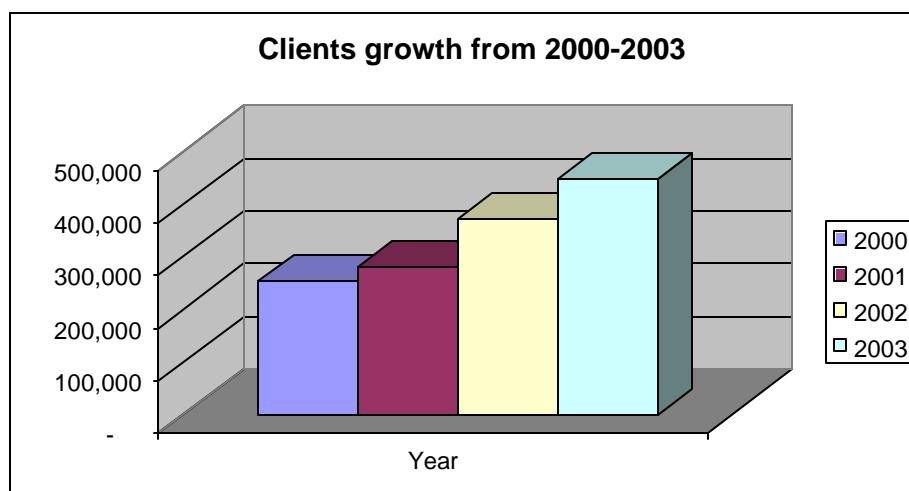
Most MFI's charge effective rates at or above market interest rates and effective rates locally have been calculated at 45 to 60 percent per year, for short-term working capital loans⁶. The majority of MFI's served by Dyna expect to see continuing high rates of growth in the short-to-medium term. Based on current market-penetration levels, there is clearly vast potential for future growth of the microfinance industry in the country as well as some consolidation within the sector which has not yet taken place.

The PARMEC law has provided a very flexible and open regulatory system which has catalyzed a high-level participation of credit cooperatives in the microfinance market. Under the PARMEC legislation group institutions or cooperatives have been granted priority status. Non-cooperative or direct credit institutions have been able to offer financial service intermediation for a period of up to five years based on the signature of a conditional agreement. After that time has elapsed (even though they may have the duration of the conditional agreement extended), institutions have to either become a cooperative or a financial institution.

To date, the overall health of the decentralized financial system (DFS) in Senegal shows a good standing with a 3 percent rate of defaulting loans. Meanwhile the number of deposits in the system totals more than 56.2 million dollars and has been growing steadily year after year, experiencing an average growth rate of 2 to 4 percent. Although the decentralized financial systems operating in the country seem to be in good health, there is still ample room for consolidation within the sector particularly in promote further profitability and permanence in the delivery of financial services to the micro, small and medium enterprise market.

⁶ Annex number 10 includes a thorough calculation of the effective interest rates in Senegal for each of the microfinance market segments.

Microfinance institutions and the evolution of their clientele from 2000 to 2003:



The different types of microfinance institutions in Senegal serve a wide range of clients. At the lower end of the spectrum are the GEC's and MEC's which serve a client base with no or limited business experience. These tend to be more predominant in the rural areas with lower population density. In the middle, one can find the networks under construction and consolidation that tend to serve more established microenterprises with more business experience. At the other end of the spectrum are the recognized networks, which have a diversified client base of micro, small, and medium enterprises that tend to focus mostly on the trade and services sector or production.

Through their growing support, microfinance institutions in Senegal are helping to develop businesses from the bottom up by increasing incomes and creating new job opportunities. Demand for these services is high, and these institutions have been experiencing an exponential growth in client base over the past few years. Between 2000 and 2001, the clientele of microfinance institutions in Senegal rose from 251,322 to 281,390, increasing more than 12 percent. In 2002, it increased by a rate of 31 percent. By the end of September 2003, it is estimated that the client growth rate has been as high as 21 percent.

III.3 Strategic Activities Undertaken by DynaEnterprises

In the context of private sector strengthening, the Dyna project has been providing capacity-building activities to the microfinance sector by contributing to an increase in its robustness, stability, and economic growth. Dyna's aim has been to strengthen the provision of financial services to micro, small and medium enterprises in Senegal, given that these businesses comprise most of the private sector in the country. Many of the country's new businesses are very small, and a large proportion of these businesses are likely to be microenterprises.

Similarly, self-employment has increased dramatically in the country. Dyna has sought to improve the productivity of micro, small and medium enterprises, to promote growth and employment and the emergence of a competitive and dynamic private sector.

Some of the major developments that have preconditioned Dyna's technical assistance to the sector have included following:

- The strong differentiation of networks both in their structure and their approaches;
- The predominance of savings in the decentralized financial system (DFS) resources, particularly in rural areas;
- An increased need for access to investment funds to strengthen the human and physical existing microfinance institutions; and
- A fast developing sector of service providers.

The cornerstone of the Dyna capacity-building strategy towards the microfinance sector was developed by the end of 2000. This included activities that would enable the microfinance sector to grow dynamically, reach significant scale, and become a permanent provider of financial services. The elements that helped to shape the Dyna strategy have included the following:

- Technical assistance through local service providers: Dyna set up a pool of service providers with identifiable skills in specific areas of technical assistance.
- Segmentation of the microfinance sector: microfinance institutions were classified according to a typology based on their level of development and professionalism.
- A demand-led approach: that required institutions to express their request for technical services to Dyna and were offered technical assistance to improve their performance. Priority was given to institutions with a high level of outreach, particularly networks, as long as they had an operating branch in one of Dyna's five target regions.
- Availability of counterpart funding by the local MFI's in order to reduce financial and physical risk and promote the consolidation of the MFI and its credibility in the local market.
- Reinforcement of savings mobilization: Dyna made savings mobilization a prerequisite for the selection of its customers.
- Reduction of the information asymmetry within the microfinance sector: MFI's were required to submit quarterly reports on their performance to Dyna.

Dyna has developed its strategy taking into account the major constraints of the targeted MFI which are as follows:

- a) **Economic environment**: The dynamism of the local economy depends largely on a satisfactory raining season. Any shortage affects the agricultural production which is the engine of the rural economy.
- b) **Cost of servicing clients**: indeed the lack of information on client creditworthiness and the geographic dispersion of small clients result in a high cost of servicing clients. Many MFI responded by charging high interest rates. It appears that most MFI will charge effective rates of interest comprises between 45 to 60 percent per year, for short-term working capital loans.
- c) **Inadequacy between financing needs and the structure of MFIs resources**: over 80percent of target MFIs use savings based methodology, this as result of the legal framework. Resources are short term in nature and clients are more and more in need for medium term loans. Dyna's strategy has consistently been not to provide credit fund, the focus been in building MFI capacities that will enable them to mobilize adequate resources from funding sources. Only ACEP has received a grant, including a credit fund.

d) Low capacity at GECs and isolated MEC: these institutions despite the impressive number of trainings received still present low potential for sustainability. Staff capacity is low and the governance structure continuously change, making training a permanent activity for which there is no willingness to pay.

Dyna's intervention has impacted the sector in different ways:

- Provision of technical assistance through local service providers has been one of the greatest achievements of the Dyna program in developing a vibrant private sector in Senegal. The large majority of BDS providers interviewed declared that working with Dyna has provided them with many benefits: expertise, vision and ambition, product and geographic diversification, negotiation skills and access to new donors or other supporting institutions. The list of BDS providers is found in annex 4.

Most of the BDS which collaborated with Dyna have improved their capacity through training offered by Dyna and also have become seasoned in service marketing and delivery as result of the open tender and BOA process. Their business has grown up tremendously. SEN-INGENIERIE for instance has seen his revenues multiplied by 5 and the number of professional and permanent staff moved from 2 to 18, of which one is based in Mali and nine in Fatick. SEN INGENIERIE has been able to access new funding sources other than Dyna: AFDS, a World Bank project and Fonds National de Promotion de la Jeunesse (FNPJ).

REMIX also has been able to downscale their services and reach out to many clients even without Dyna's subsidy. The list of domestic clients comprised RECEC, Plan International, CCF, MEC Guinaw with funding from FAIB, UMECU DEFS. The spin-over effect of the collaboration with Dyna has enabled this BDS provider to penetrate the regional and international market: Mauritania, Mali and Capo Verde. REMIX is part of the venture to develop the ATM system in Microfinance in Senegal.

- In order to reduce financial risk and promote ownership within the MFI supported by Dyna, the project has established the principle of collecting 25 percent cost-sharing inputs from clients for the provision of services subsidized by Dyna. The evaluation team ran a random check covering ten technical assistance activities in MFI and the same number in BDS. Activities related to Microfinance comprise generic and specific trainings, organizational development, development of a new product, accounting review and materials supply activities. For the generic training offered via the CAPAF/CGAP partner, the rate is fixed and contributions are made in cash. For other activities, the cost sharing principle has been applied and the rate ranges from 4percent (computer training for PAMECAS) to 47percent (development of new product with UNACOIS-Dev). The rate is determined on a case-by-case basis.

Most of the contributions are in-kind (perdiem, lodging, site rental, transportation and time provided) and there is no accounting consistency in evaluating these services.

In the provision of commodities (safes and computers for instance), the contribution entails cost of fixing the safe in the wall, the insurance policy which the MFI is required to

subscribe in order to safeguard the program property, the transportation even if it is effectuated with the institution's vehicle. In one case (the furniture of 31 Safes to FNGPF), no value was determined for the MFI's contribution.

More importantly, there is no mechanism built into the cost sharing system which permits a progressive phase-out of subsidies and clients deciding on the services they are willing to pay for. Services providers unanimously projected that after the end of Dyna's interventions both products and prices would suffer tremendous readjustments in time, service/product restructuring and also in determination of real market prices. The fixed subsidy within the project has not driven demand for payment of services, nor to price determination at which it is currently able to support.

- It is important to note that Dyna's interventions did not directly result in any significant changes in interest rate in the market. Changes that were observed were due to the application of the PARMEC law. PAMECAS for instance has reduced its interest rate from 36percent to 24percent in order to comply with the BCEAO instruction which established the ceiling at 27percent. The competition also has forced some MFI to reduce their interest rate. UMECU Tamba reduced from 30percent to 20percent in order to be competitive in the local market. However, MFI found ways to increase revenues in order to be able to cover their operating expenses. Apart from requiring compulsory deposit to guarantee the loans, almost all MFI charge fees and various commissions to their clients, resulting in an effective rate comprised between 45 and 60percent. The UMECU network has just introduced a new service fee of approximately \$1.25 per quarter on all accounts. This fee is to enable the network to purchase professional services as Dyna's support has come to an end.

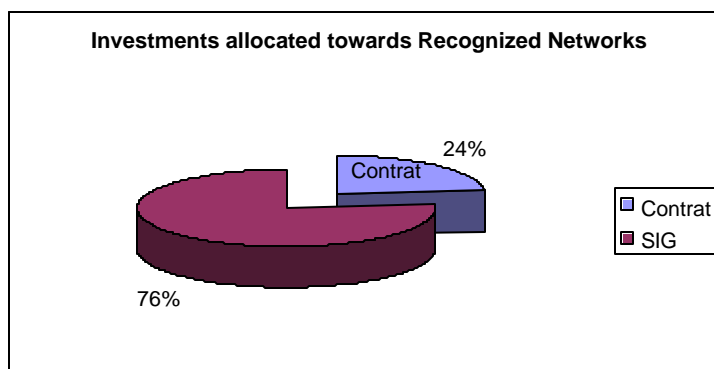
III.4 Segments and Activities of Dyna

In 2000, Dyna conducted a survey of microfinance institutions to define the nature, number and the geographical location of the DFS operating in Senegal³. The results of the survey and the lessons learned by the Dyna project during its first year of operations catalyzed the segmentation of the microfinance sector in 2001. This illustrates one of the most important accomplishments of the project: its ability to learn and integrate such lessons in its planning in order to improve its performance. The list of institutions by market segment is found in annex 9.

III.5 Activities to Support the Development of Recognized Networks

This segment includes ACEP, l'Union des Mutuelles du Partenariat pour la Mobilisation de l'Épargne et du Crédit (PAMECAS) and Crédit Mutuel du Sénégal (CMS). These three network institutions represent about 80 percent of the market for financial services in Senegal. PAMECAS and CMS represent mutualist (co-operative) institutional structures. ACEP has been granted special status as it was already providing direct credit services prior to the institution of the PAMECAS legislation. While ACEP and CMS have a national presence PAMECAS limits its operations to Dakar and its peripheral areas.

Dyna has allocated more than US \$1.2 million dollars to support these major networks, which comprise around 14 percent of its total investments. These investments have included one grant made to ACEP and the supply of computer equipment. The \$250,000 grant issued to ACEP in 2001 has been allocated towards the establishment of four new branches. The majority of this grant, \$230,000 has been utilized to capitalize these new branches and issue new loans. It is interesting to note that more than US \$16,000 was spent to close this grant proving the high cost associated with the granting of federal funds.



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The other support for this market segment has been devoted for a large part to the modernization of customer information systems for ACEP, PAMECAS and CMS. It is important to note that Dyna's contributions to PAMECAS have amounted to around \$469,000 or 42 percent of the total contributions to this market segment. The majority of these investments were made in 2003. One of the last institutions to incorporate itself into the Dyna portfolio of recognized networks has been CMS. Dyna's work with CMS has been spread out over two years (2002 & 2003) and has amounted to \$324,000 or 29 percent of the investment in this market segment. The smallest investment in computer equipment support was to ACEP which received \$62,000 or 5 percent of the resources allocated to this segment.

All three MFI have significantly increased their outreach since year 2000 by an average of 63percent over the three year period. PAMECAS has almost doubled the number of clients served moving from 64 432 clients in 2000 to 119 483 in 2003.

In terms of sustainability, only PAMECAS is reported by Dyna to be operationally viable, meaning this IMF generates enough revenue to cover all operating expenses. CMS has recently joined the program and did not yet provide Dyna with full financial information by the time of our review.

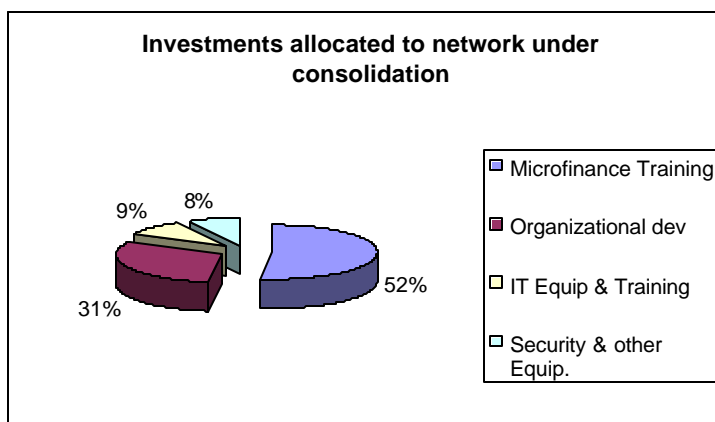
Lessons Learned:

- **Technical assistance focused on information systems:** Dyna's support activities to recognized networks essentially focused on the supply of computer equipment and setting up of an information system at the central or regional office or at the national level of the network in the case of PAMECAS.
- **Tendering was the preferred mechanism utilized for contracting:** The Tender and BOA were given priority over grants. Dyna seems to advocate open and closed tenders because they enabled both Dyna and recipient service providers to account for funding against results and achieve a more cost-effective mechanism for the disbursement of project funds.
- **Significant increase in the number of clients served by this segment:** it is reported that the investment in new information technology has increased client confidence which in turn has boosted the demand of financial services provided by these IMF.

III.6 Activities to Support Networks Under Consolidation

This market segment is comprised of UMEC Sedhiou which is the only institution under consolidation supported by the Dyna project in the region of Kolda. This network distinguishes itself for its rural outreach. The network obtained its legal recognition but is still in the process of developing its financial systems.

The activities undertaken by Dyna's for UMEC Sedhiou have amounted to some \$484,000 and have involved training, organizational development, particularly marketing activities and strategic planning. The marketing and strategic planning activities alone have comprised 83 percent of the investments made by Dyna for UMEC.



The UMEC network represents 3 percent of all beneficiary customers and took in 6 percent of Dyna's investments. The average investment per customer amounts to roughly \$37 per beneficiary (not including UMEC contribution), or ten times more than the funds allocated towards the recognized networks. Microfinance training activities were allocated 52 percent of the funding available by the project and have focused on strengthening the skills of the elected leaders and technicians of the 22 cooperatives and the union's main office.

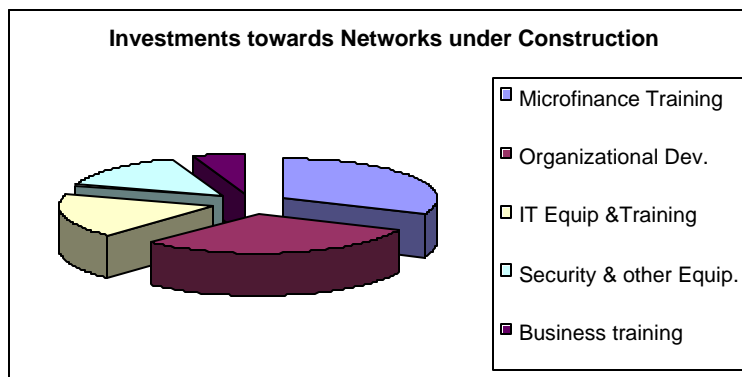
UMEC has increased its outreach by 27percent over the period 2001 to 2003. . Total number of clients served at end of year 2003 amounted to 13 156. Productivity has also improved as a result of Dyna's supports. UMEC is reported by Dyna to be operationally viable.

Lessons Learned

- **Varying degrees in the quality of services rendered by service providers:** It has been consistently noted in the focus groups and in the interviews that the lack of clearly defined norms and guidelines for service providers often resulted in contradictory and incompatible activities, which not only created confusion for the customers but also hampered the efficiency of the program since the same issues and problems were dealt with several times.

III.7 Activities to Support the Networks under Construction

Three institutions make up this market segment: Union des Mutuelles d'Epargne et de Crédit d'UNACOIS (UMECU), Femmes Développement en Entreprise (FDEA) and Réseau des Caisses d'Epargne et de Crédit des Femmes de Dakar (RECEC). Dyna did not sign any protocol agreements with FDEA. Although this segment accounted for 26 percent of Dyna's investments, or \$2.6 million, it covers



only 7 percent of the sector. The activities for this market segment have focused on three essential components: training in microfinance, organizational development and supply of computer and security equipment. A substantial part was allocated to investments for organizational development and microfinance training, which took in 62 percent of the allocated funds. Most of the training activities focused on accounting, management systems, strategic planning and the development of a new product.

Over the last three year, RECEC and UMECU have significantly increased their outreach, with a greater impact on UMECU. By end of year 2003, the number of clients served by UMECU was threefold, moving from 9 657 in year 2000 to 37 815 at end of year 2003. RECEC has increased its outreach by 51percent during the same period (from 20 423 to 30 840). Both institutions have reached their financial autonomy.

Lessons Learned:

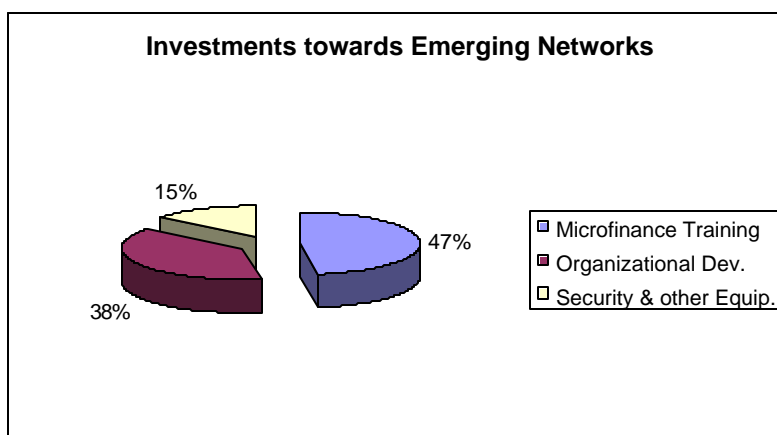
- **Internship programs provided on-going and useful support:** The experience of interns was much appreciated by the institutions. It was particularly noted that interns supplied continuous technical assistance and the support and coaching which is needed by young institutions.
- **Product development was not a large focus of technical assistance activities:** Fewer efforts were devoted to the development of new products. Investments only amounted to \$50,000 and were used to develop a funding tool for entrepreneurs in the UMECU network.

- **Technical assistance was tailored towards individual institutions:** There was a substantial amount of overlap in the requirements for technical assistance by the different institutions. Most of Dyna's technical assistance consisted of tailored technical interventions towards institutions instead of focusing on the market segment as a whole to achieve further cost-effectiveness in their operations.

III.8 Activities to Support Emerging Networks

This category includes nine networks of which three have already been recognized: FNGPF, INTER-CREC and IMCEC/CCF. Three types of activities have been identified: training in microfinance, organizational development and the supply of computer and security equipment.

The MFIs in this category reported that to date they had not received any computer equipment. They also reported that they did not benefit from any training in entrepreneurship. A total of \$1.4 million was invested in this segment, including 47 percent for training and 38 percent for organizational development. Office and security equipment was the third technical



assistance component offered by the project and comprised 15 percent of the allocated investments in support of this segment. It is worth noting that this was one of the few market segments in which the program did not make any investment for computer equipment and training in this segment.

Eight networks are reported to have achieved their financial autonomous during the course of their collaboration with the Dyna project. None of them had reached this stage at the inception of the Dyna project in 2000.

Lessons Learned

- **Entrepreneurial training and product development were not as predominant in the technical assistance package offered to emerging networks** which perhaps would have enabled them to achieve a competitive advantage in the market place. For example, the network which was visited by the evaluation team did not seem to possess good internal control systems. Also, the individual clients interviewed seem to have fragile businesses which were unable to support market-based interest rates.

III.9 Activities to Support Isolated MECs and GECs

The MEC's and GEC's represent over 40 percent of the customers (taking into account direct and indirect clients) of the DFS structures. They are characterized by low levels of savings and are often in search of credit funds. They also seem to need continued training support for their members, managers and cashiers. Most of the activities implemented by the Dyna project for the MECs and GECs focused on equipment to secure the group and office operation. A substantial part was devoted to basic training for elected leaders and technicians. Another component focused on the technical assistance required to enable these institutions to produce their statements and financial reports regularly. Dyna recently initiated the interns' program which consists of supplying such institutions with young graduates supervised by service providers. The experiment was well received and greatly appreciated by clients who vehemently advocated its expansion.

The number of GEC has significantly increased over the period 2000 to 2002, moving from 148 in 1999 to 384 in 2002. It is important to note that the number of GEC's almost doubled in 2000, rising from 148 at the beginning of the year to 278 at year end. This increase has been due principally to two factors: first that the year 2000 corresponds with the implementation of new instructions aimed at integrating GEC's into the accounting system of DFS and second that as a result of the Dyna project, many groups got organized to benefit from these important resources devoted to this segment as Dyna has made registration with the Ministry of Finance a prerequisite for any support from the project. Most of the groups have organized themselves by sector of activities. Over 250 GEC's were recognized by the Ministry of Finance within a four-year period, most of which were registered in 2000 (130).

Sustainability remains a great concern for many of these GECs. Even though Dyna reported fifteen of them to be financially autonomous, the team is reserved giving the fact that the accounting system is not transparent enough to capture and reflect full costs. This concern is confirmed by the APIMEC, the professional association. During the focus group discussion held with the association members, they indicated having created a special body within the association to deal with this segment. They think that the best solution would be rather to regroup and consolidate such small-scale structures into larger networks.

Lessons Learned:

- **Technical assistance focused on the formalization of credit and savings groups:** Dyna intervention has created an incentive for informal GEC to comply with the legislation and build their capacity. Despite the important resources devoted to this segment, capacities remain low due to the inability of the GEC to attract and retain professional staff.
- **Formalization of activities did not lead towards further consolidation of the Savings and Credit Group market segment:** The issue of the sustainability of such groupings is a major concern for actors in the sector. Consolidation of small-scale structures into larger networks is recommended.

III.10 Summary of Lessons Learned

Below is a restatement of the lessons learned on microfinance that is presented in the sub-sections earlier in this chapter:

1. **Dyna has targeted its technical assistance to the need of each market segment** even though there are a lot of cross-border activities: for recognized and well established networks, the focus was on information technology in order to improve performance. For networks under consolidation or construction as well as emerging networks, the primary interventions were microfinance training and organizational development activities. Only networks under construction have received business training.
2. **Tendering was the preferred mechanism utilized for contracting:** The Tender and BOA were given priority over grants. Dyna seems to advocate open and closed tenders because they enabled both Dyna and recipient service providers to account for funding against results and achieve a more cost-effective mechanism for the disbursement of project funds.
3. **Varying degrees in the quality of services rendered by service providers:** It has been consistently noted in the focus groups and in the interviews that the lack of clearly defined norms and guidelines for service providers often resulted in contradictory and incompatible activities, which not only created confusion for the customers but also hampered the efficiency of the program since the same issues and problems were dealt with several times. The cases of RECEC and COCOGES were cited as illustrations.
4. **Internship programs provided on-going and useful support:** The experience of interns was much appreciated by the institutions. It was particularly noted that interns supplied continuous technical assistance and the support and coaching services which are needed by young institutions, especially MEC and GEC.
5. **Product development was not a large focus of technical assistance activities:** Fewer efforts were devoted to the development of new products. Investments only amounted to \$50,000 and were used to develop a funding tool for entrepreneurs in the UMECU network.
6. **Technical assistance was tailored towards individual institutions:** There was a substantial amount of overlap in the requirements for technical assistance by the different institutions. Most of Dyna's technical assistance consisted of tailored technical interventions towards institutions instead of focusing on the market segment as a whole to achieve further cost-effectiveness in their operations.
7. **Entrepreneurial training and product development were not as predominant in the technical assistance package offered to emerging networks** which perhaps would have enabled them to achieve a competitive advantage in the market place. Per example the network which was visited by the evaluation team did not seem to possess good internal control systems and had not even reached operational sustainability. Also the individual clients interviewed seem to have fragile businesses which were unable to support market based interest rates.

8. **Technical assistance focused on the formalization of credit and savings groups:** Over 250 GEC's were recognized within a four-year period, most of which were registered in 2000 (130). Indeed, the number of GEC's almost doubled in 2000, rising from 148 by the end to 278 during that same year. This increase has been due principally to two factors: first that the year 2000 corresponds with the implementation of new measures aimed at integrating GEC's into the accounting system of DFS and second that as a result of the Dyna project many groups got organized to benefit from these resources. Most of the groups have organized themselves by sectors.
9. **Formalization of activities did not lead towards further consolidation of the Savings and Credit Group market segment:** The issue of the sustainability of such groupings is a major concern for actors in the sector; they think that the best solution would be rather to regroup and consolidate such small-scale structures into larger networks.
10. **Application of a fixed subsidy rate was not appropriate to drive the demand for paid services:** Even though it has increased significantly MFIs' access to technical assistance provided through local BDS providers, it did not promote MFI ownership and determination of the services they are willing to pay for resulting in a higher price in the market. Discussions from the focus groups indicate that if IMFs recognize the need and value of the services provided by local BDS on behalf of Dyna, they are by no means willing to pay the same price without any subsidies. They expect the BDS providers to structure their services to match their financial capacities.
11. **Interventions with greater impacts entail** business training modules using GERME or Making Cents approach. Some targeted MFI (UMEC Sedhiou for instance) have adopted this training program as a prerequisite to obtaining a loan. Microfinance best practice courses provided by CAPAF also has had tremendous impact of MFI's confidence in providing better services to their clients and improving their capacity in portfolio management, reporting systems, services delivery and outreach. Also, the compulsory follow-up evaluation conducted by BDS provider provides incentive to participant MFI and resulted in positive changes in service delivery. One of these changes is the change in format for training technicians separately from elected board members. Technical staff and board members used to be trained together resulting in inefficiency and poor results. Another illustration is the launch of the accounting and management review as a diagnostic tool and an entry point. The program was launched as results of follow-up evaluation conducted following the training sessions.

III.11 Conclusions on Microfinance

1. **Move from direct provision towards the facilitation of services:** The Dyna project has brought to the forefront some key issues on how donor agencies might better serve the microfinance and business development industry by shifting the focus away from direct service provision and towards removing barriers by building institutional and overall sectoral capacity. While the Dyna project attempted to increase its facilitator role by providing infrastructure and information needed by microfinance and BDS client institutions, there is still much work to be done. Unfortunately, the capacity-building activities undertaken by Dyna in the microfinance market were mainly in operational areas such as management information systems, accounting, and training. However, less

was pursued in strategic activities such as development of credit bureaus and smart card technology. This would have addressed information asymmetries in local markets, enabled quantification of risk, and improved commercial investment to the sector.

2. **Performance-based contracts have a strong incentive to show results:** Performance-based contract have strong incentives to show results in number of operations and combined volume. Dyna's innovation was the development of a tailored technical assistance strategy that enabled the institution to allocate large-scale resources available under the project through its tenders, which provided a transparent and competitive mechanism. However, little attention was placed on technical assistance and in the comparative advantage of use of public funds that the institution had to manage. Although the program provided substantial operational support to individual microfinance institutions, critical strategic technical assistance was missing from the package of services. This could have built the capacity of the microfinance industry and provided a more equal footing and further competition and dynamism in the sector.
3. **The microfinance sector in Senegal offers potential for growth and consolidation:** The microfinance market in Senegal seems to offer tremendous potential for continued growth, but one of its critical constraints is its lack of capacity and information asymmetry. Although Dyna has helped support the sector, there is still much to be done by donor agencies and development partners to provide funding that will ensure the permanence of the local microfinance industry through the provision of a cost-effective and profitable delivery structure.

IV. Lessons Learned and Major Findings from Business Development Services Activities in Senegal

This section presents Dyna achievements against targets, reviews the status of business development activities in Senegal, and provides a detailed analysis of each of the activities undertaken by Dyna under the BDS component of the project. The chapter further identifies lessons learned, findings, and recommendations for the BDS component. The Dyna activities reviewed are:

- **BDS providers' benefits from collaboration outside revenue generated**
- **Microcosm of BDS: Subsidy placement and cost contributions**
- **Decentralization and equal competition for service providers within BDS markets**
- **Development, satisfaction and sustainability of BDS client interventions**
- **Activities targeting subsectors**
- **Follow-up evaluations and feedback**
- **Activities promoting entrepreneurship: Highest potential for impact**

IV.1. Dyna BDS Achievements Against Targets

From 2000 through 2003, the Dyna project has been the driving force behind MSME development in Senegal. While most project resources had been allocated towards microfinance activities, the business development services under the project have struggled to produce similar gains. The project reflects an interesting convergence of these two sides of MSME development. The business development services interventions have tried to bring services deeper into the rural areas where most of Senegal's population lives, while offering MSME's wider options for enterprise growth. In this way, Dyna has fostered an array of business development services improving market access, technology, entrepreneurial and management skills, and offering BDS client institutions the tools needed to produce high quality products efficiently, reach new customers, manage their finances and ultimately increase their incomes.

Dyna provides business development and support services, including information technology, business management, and hands-on training and technical assistance to entrepreneurs in the Senegalese market. Initially, Dyna pursued BDS interventions based on the general mandates dictated by the private sector objective of providing information sharing and technical interventions based on perceived demand. Much of the first year of operations was devoted to understanding existing local markets for business services, its main actors, characteristics, needs, and willingness to pay. Dyna's first and second year workplans document these facts.

A market assessment performed in 2002 led to further understanding of the demand, supply, and delivery of BDS services in the local markets and enabled the program to understand the different tiers of market players, namely service providers, associations and MSMEs. Wanting to stimulate the market for business services, Dyna revamped its model for information-sharing and technical assistance and utilized the contract tendering mechanism to 1) learn more about existing markets; 2) share and disseminate information to market players; and 3) approach demand not only through BDS clients but through specific sub-sectors. Furthermore, Dyna learned that associations and federations were the lifeblood behind local BDS markets and an important channel for BDS service delivery to MSMEs, providing them with an opportunity to scale-up their operations. Given Dyna's perception of its role as a private sector investor in the Evaluation of Dynaenterprises / Senegal

economy, the project did not coordinate its activities with the government, opting to use private channels such as federations and associations as client institutions to deliver BDS services.

Dyna also utilized other strategies to stimulate demand by anticipating demand, (“Anticipation à la demande”). This included advertising in local papers to assess the potential demand from local institutions and entrepreneurs to attend Dyna pre-determined fee for service trainings (such as Making Cents, marketing, GERME, etc). The Dyna project heavily subsidized the supply with the implicit assumption that through this intervention the information deficit on the demand side would also be addressed. Dyna’s business development services included interventions both on the supply and demand side by trying to promote investments in the training market by reducing information asymmetries, improving the quality of the training supply, and attempting to stimulate the demand for these services. Although the reality is that information is lacking both on the demand and supply sides of the market for training in Senegal, Dyna’s approach was not conducive to the development of an ultimately sustainable market for training.⁷

The business development service component has achieved and surpassed most of its targets. Nevertheless, given the actual short-term implementation of the program compounded by the downsizing of operations, the program has not been able to fully roll-out all of its activities. This has made it even more difficult to evaluate its actual results. Many of the BDS activities implemented by Dyna have focused on market research, information sharing, and organizational support to associations and federations. By pursuing a series of tailored interventions aimed not at overall market segments but at existing institutions and groups, the program has been able to easily achieve its targets and add both breadth and depth to their operations.

Below are the BDS achievements of the Dyna project against target through 2003:

Achievements under KIR 1.3: Technical & Managerial Best Practices 2000 - 2003

Indicators	Project Results Achievements Vs. Targets		
	2001	2002	2003
9. Number of fee paying participants from SMEs, consulting firms, associations and groups that purchase business training	139%	152	178%
10. Number of private sector participants	154.%	176%	143%
11. Number of Agricultural-related participants	170%	317%	146%
12. Number of all new products and services	225%	373%	47%
13. Number of agricultural -related new products and services	260%	1380%	34%
14. Number of SME's acquiring quality technical assistance (not training) from BDS providers	262%	558%	167%
15. Number accessing market and technical information	146%	334%	155%
16. Number purchasing market and technical information	604%	1673%	350%

⁷ Experience in BDS and in the market for training based on the Donor Committee Agency conferences held in Harare and in Rio de Janeiro have shown that when training is relevant and accurate, the trainings hold tremendous potential for cost-recovery. This is substantiated by a number of case studies from these conferences. Among them the most salient is the Paraguay Voucher experience.

An analysis of the performance for 2003 demonstrates that most targets have been achieved and surpassed. The only indicators which demonstrate a lack of target completion are the product development and agricultural related products. This supports some of the findings of this evaluation regarding the focus of the technical assistance towards market assessments and information-sharing which have not led to many new interventions. This has hampered the overall development of new products.

Dyna project strategy for business development has been to substitute the underdeveloped BDS market with subsidized services, basing service delivery on the availability of public funds. The lack of timing allotted towards the actual implementation of activities has also hampered the potential success and fruition of existing strategies. Nevertheless, when one looks at the project results in terms of scale and outreach, one can easily observe some success. It is therefore important to carefully scrutinize performance results and also to look at attributions and causality.

IV.2 BDS providers' benefits from collaboration outside revenue generated

Even though Dyna focused its primary attention on the demand-based not supply-driven model, few service providers were able to benefit from the program outside the revenue derived from their contracts. Dyna focused on decentralized locations; selected service providers based in Dakar were therefore able to expand their activities and presence into the five regions of operations of the program, which gave them a cutting edge over other Dakar-based providers. In at least two cases, large firms even opened up regional offices.⁸ These few, larger service providers were also able to adapt and create new services on behalf of regional clients, such as in marketing, accounting, training, management and awareness raising activities; they also lowered their prices from what would normally have been charged in Dakar. In fact, there were five BDS clients⁹ that were interviewed who maintained contact with their service providers to provide additional services to them at a fee which was acceptable both to the BDS client and service provider. Price and service adjustment for the down-scale market is a huge step in terms of market development, and one which goes far in creating a competitive advantage, even if it has started with only a few providers. This shows us that a few service providers have been able to develop a commercial strategy of problem solving and finding their market niche—especially in terms of local technology and understanding the demand.

Indeed, more often than not, service providers neither expanded nor differentiated their products nor adjusted their prices long-term to be able to meet the needs and demands of the BDS clients. Service providers did adjust their costs in the short-term for their contract negotiations with Dyna—there was even one service provider saying that the intense bargaining done by Dyna made it difficult for them to come out even! But even at these reduced costs these services (refer to Annex 9 for the full list of services) are still too expensive for BDS clients. The service providers' pricing schemes (known colloquially as the "Dyna Price") were not market-driven or connected to the client's pricing structure, but developed and negotiated with and for Dyna. This lack of facilitation in market transactions highlights the gaps between appropriateness and pricing structures between supply and demand which did not happen and which also stymies a long-term approach to sustainable linkages.

⁸ Hodar Conseil and Sahel3000

⁹ AGP, OCC, Sahel3000, Cabinet Vet Consult, and ARHMT

The Dyna project has undoubtedly made some significant progress over its four years of implementation particularly in private sector development. Although the program has not adhered to some of the latest thinking in market development the large-scale investments made by the project to develop the market of service providers in the country have definitely appeared to have a positive impact. At the center of the innovations promoted by the Dyna project has been the tender mechanism and its ability to quickly source consulting services from the local market. Nevertheless there are still many unanswered questions with regards to the sustainability of the investments made by Dyna and the linkages established between client institutions and service providers which will need to be evaluated once the program ends and over time, which are included within the recommendations made by the evaluation team.

Lessons Learned:

- **Program downscaling has led to price and service adjustments:** Five BDS client institutions interviewed had been able to negotiate contract arrangements outside of the Dyna program. This demonstrates the potential that might still exist within the program for the sustainability of the linkages brokered by the project.

IV.3 Microcosm of BDS: Subsidy placement and cost contributions

Even though there were some problems associated with direct service provision, and we are aware of the potential pitfalls resulting from the distortions created by subsidies placed between the demand of services and their provision, it is interesting to note the creativity and contracting results achieved by the BDS group in comparison to microfinance. Interestingly enough, it seems that the lower levels of funding allocated for the BDS component spurred some interesting interventions which are worth looking at in order to draw some substantial lessons learned from the Dyna project and its experience.

“Dyna’s BDS Staff Join the Private Sector”

All Dyna BDS staff have created and joined a registered association to keep the skills they learned through Dyna so as to deliver services to clients themselves. At least three other BDS staff has started their own business after having finished with Dyna.

The small allocation of funding of US\$1,823,057 which is equivalent to approximately 10 percent of the resources received by the microfinance group enabled the BDS to choose carefully each intervention and rely on innovative value-adding techniques in order to stimulate the market. Dyna BDS staff confirmed that they were concerned about getting the most value out of their limited resources, and that they were often on the phone with service providers negotiating prices to make sure that each CFA being spent was for a reason. If we compare the overall results between BDS and microfinance by the sheer number of contracts generated through the life of the project (267 contracts in BDS versus 351 in MF), the BDS team managed to go beyond original expectations and generate momentum and activity. Also, some additional cross learning seems to have taken place between the microfinance and BDS teams as two techniques initially utilized by BDS were subsequently applied by the microfinance department; namely the Restitution Days and feedback discussions between clients/service providers and Dyna.

Although the Dyna project was set-up to collect 25 percent cost-sharing inputs from clients for the provision of services subsidized by Dyna, a random sampling showed that the BDS team

managed to collect an average of 31 percent of in-kind contributions from their client institutions¹⁰. This finding is quite positive, as shows that high subsidies do not necessarily reflect high output of activity. Furthermore, the level of subsidy did not remain uniform in various interventions. Although Dyna aimed for a 75 percent subsidy to a 25 percent (in-kind) cost contribution per BDS client as in the Microfinance division, there were certain interventions on the BDS side that were carried out with a lower level of counterpart funding as they were deemed important by Dyna. Through our review of operations, we can observe that many times Dyna made decisions on a case-by-case basis to either continue an activity based on its intrinsic value even though cost contributions were either not available or less than 25 percent. For example, members in UNAFIBS did not pay for approximately 10 interventions on behalf of the banana sector—which included website, CD creation and other publicity tools. Also, many global events, such as Techno-Fairs, did not ask for full 25 percent cost share of the total cost through entry and stand fees. These multi-sector events, according to the service providers involved in setting them up, were not designed to recuperate the money invested into them, but was designed to stimulate public participation and interest in the events. Those interventions which requested participant cost contributions outside of cash contributions for events generally were made by providing transport, food, lodging, training room, facilitator honorarium, and coffee breaks. Cash contributions were funneled and tracked through the Dyna accounting department and made up about 3.24 percent in 2001 and 6.81 percent in 2002 of the total funding allocated by the project on an annual basis. Looking at the running total of cash contributions vis-à-vis the actual amount allocated by the project, these only amounted to 1.1 percent of the total funding allocated by the project until the end of December 2003. It was interesting to note that Dyna did not pursue a strategy for calculating in-kind contributions, which reflects, in a way, the mandate of a much larger and well endowed level program.

Note in Table 1 the breakdown and cost-efficiencies, with an overall 17.5 percent BDS client institution retention rate.¹¹ The Dyna project seems to have been concerned with reaching as many people as possible, without paying attention to the level of costs associated with interventions. Indeed many of the interventions pursued by Dyna were operational in nature and lacked a strategic focus that would enable enterprises to improve their profitability and therefore their willingness to pay for these services and commercialize business services. The drawbacks of a lack of strategic services and high level subsidies have been compounded by the lack of a clear exit strategy at the onset of the project, contributing to a costly operational structure which is dependent on continuous injections of subsidy to be able to deliver services. Several organizations and consultants, such as Direco and Amadou Lo among others, stated that the “big emptiness” now without Dyna in terms of bridging the gap of delivering services without continual subsidy through the Dyna contracting mechanisms, but that perhaps clients could approach the donor for a subsidy to receive services. Service providers do not seem to perceive other solutions or strategies outside the Dyna mechanism and continual subsidies. ACEP even went as far on this subject to ask the question, “How can people go on?” and Avysee Consulting said with Dyna leaving it was like a ‘part of the organization has been cut’. Most organizations

¹⁰ This calculation was based on a random sampling of ten BDS contracts to determine cost-share information. Dyna did not track this information outside of their individual contracts, therefore a sampling was necessary. This is not reflective of the overall project.

¹¹ Please refer to Annex 11 for a chart of repeat client institutions and number trained. Calculation determined by taking the number of repeat institutions from one year to another and dividing them by the total number of client institutions.

are not sure how operations will evolve after Dyna has left, some organizations appear to have closed, and many are returning to how they operated before the Dyna project.¹²

Table 1:

	YEAR 2000	YEAR 2001	YEAR 2002	YEAR 2003	TOTAL
Number Trained	119	278	609	711	1,717 people
Avg Cost Per Person	\$678	\$567	\$1,181	\$940	Average \$947

Table 2:¹³

	YEAR 2000	YEAR 2001	YEAR 2002	YEAR 2003	TOTAL
Client Institutions	6	8	15	20	40 different institutions
Avg Cost Per Institution	\$13,454	\$19,700	\$47,979	\$33,431	Average \$40,666

Therefore although overall client growth rate of Dyna's breadth has also increased, from over a 100 percent increase from the year 2000 to 2001; 200 percent increase from 2001-2002 and then decreasing to a 16 percent growth rate from 2002-2003. Although the BDS side did not achieve sustainable results through reduced funding and in-kind and cash contributions given the nature of the program set-up, the BDS team maximized their resourcefulness and promoted a flexible approach in their outreach, which became a key component to boost the local demand for services

Lessons Learned:

- **Lower levels of funding for BDS spurred innovations and value-adding techniques,** demonstrating that creativity exists when there are limited funds and a short timeframe to show results. Through techno-fairs and business-to-business linkages, the BDS group was able to leverage its resources and catalyze some interesting innovations. The amount of activity that BDS was able to execute with less than US\$2 million is amazing particularly when compared to the resources allocated towards the microfinance component, thus proving its resourcefulness and the freedom derived from not being tied to large-scale funding sources.
- **For programs with more funding, it can be much harder to enforce match requirements:** The evaluation could identify many instances in which an intended match took place without planning. It is worth mentioning that Dyna did not pursue a strategy for calculating in-kind contributions, which one would find much larger and better funded programs.

IV.4 Decentralization and equal competition for service providers within BDS markets

Dyna, in its attempt to decentralize markets has attempted to promote equal competition among Dakar-based and non-Dakar based service providers. There is even the possibility, although not

¹² Aveysee Consulting, ACEP, AGP, Mutuelles de Eleveurs; APEFA, AGROBIO, G-Com, APS; Senagrosol, Radio Oxyjeune, AST, Cabinet Vet Consult

¹³ The difference between the cost per # trained and client institutions fluctuates—this is probably partly due to the multiple-sector work in techno-fairs and other large-scale events.

confirmed categorically, that selection criteria for service providers may have been even slightly slanted to promote regional service providers over Dakar-based service providers. These indicators Dyna developed to select service providers, which are valid and transparent, included placing a lot of value on understanding of the zone and regional language skills. This may have promoted regional firms with specific language and regional skills. Additional criteria in service provider selection included the technical ability aspect as well as financial submissions, among other criteria specific to the terms of reference.

The overall selection process (see Annex 15 for full detail) of service providers was widely applauded by all. In fact, the extremely transparent and strict submission guidelines were the main positive points brought up in individual and group discussions and interviews. Most service providers were originally put off by the strict deadlines and requirements, but ultimately came to respect the standard of quality they were held to. It is clear that Dyna went to extensive lengths to ensure transparency and high quality of submissions from service providers. BDS staff stated worked very hard as well to make sure that this standard of submissions were kept up during the entire process of interventions, and payments were also dependent upon acceptance of reports and other deliverables set forth by Dyna.

Given Dyna's work with both regional and Dakar-based service providers, most people identified the initial barriers to decentralization as lack of information sharing between Dakar and the regions. Most service providers admitted to not being aware of the regions' activities and potential before the Dyna program, and that Dyna enabled them to study the market and be involved in regional work. Service providers were allowed to intersect and study the market at primarily the donor's expense through their contracts in the regions. This could also be considered an additional benefit to service providers outside of the revenue generated. To some extent this supply of information has been ameliorated, however there still exists an overall lack of communication between the regions and Dakar. The perception of 'distance' between Dakar-based service providers and regional clients exists geographically, technically and financially. Geographically, infrastructure and sheer distance between Dakar and other regions remains a physical separation. Technically, many regional clients and service providers feel that the perception of their Dakar-based peers tend to group rural business people as slightly 'behind the eight ball' in technical caliber, whether or not justifiable. Finally, the pricing structure between Dakar-based firms and regional firms tend to vary, which may hamper collaboration. The perception of rural clients may assume that they cannot afford the costs of a capital-based consulting firm. Finally in terms of potential and/or existing barriers to decentralization, governmental priority in the regions is still unclear.

IV.5 Development, Satisfaction and Sustainability of BDS Client Interventions

In Dyna's quest for defining demand-driven services, Dyna prioritized intervening with associations and federations through consolidation and professionalism. Dyna also worked with already consolidated organizations to get them more representation and power; and with weaker associations to give better services and to become more professional. These interventions were mostly operational in nature, including 1) sub-sector studies, 2) Restitution Days, which broadcasted sub-sector information, 3) international study tours, 4) creation of action plans 5) creation of an association/federation, 6) awareness raising "sensitization", 7) creation of sub-sector manuals, 8) dinner debates, and 9) website creation and CD-ROMs. The interventions promoted by Dyna have included day-to-day operations services instead of strategic business

services, which would have addressed issues such as improving the performance of enterprises and their long-term access to markets.

Although Dyna identified and worked through existing indigenous networks reaching MSMEs and disadvantaged populations by ‘investing’ in social capital improving the breadth and depth of Dyna’s outreach, client interventions lacked strategic depth and focus. As such, clients have not had the opportunity to put in place technical processes to increase their productivity or increase their ability to pay for services in the long-term. In fact, there appears to be a deep-rooted dependence among all BDS clients, associations and federations in finding new donor funds and subsidies to fund these strategic activities, which would enable them to increase their overall efficiency and income generation. Of virtually all those interviewed, client institutions stated that they were unable to pay full price for service providers. Both client and service provider institutions stated that the clients did not have the ability to pay full price for their services; and at the same time no one has yet worked with the service providers to help them adjust their price to determine the real market prices of what clients can and are willing to pay. (See Section V for further discussion). Therefore there is remains a wide gap between determining how much clients can pay and what price which can be charged by the service providers. Companies such as Hodar Conseil, AGP, Cabinet Veterinaire Consult and Avysee stated that clients lack know-how to approach the service provider, and the service provider needs to learn how to adapt their price to the client, not the donor (in this case Dyna).

Over 75 percent of all of those interviewed stated that the donor is their service provider (or client)—quite a sobering picture in terms of market development and chances for SMEs and BDS providers to be sustainable in an open and fair competitive environment. This shows how Dyna subsidized the price of services on a long-term basis without an exit strategy in place which most likely could crowd out or displace the commercial provision of services. As noted with several institutions, Association de Soudeurs Tambacounda stated that their institution existed before Dyna and will continue to exist after Dyna. They felt that the actual cost for technical services had actually risen due to the ‘Dyna price’, and they were waiting for the project to end where they would take up their activities again at a normal price. Further discussions along this vane of market distortion was noted in interviews with ASPI, Avysee, Radio Oxyjeune, Senagrosol, Mutuelles des Eleveurs, OCC, AST and ACEP in their statements how Dyna determined the approach, selection criteria and cost paid in the market (not the actual market players). Sud Informatique also stated that donors and implementing agencies can be indirect competitors to them with their subsidies. Clients and service providers are looking for other substitutes for their lack of medium-long term strategies and other commercial possibilities.

Interestingly enough, on an individual level, trainee expectations seemed to have been met adequately and individual customer satisfaction seems to be high. On a global scale, however, many clients felt that Dyna prioritized and conceptualized their needs for them, sometimes leaving a gap in the appropriateness of the intervention. Additional and wide-spread frustration lies in the rapid manner in which Dyna vacated their regional offices and activities, leaving many interventions undone, and in most cases, without explanation to the actors as to why. Not only did this rapid retreat denote no exit strategy or real plan to pass over particular skills in negotiating and paying for contracts with service providers, but it also breaks down the trust that Dyna tried hard to build between BDS clients and service providers and with Dyna and USAID itself. It undermines potential impact on the operations of the project actors and regrettably has

left some hard feelings and confusion in the program's place. Many clients stated additional frustration that 'if they had only known that Dyna was here for a specific amount of time, then they would have prioritized their needs differently'.

Less is More: Lowered Membership Leads to Profit

As in the case of many gardening groups in Kolda, there were many members who would split a small piece of land between themselves to grow vegetables, and then share the proceeds from the sales. Luckily, Dyna service provider, Laurent Gomis, identified this problem early on with his evaluation visits, and was able to inform the groups to widen their space of land and actually decrease the number of people using the land. This led to increased revenue through decreased membership but with increased land area.

In terms of depth and breadth, it is true that the membership of the associations and federations across the board have increased up to 150 percent in some cases since Dyna interventions. Many associations, however, are quick to state that several of their members are or have been primarily motivated by Dyna by providing direct and subsidized assistance to them. It is also likely that the Dyna activities and funds contributed to and stimulated membership growth. If funds and activities are no longer provided, active, paid up membership may decrease again.

Dyna's depth of intervention primarily focused on information dissemination and operational interventions. Strategic interventions and an exit strategy have been absent for clients to be able to utilize the momentum created by membership growth to improve enterprises' ability to fully adopt best management practices and compete in the market in the medium-to-long term, as noted in conversations with the banana federation and other professional associations, in horticulture, aviculture and aquaculture. Although it is clear that especially in the banana sector there have been extensive study tours, group meetings, planning sessions, website and CD creations and many other interventions which has generated a lot of momentum within the subsector and with the participants themselves, the actors perceive their current lack of ability to operate independently and effectively without additional outside 'assistance'. Even the gardening sector, in which Dyna has intervened in a grass-roots and a rather non-distortionary manner, Dyna-contracted consultant Laurent Gomis stated that to get these newly formed groups and individuals to function using best practices will take more time and patience. Dyna has done its best to set up what has been possible within the time allocated, but many of these aforementioned associations, among others are still very weak in terms of organizational and strategic capabilities, as well as continually dependent upon subsidies.

MILK: A Positive Impact between Depth and Breadth

An important part of this discussion of depth of intervention is the momentum (ripple-effect) that has been created working with professional associations and federations. This allows for wide-ranging participation from micro-entrepreneurs, producers, transformers and the retail market. One major highlight in Dyna's work with professional association and federation work can be seen in the milk subsector. This shows an exciting combination of both depth of clients (reaching individual cow herders) and breadth (from the local, regional and national level) demonstrating a comprehensive sense of organization and appropriate technology, which has been very impressive. This also exemplifies valorization of local products and includes wide-range participation from rural individuals to Dakar-based consulting firms.

Lessons Learned:

- **Federations and Associations were an important channel for BDS delivery and their membership grew as a result:** The success in the scale of outreach of Dyna's BDS strategy has been the use of federations and associations for service delivery. As a result, they have spurred over 150% in their membership motivated by participants' eagerness to benefit from the program:
- **Techno-fairs and large-scale events contributed to the breadth and depth of outreach of BDS services:** Some large scale activities implemented by the BDS component of the Dyna program achieved successful results regarding outreach and also catalyzed additional educational opportunities. For example, the inclusion of computer terminals in the techno-fairs attracted many participants to these events. Also the development of CD-ROMs on particular sub-sector topics enabled the program to quickly and cost-effectively disseminate the results of their market assessments.
- **Momentum and valorization have increased by working through associations and federations:** Broad depth of participation and working with local products has enabled many to participate in certain subsector work. Primarily this can be seen in the milk subsector. This momentum has generated activity, and although there is still an absence of associations and federations able to completely take over independent of additional assistance or subsidy using best practices, the momentum should be capitalized on (see Section V).

IV.6 Activities targeting subsectors

The majority of Dyna activities also correlated to sub-sector work, which corresponds to the domains in which associations were working. Outlined in Annex 9 we can see 18 separate sub-sectors that Dyna intervened in over a very short time-period. In fact throughout the entire country, only seven of the 18 sub-sectors received more than five interventions over the life of the project. The number of activities in each sub-sector and cost per sub-sector (Annex 9 and 10) show a wide breadth of sub-sectors but of limited depth in the interventions. Indeed, given the type of interventions as well as the limited number of interventions in most sub-sectors, that there are little or no resulting activities coming from Dyna's sub-sector approach. In fact, there is a clear lack sub-sector development focus for any real impact.

Emphasis for sub-sector work was placed on research and organizational development activities. Although there is no doubt that momentum and information has been generated in regard to sub-sector development, e.g. the KIR 3 objectives, looking from a technical lens at the business viability of these sectors, there was not much attention spent by Dyna in developing interventions which could impact the sub-sectors as a whole. There are simply too many sub-sectors touched with the majority of interventions on information dissemination. Only 24 interventions over the life of the project gave technically-specific assistance to a sub-sector; 9 interventions are in the gardening sub-sector. There is a lack of sector-specific impact given the majority of non-technical interventions.

An example of this lack of business strategy within the sub-sectors is Dyna's work with imported vetiver for soil-erosion control. The only 'technical' intervention on behalf of vetiver was the Dyna contract for an Expert Junior, a type of Dyna-intern. All other activities for vetiver valued

at US\$155,392 were invested for the development of the market for vetiver through creation of demonstration plots, information days and the techno-fair¹⁴. Although there seems to have been some demand created through Dyna's marketing of this imported species of vetiver, there is a lack any real business orientation in the local market, and there are serious doubts as to any long-term impact on the subsector, much less on MSMEs that are not working with vetiver.

Dyna's approach to subsectors was Dyna's ability to generate or add value or 'valorization' to local Senegalese products. This valorization is the crux of some of the enthusiasm and momentum expressed by MSMEs and service providers around the country. By using products already on the market and adapting those to the Senegalese taste, producers, through the local market chain, are able to participate making the interventions applicable at a local level. Nevertheless, it is our view, that information generation and even 'valorization' used as the primary tools for achieving impact are limiting in their ability to develop and expand markets as a whole. Although there has been a lot of breadth catalyzed by Dyna in various sub-sectors interventions have been quite shallow limiting themselves mostly to market research which has not led to interventions with the potential to address some of the critical constraints that would enable MSME's from playing a larger role in these sectors. Given the costs involved in subsector development the project would have better served intended recipients by targeting a lower number of subsectors while addressing these constraints in more depth and with a private orientation model in mind that would have ensured a strong demonstrational impact validating the approach which would have potentially catalyzed even more demand for these services.

Lessons Learned:

- **Sub-sector assessments need to contemplate interventions towards constraint points:** Although Dyna invested program resources in the development of over 10 sub-sectors, it is difficult to pinpoint direct interventions resulting from these assessments. It is important for programs to look at subsector assessments in light of possible direct interventions that could develop these markets for MSME's.

IV.7 Follow-up evaluations and feedback

Follow-up evaluations after the intervention to the BDS client were extremely useful and effective for all parties. These evaluations were completed as planned as a deliverable and as most everything else during the intervention process, tied to payment. Many times the service provider would send its senior staff to look in on the client to see how the impact from the client interventions was progressing. The rationale for sending high-level service provider staff would be to ensure that the subordinates' work was well done—this was another way of providing their own internal quality control. Although these evaluations were obligatory for the service provider, most providers found it to be one of the highlights of the entire contracting mechanism. It enabled the service provider to see the effects of their training short-to-medium term; it helped the client discuss and hone in on their skills with the service provider directly and also allowed all parties to discuss the entire intervention and its results.

There were many additional ideas and interventions which came out of the evaluations that were used in subsequent interventions: these ranged from Dyna hosting additional trainings through

¹⁴ It should be noted that the TechnoFoire was not just for vetiver, but included a wide-range of products and technologies.

service providers with the same participants but with a different training objectives; creating manuals and other information sharing modules; breaking up the GERME model into three separate parts (3 sessions at 3 days each) to accommodate for hectic client schedules; and the initial demand for Fiscalité. These were among the recommendations taken by Dyna from participants and clients in the implementation and improvement of the program.

IV.8 Activities Promoting Entrepreneurship: Highest Potential for Impact

With over 81 interventions in multi-sector, entrepreneurial interventions valued at US\$738,652, there has been a lot of momentum created among MSMEs. The overwhelmingly favorite interventions noted by service providers and BDS clients alike were the Techno-Fairs, business forums, dinner debates and other discussion groups. These decentralized activities that Dyna subsidized to unite a broad base of actors in the market to discuss relevant issues and possible answers encouraged full access by all market players, with outcomes from these gatherings including making contacts and finding others interested in similar topics.

These interventions account for 40 percent of all BDS activity and are a perfect example of facilitation in the market place and have the highest potential for developing into actual business-to-business connections and spin-off activities which could really impact, develop and expand market development. Regrettably though, these activities stopped short of going to the next step of focusing on real interventions and activities to further promote and develop long-term business-to-business linkages.

On the other side of information sharing activities stimulating discussion and awareness, there were over 44 interventions in the GERME model also focusing on MSME development. Although training activities only represent 33 percent of all BDS interventions, this activity was another favorite and the one providing most spillover for MSME clients. Client institutions participation in this hands-on training enabled their members to capitalize on the skills learned without replicating the subsidy mechanism to teach other MSMEs the same skills and use the technical skills to take their ability to another level. A strong example is in Tambacounda, where over 40 staff from PROMER attended the GERME model series, and they are now replicating this model in the field to individual MSMEs. The ability for replication to reach a depth of MSMEs is profound and has also been a model that has been very popular among Senegalese.

Lessons Learned:

- **GERME and Making Cents modules have had a spill-over effect among donor and private sector institutions:** The impact resulting from entrepreneurship training within Dyna's programs is really worth noting. Many donors like PROMER have taken advantage of the costs associated with the introduction of these training curricula and have incorporated them into their services. Over 40 staff from PROMER participated in these trainings and now use them in their work with credit and savings groups associations.

IV.9 Summary of Lessons Learned

Below is a restatement of lessons learned related to the business development component that has been cited earlier within this chapter:

1. **Lower levels of funding for BDS spurred innovations and value-adding techniques,** demonstrating that creativity exists when there are limited funds and a short timeframe to show results. Through techno-fairs and business-to-business linkages, the BDS group was able to leverage its resources and catalyze some interesting innovations. The amount of activity that BDS was able to execute with less than US\$2 million is amazing particularly when compared to the resources allocated towards the microfinance component, thus proving its resourcefulness and the freedom derived from not being tied to large-scale funding sources.
2. **For programs with more funding, it can be much harder to enforce match requirements:** The evaluation could identify many instances in which an intended match took place without planning. It is worth mentioning that Dyna did not pursue a strategy for calculating in-kind contributions, which one would find much larger and better funded programs.
3. **Federations and Associations were an important channel for BDS delivery and their membership grew as a result:** The success in the scale of outreach of Dyna's BDS strategy has been the use of federations and associations for service delivery. As a result, they have spurred over 150% in their membership motivated by participants' eagerness to benefit from the program:
4. **Techno-fairs and large-scale events contributed to the breadth and depth of outreach of BDS services:** Some large scale activities implemented by the BDS component of the Dyna program achieved successful results regarding outreach and also catalyzed additional educational opportunities. For example, the inclusion of computer terminals in the techno-fairs attracted many participants to these events. Also the development of CD-ROMs on particular sub-sector topics enabled the program to quickly and cost-effectively disseminate the results of their market assessments.
5. **Program downscaling has led to price and service adjustments:** Five BDS client institutions interviewed had been able to negotiate contract arrangements outside of the Dyna program. This demonstrates the potential that might still exist within the program for the sustainability of the linkages brokered by the project.
6. **Sub-sector assessments need to contemplate interventions towards constraint points:** Although Dyna invested program resources in the development of over 10 sub-sectors, it is difficult to pinpoint direct interventions resulting from these assessments. It is important for programs to look at subsector assessments in light of possible direct interventions that could develop these markets for MSME's.
7. **GERME and Making Cents modules have had a spill-over effect among donor and private sector institutions:** The impact resulting from entrepreneurship training within Dyna's programs is really worth noting. Many donors like PROMER have taken advantage of the costs associated with the introduction of these training curricula and have incorporated them into their services. Over 40 staff from PROMER participated in these trainings and now use them in their work with credit and savings groups associations.

IV.10 Conclusions on Business Development Activities

A well-structured BDS program depends on effective dissemination channels, updated market knowledge, horizontal and vertical coordination, and an overall approach that is continually assessed in order to adapt to, not distort, a strong framework for BDS activities. While Dyna has been able to achieve scale in its operations and breadth and depth in its outreach, it has narrowly focused on market research, information sharing, entrepreneurship training, and organizational support and consolidation through associations and federations. This narrow market focus and fixed subsidy structure which defines the Dyna approach to BDS has attempted to jump-start investments in product development by existing suppliers, but it has not yet arrived to fruition.

There is still much room for USAID/Senegal to build on the momentum set by the interventions led by Dyna to ensure that the market for BDS services in Senegal can become more competitive and to ensure the sustainability of key services promoted by the Dyna program.

V. Principal Project Achievements, Lessons Learned and Recommendations

This section identifies the principal lessons learned through the Dyna project and makes recommendations to USAID/Senegal regarding the nature, scope and approach of possible future activities in microfinance and small business development.

V.1 Principal Lessons Learned from the Dyna Project

Based on the analysis of the microfinance and business development activities undertaken by Dyna in Chapters III and IV broad lessons emerge for the program as whole from this experience:

1. **Increase Private Sector Involvement:** The magnitude of the funding provided under this project positioned Dyna as an important player in the local market for goods and services, enabling them to have a broader impact. Dyna capitalized on this opportunity by revamping local contracting, and through its open tendering process was able to upgrade the skills of local consulting companies. Many companies interviewed mentioned that the solicitation process was an important learning experience.
2. **Build on local skills and communicate results:** Dyna's strategy to outsource technical services from local firms and particularly firms from rural areas contributed to the branding of the project. This was viewed as a highly positive outcome from the project. The development of communication tools in the form of manuals, reports, events, and intranet web pages has contributed tremendously to the project branding.
3. **Provide opportunities for service providers and clients to learn incrementally:** The project's efforts to upgrade the capacity of local service providers were also integral to the success of the Dyna strategy. The project's policy of offering training services to local service provider staff provided an ideal opportunity for local firms to upgrade their skills and provide improved services to MFI/BDS clients.
4. **Support product development by upscaling and downscaling consulting services:** By outsourcing technical activities to local consulting firms, Dyna has supported the development of new products. This has provided consulting companies opportunities to either a) downscale their services for the MSME market, or b) upscale their services by reaching a higher tier of this market segment or by forming sole proprietorships.
5. **Promote training interventions:** Although training activities only represented 33 percent of all BDS interventions, Dyna's trainings have experienced a strong level of demand. For example, in Tambacounda, over 40 staff from PROMER attended the GERME and Making Cents training. These training modules have now been replicated in the field providing micro, small and medium enterprises the opportunity to access business training. The replication of training resources in reaching MSME's has been very successful.
6. **Develop interventions for disadvantaged groups (rural populations, youth, disabled, female clients) and upgrade indigenous associations and networks:** A successful strategy pursued by Dyna has been to work in partnerships with federations, a type of

cooperation that has provided an innovative and effective information and service distribution system and made a direct link with intended target populations.

7. **Work through indigenous networks and associations:** Dyna was able to reach and work through existing indigenous networks and associations successfully by taking advantage of the existing exchange and mutual support mechanisms within Senegal. The project's work with local associations and federations has enabled these organizations to reach economy of scale and cost-effectiveness.
8. **Create synergy with other SO's:** Other USAID-funded projects have been able to benefit from the success behind Dyna's branding and communication strategies. For example, computer stations in the public entrance of major microfinance institutions now include information technology kiosks that disseminate health messages.

V.2 Dyna's Effectiveness in Targeting Beneficiaries' Needs and Interests

The demand-led orientation of Dyna's project and delivery structure has responded to the needs of existing microfinance and business development institutions and achieved substantial depth and breadth. Dyna's support to micro, small and medium enterprises has increased substantially over its five year of operations and the project has gained considerable experience in the brokering of service provision in microfinance and business development services.

Dyna has stressed the importance and the appropriateness of the service provision to the MSME market segment which it intended to reach. The vast majority of the MFI and BDS clients receiving technical assistance from the Dyna project through local service providers have commended the project for building on local firms and highlighted the appropriateness of the personnel. In many cases, the Dyna project took the care to ensure that service providers could speak local languages and made the effort to source services from rural firms in areas of project operations. Dyna's tendering process ensured that the firms selected could not only provide services in a professional manner but had the vision, culture, motivation and attitudes demonstrating a commitment towards providing services in a business like fashion towards the MSME market. It further encouraged service providers and individual consultants to develop ownership and responsibility for their work by enforcing clear guidelines.

The Dyna project has been able to successfully reach and work through existing indigenous networks and associations. In this manner they have been able to leverage the existing exchange and mutual support mechanisms to reach scale and cost-effectiveness particularly with BDS sub-sector interventions. The outcome of the investments made by Dyna to solidify these indigenous and grassroots federations and associations is still hard to predict, but will be interesting to watch. The dependency of many of these institutions was observed on field visits, with many looking for the project to provide the necessary equipment for their operations.

As for the MSME clients themselves, the interviews conducted by the evaluation team with MSME clients seem to point out to positive impact although these are largely inconclusive as the evaluation team had few possibilities to interview MSME beneficiaries and these interviews were orchestrated by the project partners. Nevertheless it is important to point out that the development of actual communication tools in the form of manuals, reports, events, and intranet web pages by the Dyna project have contributed tremendously to the project branding and

therefore the awareness with regards to the project is large in all of the four areas visited by the evaluation team.

In its four years of operations, Dyna has issued more than 351 contracts for microfinance activities with a contract value of US \$10,124,806 providing training, equipment, organizational development and information dissemination to Senegalese microfinance institutions, which have jointly reached more than 43,769 local borrowers and 219,760 of local depositors¹⁵. The project has also been able to leverage its resources to nearly twice the scale of its business development service operations which have included more than 237 contracts valued at US\$1,832,057. This has surpassed the initial funding allocated for this component, encompassing interventions in ten different sub-sectors and a wide array of entrepreneurial training activities reaching more than 38,727 micro, small and medium enterprises MSME's in 2003¹⁶.

Over the four years of operations of the Dyna project, both the microfinance and business development services markets in Senegal have acquired further dynamism and sophistication. Dyna's interventions have also had a larger impact on the MSME market segment, which has been strengthened indirectly through the project. As a result, the consulting sector has been strengthened and the project seems to have had a tremendous impact on upgrading the skills of local firms to respond adequately to solicitations. Dyna's capacity-building interventions among service providers has added value to the consulting market and has greatly expanded its reach.

V.3 Recommendations to Increase the Effectiveness of Dyna's Project Design

Though the lessons learned from Dyna are impressive, there are also challenges to the approach it pursued. Although Dyna has demonstrated its ability to serve as an administrator of the tendering process and gained operational efficiencies in the management of the tendering process it has inserted itself into the complex tendering contracting process of supply and demand as an indispensable broker between the MFI/BDS clients and the service provider. Dyna's insertion of itself as a requisite institution in service delivery and defining demand-driven activities has perhaps retarded MFI and BDS institutions from mastering the process of contracting between service providers and clients. Through the tendering and contracting process, Dyna has become the integral link between service providers and clients. The structure of Dyna's intervention as an intermediary between supply and demand has therefore promoted a tendering response capacity rather than direct client demand-identification.

The Dyna project has brought to the forefront some of the impinging issues on how donor agencies might better serve the microfinance and business development industry by shifting the focus away from direct provision of services toward removing barriers by building capacity within institutions and in the sector as a whole.

Performance-based projects like Dyna have strong incentives to show results in numbers of operations and combined volume. In this context, Dyna provided an innovation: the development of a tailored technical assistance strategy that enabled the institution to allocate large-scale resources available under the project through its tenders. This provided a transparent and competitive mechanism. Although the program provided substantial operational support to

¹⁵ Information furnished by Dyna which includes achievements reported to USAID for Fiscal Year 2003.

¹⁶ The contract obligations include data furnished by DynaEnterprise Senegalaises to the evaluation team under the headings of Microfinance Support – Local Contract Value and BDS Support -- Local Contracts Value.

individual microfinance and business development institutions it did not provide as much emphasis to very specialized technical assistance to strengthen these markets as a whole such as credit bureaus in microfinance or particular interventions through out the value chain of critical sub-sectors to strengthen the participation of MSME in these sectors as well as contribute to the overall economy of Senegal. This assistance could have built the capacity of the microfinance and business development industry as a whole and provided further competition and dynamism within the sector on a sustained basis.

The following program design issues could increase the effectiveness of the Dyna project:

1. **Facilitate rather than broker services:** Since most of the focus of Dyna's activities was placed on its tendering mechanism, little attention was given by the program to MFI and BDS client institutions developing their capacity as discerning clients. Instead they were often passive recipients of services.
2. **Define a clear transition and exit strategy at the onset of the project:** The initial strategy developed by Dyna did not seem to contemplate the issue of sustainability or of an exit strategy to extract itself as a crucial actor between market forces in the project. The Dyna project should have contemplated an exit strategy as a critical result to be achieved and linked to the achievement of interventions in market development.
3. **Tailor interventions to specific market segments:** Although the project provided added value on the development of a tailored approach for sub-sector activities, much of the technical assistance provided by the Dyna project would have been more cost-effective and relevant if it had been designed with a wider market segment in mind. For example, accounting, strategic planning, capacity building and other operational assistance could have been tailored to particular market segments instead of to institutions.
4. **Benchmark microfinance and business development services:** Although Dyna collected indicators on microfinance and BDS activities from its clients' institutions, the program did not make an attempt to identify standardized criteria and indicators of performance for its microfinance and BDS operations. Given the resources invested in the Dyna project, further competition could have been catalyzed between peers and competitors--particularly among established market segments in microfinance and BDS to provide a solid basis for appraisal, evaluation, and improved design of interventions.

V.4 Recommendations to USAID/Senegal on the Nature, Scope and Approach of Possible Future Activities

A key recommendation of this evaluation is for USAID/Senegal to continue its investments in the MFI and BDS sectors in order to maximize the results of its investments. As the Dyna program will not be extended beyond its funding cycle, it is important to ensure that the momentum created by this large scale project is fully maximized. The evaluation team therefore recommends a rethinking of the framework and delivery structure of the Dyna project. The recommendations proposed by the evaluation team would enable USAID/Senegal to 1) accomplish more with fewer resources; 2) strengthen operating models to include a follow-up program aligned more closely with good practice principles; and 3) maximize the results of earlier investments, momentum, and branding which have been built by the Dyna project.

All of the recommendations included below try to highlight aspects of the existing Dyna project that would have to be realigned in order to ensure closer adherence with best practice principles:

1. **Move from brokering towards facilitation of business services:** There is a need to introduce a structure that will enable the new project to move away from brokering towards facilitation in order to ensure that demand and supply is more aligned. As the Dyna program has become well-established within its five regions of operations, it will be important in the next to consider a project design which moves from a market leader role to a greater facilitating role. At a minimum, USAID/Senegal might consider using the brokering experience gained to facilitate services which have already been provided by Dyna and may be viable on a commercial basis, particularly those which might be assumed by local providers.
2. **Invest in market research to define a possible follow-up design to the Dyna project:** USAID/Senegal should consider making a small investment in research to inform a follow-on program design. At a minimum, the research should focus on the pertinence of the plethora of products and services offered to clients through the Dyna program and other large scale donors like PROMER. This should focus on the potential clients of the project, taking into account client preference towards services sub-contracted under the program. In addition, this should examine three critical aspects to be measured at different times and on an ongoing basis throughout the new project: (i) the degree of satisfaction in relationship with the services rendered at the end of these activities ;(ii) the degree of satisfaction with the pertinence of the BDS provided, allowing at a minimum a period of three months to elapse to adequately evaluate these services; (iii) and the impact of the BDS activities on the competitiveness of enterprises allowing for at least 12 months to elapse to adequately evaluate these activities.
3. **Focus market research on capacity, willingness, and ability to pay for services:** The follow-on program should also perform exhaustive market research on the capacity of MFI/BDS institutions and MSME's to contribute to cost-recovery on the basis of the following: (i) the disposition of clients to pay for services prior and after these have been rendered; (ii) the level of income of the various client segments; (iii) the potential structure of a diminishing subsidy structure.
4. **Phase-out subsidies particularly at the transaction level:** The implementation of a decreased phase-out of subsidies through the course of the new project is critical to ensure the longer-term viability of the funded interventions. It is recommended that additional resources be invested in an analysis of the prices and unit costs for services at least three to six months after the closure of Dyna. This should include, at a minimum, the following variables: (i) average and range of the variation of prices per participant hours, prices for technical hours from service providers, and other types of parameters related to the unit cost for the diverse products and services or family of products available in the Senegalese market place; (ii) comparison of similar parameters in the open market particularly after the Dyna program; (iii) analysis of the internal structure of the unit prices offered through the Dyna project, differentiation of technical costs for equipment and administration.

5. **Ensure that performance results adequately measure market development goals:** It will be important for USAID/Senegal to review its performance-based results in an upcoming follow-up contract to ensure that these results concentrate on support for facilitation, technical assistance, and incentives to encourage competitive performance of new and existing providers, innovations, and the development of appropriate products. The performance results of a follow-on program should consider results at three levels: (i) client impact: in terms of changes in performance (sales, value added, profitability), (ii) institutional performance: according to indicators of outreach, cost-effectiveness and sustainability; and (iii) market development: measured per example by the price and quality of services available. These facilitative interventions often require less financial assistance and greater donor skills and market knowledge. Since a market development approach involves less control and predictability than institutional development approaches, the agency's performance-based contracting might also need to develop new relevant indicators.
6. **Perform mid-term evaluations:** It would be important to perform a mid-term evaluation on any follow-on program, especially given the continuous advancements market development practices. USAID/Senegal should consider undertaking a mid-term evaluation for a follow-up program by an objective third party to ensure systematic review of performance measurements. This would also provide a solid basis for any improvements in the design of instruments in response to client demand, and help facilitate select interventions to improve the extent and quality of services provided.
7. **Catalyze donor consensus towards market development goals:** Market development will not work if there is a lack of donor consensus on the objectives to be achieved. It therefore would be important for USAID/Senegal to engage other donors from the national level to forge consensus and commitment on close and effective local coordination. USAID/Senegal and the donor community should more adequately coordinate with the GOS to better understand the state's role in developing an enabling environment, in correcting or compensating for market failures, and in the provision of public goods, but not those goods that can be more efficiently provided by the market. By creating a better understanding of market development goals among donors and the GOS, USAID/Senegal will be able to control and further diminish any potential distortions in local markets.

V.5 Specific Recommendations for Microfinance

The following recommendations for microfinance activities are made in view of a future USAID support program:

1. **Develop for the program a sector strategy** taking into account, at its very inception, issues relating to sustainability. Instead of working with all DFS's, Dyna could have limited its activities to DFS's with a fairly strong potential to become autonomous in a reasonable time span. Such a strategy would have led Dyna to strengthen its role as facilitator.
2. **Adopt a DFS approach for the microfinance sector** which consists of steering activities towards the elimination of bottlenecks, redynamizing competition and securing equal access for all actors to the public resources made available by the program. Instead of undertaking activities with each DFS, Dyna could have developed new products such as a central risk office, credit scoring, credit insurance policies, and smart cards. Such institutions help to

reduce sectoral risks and encourage competition. Activities at the transaction level inevitably lead to market distortions and jeopardize the sustainability of the positive results achieved during the life of the program.

3. **Adopt, as DFS planning and support base, the results of the institutional evaluation and the accounting review.** Basic evaluations are useful in determining the health of the DFS's, assessing sustainability potential, and establishing referentials. It is therefore necessary to conduct this activity prior to signing a convention with the customer. The system of "concept paper" has shown its limits. It results in market distortions.
4. **Harmonize and standardize the activities of service providers** contracted by Dyna both for the training programs and the technical assistance.
5. **Envision a specific institutional framework for GEC's which would enable them to operate at their own pace.** The government could put in place a stimulating scheme to encourage groupings to assume an officially recognized status or to merge with other already existing institutions. The Ministry of Finance, by authorizing a GEC, pledges the fiduciary responsibility of the government. The ATCPEC unit does not have the means to enforce control over so many groupings. By seeking to regulate the sector, the government contributes to increasing risks for savers.

V.6 Specific Recommendations for BDS

A well-structured BDS program depends on effective dissemination channels, up-dated knowledge of the market, horizontal and vertical coordination and an overall approach that is continually assessed in order to adapt to, not distort, a strong framework for BDS activities. Working with MSMEs should be done in ways that do not distort markets, undercut efficiency, or create long-term dependency.

Investing in these following strategies will encourage spill-over from technical assistance and should stimulate domestic demand to ensure sustained growth.

1. **BDS Market Assessment and Performance Measurement**: The implementers of a BDS program should understand existing markets by determining current relationships between supply and demand, opportunities and current market distortions. From this market assessment, specific strategic and operational interventions should be planned and conducted based on this information that should be available to all actors. Business Forums, Techno-Fairs, dinner debates, etc., may be initial catalysts for this process to stimulate and inform actors. Attention should be spent to derive direct actions and specific outcomes from market information based on an overall strategy, which should be continually assessed to (re)design marketing strategies, monitor client satisfaction, and respond to changes in demand as a result to the development of BDS markets.
2. **Equal Access to the Market**: Implementation of a future BDS program should be open to all market players, adopt a holistic subsector approach working to build and strengthen horizontal and vertical linkages, and reinforce social capital which should lead to the facilitation of network/cluster development on all levels. If sub sectors are not treated as a whole and remain unbalanced, supply and demand will be poorly coordinated; products

targeted at the local level will not be properly commercialized and local producer benefits may stagnate.

3. **Invest in social capital**: A future program should continue to invest in social capital through existing federations and associations where opportunities for individual gain are thin. Many rural, isolated micro-enterprises cannot become and remain competitive in global markets on their own because they are far too small for their buyers to provide the services they need to improve upon their production and/or activities, and social capital becomes more important than financial. “The costs of ensuring product quality compliance are very high unless MSMEs are organized into producer groups, coops, and associations.”^[2]
4. **Valorization**: A follow-on program should continue to build on local markets, which are adapted to the Senegalese context. This “valorization” of working with already existing local products is frequently listed in best practices as an initial point of departure for product development as well as can positively impact actors beginning from the individual producer level up through the entire market chain. The most important step at this level is that enterprise sees the market and its potential profit and considers it worthy of their investment.
5. **Decentralize Development**: Much work still remains to be done in regards to private sector development in the rural regions of Senegal even though there has been particular interest and dynamism already created with BDS clients and service providers. Future programming should facilitate service providers being able to appropriately adapt their services and pricing to the regional MSME market, as well as identifying and working within their niche markets. This will assist the vertical linkages down-market as well as horizontal linkages between urban and decentralized regions. There has been momentum already created regionally for market development and growth, however this does not necessarily seem attributable to the creation of separate regional offices that have little to no decision-making power.
6. **Support the role of the government**: Government policies, as well as how they are directly involved in market development, affect the operations of both the MSMEs themselves as well as programming in MSME development. USAID should draw their attention to the newly developed role of the ADEPME who are currently participating in the identification, response, and procurement of subsidized service delivery to vulnerable MSMEs in Senegal, much like the original Dyna program design which has been evaluated herein. Although the ADEPME has identified a need for intermediation in the private sector, there is the same concern of the consequences if they were to stay in this brokering role in the private sector market long-term, namely that their role could counteract positive impacts on a market approach through future USAID programming. In successful private sector markets, the government focuses their role of providing an enabling environment for MSMEs, in correcting or compensating for overall market failures, and in the provision of public goods, but not in the direct provision within private goods that can be more efficiently provided by the market.”^[1] Therefore as with procuring donor consensus, there also needs to be consensus for the supporting role of the government, as their policies and interactions within the market influences how private enterprises buy and sell goods and services.
7. **BDS Microcosm**: Finally, but not least important, is continuing on the model of the BDS microcosm. This model has shown that creativity and innovation exist when there are limited funds and a short time frame. The amount of activity that BDS has been able to execute with

less than US\$2 million is inspiring. With that type of resourcefulness not tied to bulky funds and procedures and with an accompanying exit strategy, the overall market distortion will be less and the capacity for the MSMEs to do more long-term will be increased.

V.7 Conclusions:

The current trend of increased formalization and commercialisation of microfinance and the latest development of good practices in business development services have brought further recognition of the important role that donor agencies have in the marketplace as facilitators of business services. USAID/Senegal's design and support of the Dyna project demonstrates the shift which is occurring among donor agencies as donors move away from direct funding towards facilitation activities. This shift in focus implies a dramatic change in the operations of donor agencies as they move away from direct service provision and towards development of the infrastructure and information that private sector actors need, but it not provided by the market.

This transition from direct provision towards market facilitation has challenged the donor community to design new forms of support. In the short term, this has caused USAID and projects like Dyna to see a reduction in the range of suitable actions available. This in turn has prompted a revision of contractual mechanisms and further scrutiny of project activities and their potential towards market distortion. Though in general the donor community appears to recognize and respect this new paradigm of market development, the transition towards market facilitation activities has proven to be quite challenging. A critical aspect of the advancement of this new market development paradigm will be for donor agencies such as USAID/Senegal and governments like the GOS to gain further understanding of market development principles and in this process build consensus to work towards them by incorporating these principles into new program design. (*Please see donor guidelines www.ilo.org*). It is vital that USAID/Senegal, donor agencies, and the GOS coordinate their activities and work together to ensure that a high proportion of low-income clients have access to quality BDS.

Donor agencies and projects like Dyna have strong incentives to show results in operations, combined volume, and impact. In this context, investing in the capacity-building of microfinance institutions is a particularly attractive option as the number and amounts add up quickly and demonstrate immediate results. Not surprisingly, many donor agencies and implementing organizations have been slow to adjust their programs and carefully scrutinize their delivery structures. Nevertheless, if USAID/Senegal is to continue to play a positive and useful role in the development of the microfinance and business development sector through market development, it will need to accept this changing landscape and their changing role within it.

Annexes

- Annex 1: Approved Evaluation Workplan
- Annex 2: Key Program Results
- Annex 3: Institutions Interviewed
- Annex 4: List of Clients & Partner Institutions of the Dyna Project for BDS and MF
- Annex 5: The Dyna Approach: Developing the Capacity of the Microfinance and Business Development Sector by Outsourcing Technical Assistance Activities
- Annex 6: List of People Interviewed
- Annex 7: List of Documents Reviewed
- Annex 8: Microenterprise Results Report Data submitted by DynaEntreprise to USAID
- Annex 9: List Of Dyna's MFI Clients Per Segment
- Annex 10: Evolution of SDF/Type 1999 – 2003
- Annex 11: Calculation of Effective Interest Rates in the Senegalese Microfinance Market
- Annex 11: BDS Client Retention Rate and Number of Clients Trained
- Annex 12: BDS # Activities by Type
- Annex 13: Sub-Sector Breakdown
- Annex 14: Dyna MF Contractors by Client

Annex 1
Approved Workplan by USAID/Senegal
For the Evaluation of the USAID-Funded
Microfinance and Business Development Services
Implemented by Chemonics International Inc.
(DynaEntreprises Sénégalaises)

I. Team Composition and Evaluation Objectives

In response to the task order issued by the U.S. Agency for International Development (USAID) under the Accelerated Microenterprise Advancement Program (AMAP), the IBM Consortium has assembled an evaluation team of microfinance and business development services specialists with extensive experience in the area of quantitative and qualitative evaluations. The consortium's consultants have a strong background in the implementation and analysis of sustainable micro, small and medium enterprise programs around the world, and a comprehensive understanding of the microfinance and business development environment in Senegal. The evaluation team includes Team Leader, Ms. Jacqueline Bass, who brings over 20 years experience in private sector, microfinance and business development services; Microfinance Specialist, Mr. Vincent Akue; and Business Development Specialist, Ms. Anne Dudte Johnson. All three consultants are adding a full range of experiences in diverse geographical areas to respond to the scope of work outlined by USAID.

The primary objective of the evaluation for this team of leading consultants is to analyze the impact of the USAID/Senegal-funded microfinance and business development activities implemented by Chemonics International. The five-year Chemonics International Inc. initiative known as "DynaEntreprises Sénégalaises" or "Dyna" provides financial, managerial and commodity support to existing microfinance institutions; and information exchange, decentralized service provision and fee-based training to the business development sector in five rural areas of Senegal. These areas were identified as having the greatest potential for entrepreneurial development, and were developed to strengthen the country's private consulting sector in a decentralized manner. The evaluation of the Dyna project will measure the performance of the project vis-à-vis project targets, identify lessons learned, and make recommendations to USAID/Senegal regarding the nature, scope and approach of possible future activities in microfinance and business development services.

II. Document Review and Team Organization

The consultant team was provided with a series of documents to provide information and background context for the activities undertaken by Dyna (see Table 1). After synthesizing the documents, the consultants will be able to identify specific purposes, objectives and goals of the project, and will supplement this information by meeting with key personnel in USAID, the Government of Senegal, and Dyna. The team will explore general findings related to the overall project from these meetings and will then separate to meet individually with other pertinent contacts in overall micro, small and medium enterprise sector development (donors and other macro partners); and microfinance and business development services. The team leader will

alternate her time between the microfinance and business development services in order to bring about a comprehensive evaluation of both sectors, as well as to analyze the synergies created between both of these components.

Table 1: List of Documents

Document Type/Name	Source	Comments
Quarterly Reports: 1-3; 5-7; 9-11; 13-15; 16	USAID	Waiting for USAID to provide
Annual Reports: 1, 2, 3, 4	USAID	
Annual Workplans: 1, 2, 3	USAID	
Scope of Work	USAID	
Scope of Work amendments: 2, 3	USAID	
USAID/Senegal FY2003 Annual Report	USAID	
USAID/Senegal Strategic Plan 1998-2006	USAID	
Performance Monitoring Plans	USAID	
Dyna Auto-Evaluation	Chemonics	
MFI/BDS Summary Sheets: 11	Chemonics	
List of BDS Providers and MFIs	Chemonics	
Budget/Contract Breakdown Sheets	Chemonics	
Dyna video-clips and round-table footage	Chemonics	
Microenterprise Results Reporting Information	Weidemann & Associates Inc.	
BDS/MFI Table 1 for the Implementation Grant Program of USAID	Team	

The consulting team plans to apply a comprehensive approach to gather pertinent information from the donor, implementer, partners, and client organizations affiliated with the program. This will not only provide an overall view of project operations and processes to determine lessons learned, but will also serve to cross-check and dispel any potential inconsistencies. In addition to the direct interviews with donors, the Government of Senegal and key personnel within Dyna, the team plans on setting up a series of four small focus groups between partners and clients in the microfinance and BDS sectors. The focus will serve as an intermediary step allowing the team to note universal trends between partners and clients in a group setting, and to discuss the groups' experiences through Dyna as a whole. Following the focus group meetings the team will randomly sample and meet with approximately 25 microfinance and BDS partners and clients separately in order to gain a better understanding of individual results and outcomes from Dyna interventions. These partners and clients will be selected through overall sampling (i.e., by number of contracts, contract value, geographical location, organization size, etc.) to ensure that a full representation of actors from Dyna's activities are included.

A comprehensive list of interviews will be developed by the consultants in consultation with USAID/Senegal as well as with Dyna in order to ensure that all appropriate organizations are included (see Annex 1). The list and timing will be flexible to obtain as many interviews as possible within the time span of the evaluation, as well as include a fair representation of the types of enterprises with whom Dyna worked. The interview list may be enlarged as necessary,

and may be supplemented as needed with face-to-face meetings, telephone conversations, existing surveys and studies, and/or other information sources.

III. The Micro, Small-to-Medium Enterprise (MSME) Sector in Senegal: Its Actors, Processes and Changes

The evaluation will include a thorough analysis of the 1) micro, 2) meso, and 3) macro levels (see Table Two). Through this analysis the evaluation will seek to provide a comprehensive review of the activities conducted by the Dyna project. This will include identifying a) the key actors involved at different levels, b) the main processes taking place which link these actors, c) the changes brought about through micro and small-to-medium enterprise interventions; and d) the overall context for the entire project. By targeting these three levels, the evaluation will clearly demonstrate how the actors involved in the micro and small enterprise development market relate to each other, and the particular processes which connect them together. The evaluation will provide a perspective for the different processes that are taking place within the Dyna project as well as the Senegalese business environment for micro and small enterprises.

Table Two: Program framework

Levels	Actors Involved
Macro Level	Facilitators/Brokers (Dyna) Donors – USAID, GOS, Regulators & Others
Meso – Level	Providers/ Partners/Intermediaries (Service Providers, Consulting firms, etc)
Micro—Primary Level	Clients (Microfinance Institutions and Business Associations/Federations)
Micro--Secondary Level	Beneficiaries (Individual MFI clients and MSMEs)

IV. Phase One: Interviews at the Macro Level

The first set of interviews will be undertaken at the macro level through meetings with USAID/Senegal, the Government of Senegal (in particular the Ministry of Finance departments responsible for regulating MFIs and the Investment Promotion Agency), and Dyna senior and technical staff. These discussions and information gathering will focus on the range of activities and services directed towards micro, and small-to-medium enterprise development in Senegal and their effectiveness. The consulting team will determine the major project goals, objectives, and context of the project as a result of these meetings. The evaluation team will focus on assessing the performance of Dyna, and will address the following strategic questions which will be explored in depth through the evaluation:

- What is the perspective of USAID/Senegal, Dyna, and the Government of Senegal in relation to ongoing activities, impact, and deeper background information on macro issues facing the sector as well as those issues directly impacting the project?
- How has Dyna’s strategy for the program evolved over time and how can we measure the success of this experience?

- Has the Dyna project adequately achieved its targets? Has it furthered USAID/Senegal strategic private sector objectives and accomplished its intended goal of improving access to financial services and increasing the use of best technical and managerial practices?
- Does the Dyna project compare favorably with alternative investments that USAID/Senegal could have made?
- Has Dyna effectively targeted partner and client needs and interests? Have the interventions developed by Dyna caused a positive change to market dynamics, and to what extent is the new configuration of market actors and incentives sustainable? What have been major lessons learned by the program?
- Were funds used cost-effectively? Can we identify evidence of program impact at the provider/partner level and in micro and small enterprises?
- How could Dyna have designed more effectively its activities? What would make Dyna's activities more effective?
- If investments are planned for the future, what are the key needs of the MSME sector? What could be the nature, scope and approach of future activities in microfinance and small business development?

V. Phase Two: Performance Assessment through Six Dimensions

The review of key documentation provided by USAID/Senegal to the consulting team will be used to provide the general framework through which additional indicators and hypothesis can be developed. This will be supplemented by interviews with Dyna personnel, clients, partners and key stakeholders as outlined in previous sections. The evaluation process questions will be focused towards six main dimensions of performance:

Dimensions of Analysis	Indicators
<p>Outreach:</p> <p>How many (breadth) and who are they (depth)?</p>	<p>At the output level:</p> <ul style="list-style-type: none"> • Number of clients served by targeted MFIs and BDS providers before and after Dyna’s interventions? Annual Percentage growth rate in clientele • Number of MFI and BDS providers • Number of MFI and BDS clients • % of female MFI and BDS clients • % of urban and rural MFI and BDS providers • Number of MSE’s participating in the MFI and BDS training programs <p>At the purpose level:</p> <ul style="list-style-type: none"> • Change in number of MSMEs buying MFI and BDS provider services (depth) • Change in number of MFI and BDS providers offering services relevant to MSEs (depth) • Change in number of MFI and BDS products being offered (breadth) • Change in number of clients reached by all MFIs • Change in rural versus urban clients • Change in size of fee paying and effect on demand and supply for MFI and BDS activities (breadth) • Change in aggregate market size for MFI and BDS activities (breadth) • Change in number of MFI and BDS organizations engaged in policy making change (breadth)
<p>Results/Efficiency:</p> <p>Measuring productivity</p> <p>Are they doing things in the most proficient way possible?</p>	<ul style="list-style-type: none"> • MFI’s loans outstanding growth per year and between the beginning and end of the project • MFI average loan size per year and between the beginning and end of project • Number of microfinance institutions using full cost recovery interest rates and fees • Transparency of service provider selection (BDS/MFI) using proxy of number of proposals received vs. number of contracts issued. • MFI savings outstanding growth per year and between the beginning and end of the project • MFI number of savings depositors per year between the beginning and end of the project • Total project cost per MSME’s customers reached for MFI and BDS activities. • Total project cost per provider assisted for MFI and BDS programs • Selection criteria and fair competition soliciting BDS service providers – the following proxy will be used to measure this :Number of contracts issued to sole proprietors (consultants) versus contracts issued to firms. • Confirmation of follow-up evaluations for MFI activities

	<ul style="list-style-type: none"> • Proportion of facilitator resources devoted to direct “services” to partners for MFI and BDS programs. • Change in the productivity of MFI and BDS providers • Number and type of activities supporting and improving SMEs • Number of average BDS/MF contracts per year • Value of average BDS/MF contracts per year
<p style="text-align: center;">Impact/ Effectiveness:</p> <p style="text-align: center;">How successful where the methods employed by Dyna?</p>	<ul style="list-style-type: none"> • Dyna’s technical assistance impact on MFI’s ability to increase the number and value of loans • Dyna’s technical assistance impact on MFI’s ability to increase savings mobilization (number of accounts) and deposits (savings amount) • Dyna’s technical assistance impact which increased MFI and BDS client performance the most • Changes to the program as of result of MFI evaluation feedback • Differentiations of technical impact according to MFI size • Change in customers’ satisfaction levels (MFI/BDS). Incorporates the extent to which Dyna’s support to MFI’s has contributed to able to increase their clientele) • Willingness of client MFIs and BDS to pay for future services like Dyna • Change in % of MSE’s improving practices as a result of project interventions • Change in MSME-related policies and regulations • Change in average profitability • Change in distribution of loan size • Number of MFIs operating in Senegal now versus before Dyna • Change in BDS/MFproviders representations in economic development committees and organizations • Impact of MFI training on the operations and management of MFIs • % of cost share contributed by Dyna activities and rationale for calculation for the general project and for MFI and BDS activities.
<p style="text-align: center;">Sustainability:</p> <p style="text-align: center;">Will it last? If so, How will it last?</p>	<ul style="list-style-type: none"> • Change in loan terms of MFI financial products • BDS client willingness and ability to pay more for services, ability to participate in an open market • BDS providers ready to charge full cost to clients for similar services now as through Dyna contracts • Number of trainings provided by Dyna MFI and BDS activities. • Change in overall MFI efficiency now versus before interventions • Percentage of subsidization of training activities per year for MFI and BDS activities. • Change in % of total annual provider costs covered by revenue from fees for MFI and BDS activities • Further “positive” policy changes beyond initial project period

	<ul style="list-style-type: none"> • Future of the market with/without future subsidy investments • Continued high level of customer satisfaction beyond initial project period for MFI and BDS activities • Continued growth in aggregate market size beyond initial project period for MFI and BDS activities • Changes to BDS subsidy levels • Key needs of the MFI sector for future investment • MFI and BDS client benefit outside of direct interventions • Number of independent, non-subsidized contracts with MFI and BDS clients • Number of BDS participants adopting best management practices
<p>Context:</p> <p>What are the external factors impinging or enhancing performance</p>	<ul style="list-style-type: none"> • Attitudes and actions from other donor agencies to intervention approaches • Constraints confronting MFIs • Barriers in decentralizing activities • Degree of “undermining” of true market forces by welfare-oriented subsidies for MFI and BDS activities. • Conditions of labor market for motivated and skilled personnel for MFI and BDS facilitators • Broad macroeconomic conditions • Broad political conditions
<p>Cost-Effectiveness</p>	<ul style="list-style-type: none"> • Percentage of cost-share contributed by MFIs to Dyna activities? • Cost share calculation breakdown (MFI and BDS) • Current level of profitability and efficiency of MFIs (before/now) • Number of MFIs who have reached financial sustainability (before/now) • Number of MFI service providers who are ready to charge full cost for same services

The evaluation team will utilize the performance data gathered by the Dyna program in order to report on the above indicators. Special care will be taken to utilize contract information to assess the performance of the Dyna program in relation to its targets. Any contractual modifications to targets agreed by USAID and Dyna will be noted as well as assessed. The group will work with the Dyna program to assess the level of reporting from client MFI and BDS institutions and calculate the margin of error associated with this data and this will be noted within the evaluation findings. The source of all data sources included within the final evaluation report will be noted in order to validate the sources from which this data was obtained.

VI. Phase Three: Formulation of Key Questions at the Meso and Micro Levels

Both in a focus group setting as well as individual meetings, the evaluation team will undertake interviews and meetings with providers and clients, which will include many broad questions as outlined above and questions which are more specific, such as those outlined in Annex 2. The team will be setting up focus group and individual meetings and asking both broad-based and detailed questions which should encourage the interviewees to describe how program activities affected them (either positively, negatively or neither) which will go far in determining the project's best practices and lessons learned.

These interviews will begin with the general, broad-based questions, and move onto other benefits or services provided by the project that have not yet been discussed previously. All attempts to get actual results and documentation on institutional activities will be carried out. For example, if the interviewee's organization has completed certain trainings, the interviewee might be asked specifically how the workshops have been concretely useful to his/her business, and to cite other similar outcomes. Similarly, the interviewee might be asked if the Dyna tendering initiatives were useful to improving economic efficiency and profitability of firms in his/her industry, and how so. The questioning would also examine the appropriateness of Dyna interventions in providing its services vis-à-vis other possible interventions.

Additionally, the team plans to reference, although not necessarily track specifically, the USAID Implementation Grant Program Tables¹ used to monitor microfinance and BDS performance as well as the Microenterprise Results Reporting data reported to USAID. These widely-accepted performance indicators will be used as a guide in the team's interview and evaluation process. The overall focus on these interviews will be on the partner institutions and their provision of services; however wherever possible the evaluators will attempt to examine the resulting services on individual Senegalese member firms (clients) and the synergy that may have been created by having both microfinance and business development services interventions.

VII. Conclusion

The questioning will focus on how the project has leveraged USAID funding facilitating linkages between service providers with microfinance and business development services clients and try to ascertain the impact of these linkages. The evaluation will attempt to review to what extent do the interviewees view the services as useful enough to pay for them. For example, are providers/partners willing to pay partial or the full cost of service delivery? Are end clients willing and able to pay and obtain the services of providers? The primary goal of the evaluation will address the overall benefits of the Dyna project pertaining to USAID/Senegal's strategic objectives.

Following the scope of work provided by USAID/Senegal, the evaluation will examine the value of the more important past and expected future benefits of the project. This would be compared to the approximately \$26 million expenditure of the project over the past four years. In addition, the questionnaires will focus on the institutional change that has taken

¹ Table 1 has been developed by the USAID Implementation Grant Program to track the performance of microfinance and business development services and comprises a set of performance indicators that are widely used within each of these industries.

place within Dyna over the 4 years of the project to determine the extent to which this supports the project and USAID's strategic goals. The findings from the evaluation will be the base for the initial and final evaluation of the Dyna project identifying lessons learned and making recommendations to USAID/Senegal on the nature, scope, and approach of possible future activities in microfinance and business development services. An outline for the evaluation is provided as Annex 5 to this document.

Calendar of Activities
Evaluation of DynaEntreprise's Activities in Senegal

Preparatory Work	<ul style="list-style-type: none"> • Gather all working documents that will be used in the evaluation including those detailed in the scope of work (SOW of Dyna's contract, Dyna's quarterly performance and annual reports; Dyna's annual work plans, PRSO and Dyna performance monitoring plans). • Begin to prepare a more detailed work plan, which includes an overall outline of the evaluation as well as some of the questionnaires that will be utilized by the team for interviews with key informants. Work plan is shared with USAID/Senegal one week after the signature of the contract as spelled out in the task order. • Based on the document review, discussions with USAID/Senegal, as well as information on the ground start developing an interview plan and make arrangements for these meetings as to ensure a productive first week in the field.
Week 1 March 8- March 14	<ul style="list-style-type: none"> • Evaluation team meets with USAID/Senegal to review the workplan and objectives of the evaluation and ensure that there is agreement with regards to its nature and scope. • Workplan is submitted, discussed and approved. • Evaluation team meets with the Government of Senegal. • Evaluation team meets with Chemonics and DynaEntreprises key staff. • Evaluation team reviews roundtables conducted and filmed by Dyna Enterprise. • Meetings with other microfinance and BDS institutions on the ground take place. • Meetings with other donor institutions • Meetings with other programs providing similar services
Week2 March 15-21	<ul style="list-style-type: none"> • Interviews and observations in the field continue. • Focus groups are conducted with service providers and MF and BDS clients.
Week 3 March 22-28	<ul style="list-style-type: none"> • Interviews and observations in the field continue. • Preparations of the draft report start. Team meets to ensure clarity on outline and starts undertaking their writing assignments. • Meeting with USAID/Senegal to discuss preliminary findings and conclusions.
Week 4 March 29- April 4	<ul style="list-style-type: none"> • Team members submit their writing assignments which are compiled into a final draft report by team leader and shared with the rest of the team and IBM.
Week 5 April 5-11	<ul style="list-style-type: none"> • Recommendations are included into the draft report. • Draft report is edited/reviewed by IBM. • Report of Preliminary Findings is copied and sent to USAID/Senegal. • Results are reviewed by USAID
Week 6 April 12-15	<ul style="list-style-type: none"> • USAID/Senegal provides comments on draft report to IBM. • Evaluation report is translated into French. • Contractor shares comments with the team. • Team leader incorporates comments and finalizes the evaluation. • IBM prepares final report and sends 10 final copies to USAID/Senegal

Annex 2
Key Program Results
Microfinance Results

KIR 1.2 : Improved Access to Financial Services

#	Indicator	Measure	Baseline		Fiscal Year 2001			Fiscal Year 2002			Fiscal Year 2003			Fiscal Year 2004	TOTAL TARGET 2000-2003	TOTAL ACHIEVED 2000-2003	% of Goal				
			Year	Value	Target	Achievement	% of Goal	Target	Achievement	% of Goal	Target	Achievement	% of Goal	Target				% of Goal			
1	# of institutions using full cost-recovery interest rates and fees	among institutions receiving assistance from DynaEnterprises	2000	2	8	5	62.5%	8	17	212.5%	22	26	117.6%	29	110.5%	38	48	126.0%			
		# of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio	2000	2	6	6	100.0%	10	20	200.0%	26	21	80.8%	34	161.0%				42	47	111.9%
2	# of institutions with delinquency rates below 10% and loan losses under 5% of the institution's loan portfolio	# with delinquency rate below 10%	2000	2	6	6	100.0%	10	20	200.0%	26	21	80.8%	34	161.0%	44	53	120.5%			
		# with loan losses below 5%	2000	2	6	5	83.3%	12	21	175.0%	26	27	103.8%	34	125.9%						
3	# of savers disaggregated by gender	# of male savers	2000	6,796	8,834	13,470	152.5%	17,511	37,747	215.6%	49,071	87,074	177.4%	63,792	73.3%	75416	138,291	183.4%			
		# of female savers	2000	12,629	16,418	23,587	143.7%	30,663	38,653	126.1%	50,249	110,436	219.8%	65,324	59.2%				97330	172,676	177.4%
		# of male groups savers	2000	85	110	287	260.9%	373	770	206.4%	1,001	1,590	158.8%	1,301	81.8%				1484	2,647	178.4%
		# of female groups savers	2000	1,353	1,759	2,870	163.2%	3,731	3,828	102.6%	4,976	15,251	306.5%	6,469	42.4%				10466	21,949	209.7%
		# of mixed groups savers	2000	483	628	929	147.9%	1,208	2,958	244.9%	3,845	5,409	140.7%	4,999	92.4%				5681	9,296	163.6%
TOTALS				21,346	27,749	41,143	148.3%	53,486	83,956	157.0%	109,143	219,760	201.4%	141,886	64.6%	190378	344,859	181.1%			
4	# of active borrowers disaggregated by gender	# of male borrowers	2000	2,129	2,768	3,122	112.8%	4,059	15,538	382.8%	20,199	14,270	70.6%	26,259	184.0%	27026	32,930	121.8%			
		# of female borrowers	2000	4,640	6,031	7,335	121.6%	9,535	22,477	235.7%	29,220	22,894	78.4%	37,986	165.9%				44786	52,706	117.7%

KIR 1.2 : Improved Access to Financial Services

#	Indicator	Measure	Baseline		Fiscal Year 2001			Fiscal Year 2002			Fiscal Year 2003			Fiscal Year 2004	TOTAL TARGET 2000-2003	TOTAL ACHIEVED 2000-2003	% of Goal	
			Year	Value	Target	Achievement	% of Goal	Target	Achievement	% of Goal	Target	Achievement	% of Goal	Target				% of Goal
		# of male groups borrowers	2000	23	30	42	140.0%	54	200	370.4%	260	361	138.8%	338	93.6%	344	603	175.3%
		# of female groups borrowers	2000	435	566	939	165.9%	1,221	2,708	221.8%	3,520	5,517	156.7%	4,577	83.0%	5307	9,164	172.7%
		# of mixed groups borrowers	2000	110	142	142	100.0%	185	764	413.0%	993	727	73.2%	1,291	177.6%	1320	1,633	123.7%
	TOTALS			7,337	9,537	11,580	121.4%	15,054	41,687	276.9%	54,193	43,769	80.8%	70,451	161.0%	78784	97,036	123.2%
5	value of loans offered	value	2000	2,086,803,530	2,504,164,235	4,425,387,196	176.7%	5,310,464,635	10,882,172,866	204.9%	13,058,607,439	16,108,416,101	123.4%	15,670,328,927	97.3%	#####	31,415,976,163	150.5%
6	value of savings collected	value	2000	964,648,290	1,254,042,777	2,060,727,060	164.3%	2,678,945,178	7,481,935,291	279.3%	9,726,515,878	15,561,696,852	160.0%	12,644,470,642	81.3%	#####	25,104,359,203	183.8%
7	branch offices trained	number	2000	68	150	78	52.0%	101	122	120.8%	85	99	115.9%	60	60.4%	336	299	88.9%
8	managers & tellers trained by gender	number	2000	104	250	97	38.8%	126	287	227.8%	201	246	122.4%	141	57.2%	577	630	109.2%
		% women	2000	83%	50%	75%	150.0%	50%	57%	114.0%	50%	44%	88.0%	50%	113.6%	2	2	117.3%
	Share of all decentralized financial system loans at the National Level provided by USAID funded partners	Ratio of the value of loans offered by USAID-funded partners to the value of loans offered by all Microfinance Institutions reported by the Ministry of Finance regulatory body *	2000	0%	10%	9.66%	96.6%	12%	36.50%	304.2%	15%	50%	334.0%	19%	37.9%	0	1	260.2%

* value of loans disbursed by DFS in national level (grands réseaux) during civil year 2001

**Technical and Managerial Best Practices Component (KIR 3)
Results and Targets**

Contractor Results (CR) Targets established in proposal/negotiation process and updated through annual plans	Baseline FY 2000	FISCAL YEAR 2000			FISCAL YEAR 2001			FISCAL YEAR 2002			FISCAL YEAR 2003			FISCAL YEAR 2004
		Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets
1.3.1 Number of participants from SMEs, consulting firms, associations and groups that purchase business training														
1.3.1.a Number of fee paying participants														
Pikine/Rufisque	0	35	53	151%	30	54	180%	60	184	307%	60	186	310%	60
Kolda	0	15	23	153%	50	54	108%	100	44	44%	100	38	38%	60
Tambacounda	0	0	9	N/A	40	115	288%	80	51	64%	80	113	141%	0
Thies	0	0	34	N/A	50	55	110%	100	319	319%	100	290	290%	105
Ziguinchor	0	0	0	N/A	30	0	0%	60	11	18%	60	84	140%	75
Totals	0	50	119	238%	200	278	139%	400	609	152%	400	711	178%	300
1.3.1.b Number of private sector participants														
Pikine/Rufisque	0	35	53	151%	27	54	200%	48	151	315%	72	163	226%	30
Kolda	0	15	23	153%	45	54	120%	80	42	53%	120	38	32%	30
Tambacounda	0	0	9	N/A	36	115	319%	64	50	78%	96	113	118%	0
Thies	0	0	34	N/A	45	55	122%	80	310	388%	120	290	242%	52
Ziguinchor	0	0	0	N/A	27	0	0%	48	11	23%	72	84	117%	38
Totals	0	50	119	238%	180	278	154%	320	564	176%	480	688	143%	150
1.3.1.c Number of Ag-related														

**Technical and Managerial Best Practices Component (KIR 3)
Results and Targets**

Contractor Results (CR) Targets established in proposal/negotiation process and updated through annual plans	Baseline FY 2000	FISCAL YEAR 2000			FISCAL YEAR 2001			FISCAL YEAR 2002			FISCAL YEAR 2003			FISCAL YEAR 2004
		Targets	Results	Compl	Targets	Results	Compl	Targets	Results	Compl	Targets	Results	Compl	Targets
participants														
Pikine/Rufisque	0	5	20	400%	9	3	33%	9	16	178%	30	70	233%	20
Kolda	0	10	23	230%	15	38	253%	15	21	140%	50	38	76%	20
Tambacounda	0	0	0	N/A	12	45	375%	12	21	175%	40	43	108%	0
Thies	0	0	34	N/A	15	16	107%	15	132	880%	50	141	282%	35
Ziguinchor	0	0	0	N/A	9	0	0%	9	0	0%	30	0	0%	25
Totals	0	15	77	513%	60	102	170%	60	190	317%	200	292	146%	100
1.3.2 Number of new products and services offered by BDS providers														
1.3.2.a Number of all new products and services														
Pikine/Rufisque	0	5	3	60%	3	11	367%	5	19	422%	11	5	44%	8
Kolda	0	0	1	N/A	5	7	140%	8	14	187%	19	10	53%	8
Tambacounda	0	0	0	N/A	4	7	175%	6	26	433%	15	11	73%	0
Thies	0	0	0	N/A	5	18	360%	8	32	427%	19	5	27%	14
Ziguinchor	0	0	0	N/A	3	2	67%	5	21	467%	11	4	36%	10
Totals	0	5	4	80%	20	45	225%	30	112	373%	75	35	47%	40
1.3.2.b Number of ag-related new products and services														
Pikine/Rufisque	0	2	0	0%	1	5	500%	1	13	1733%	8	3	38%	8
Kolda	0	0	1	N/A	3	6	200%	1	12	960%	13	3	23%	8
Tambacounda	0	0	0	N/A	2	7	350%	1	16	1600%	10	9	87%	0
Thies	0	0	0	N/A	2	8	400%	1	15	1200%	13	2	15%	14
Ziguinchor	0	0	0	N/A	2	0	0%	1	13	1733%	8	1	13%	10

**Technical and Managerial Best Practices Component (KIR 3)
Results and Targets**

Contractor Results (CR) Targets established in proposal/negotiation process and updated through annual plans	Baseline	FISCAL YEAR 2000			FISCAL YEAR 2001			FISCAL YEAR 2002			FISCAL YEAR 2003			FISCAL YEAR 2004
	FY 2000	Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets
Totals	0	2	1	50%	10	26	260%	5	69	1380%	52	18	35%	40
1.3.3 Number of SME's acquiring quality technical assistance (not training) from BDS providers														
Pikine/Rufisque	0	35	53	151%	15	69	460%	38	407	1085%	90	409	454%	160
Kolda	0	15	23	153%	25	31	124%	63	570	912%	150	19	13%	160
Tambacounda	0	0	8	N/A	20	135	675%	50	147	294%	120	117	98%	0
Thies	0	0	34	N/A	25	27	108%	63	264	422%	150	382	255%	280
Ziguinchor	0	0	0	N/A	15	0	0%	38	6	16%	90	73	81%	200
Totals	0	75	118	157%	100	262	262%	250	1,394	558%	600	1,000	167%	800
1.3.4 Number of SME's, consulting firms, associations and groups that access market and technical information														
1.3.4.a Number accessing market and technical information														
Pikine/Rufisque	0	60	0	0%	3,262	5,839	179%	4,900	18,656	381%	17,500	23,318		12,750
Kolda	0	500	2,047	409%	233	128	55%	350	187	53%	1,250	638		750
Tambacounda	0	0	0	N/A	233	666	286%	1,000	4,023	402%	1,250	4,182		0
Thies	0	0	0	N/A	699	147	21%	400	386	97%	3,750	7,160		750
Ziguinchor	0	0	0	N/A	233	0	0%	350	149	43%	1,250	3,429		750
Totals	0	560	2,047	366%	4,660	6,780	145%	7,000	23,401	334%	25,000	38,727		15,000
1.3.4.b Number purchasing market and technical information														
Pikine/Rufisque	0	40	0	0%	23	63	280%	45	338	751%	450	2,381		160
Kolda	0	60	47	78%	38	128	341%	75	152	203%	750	141		160

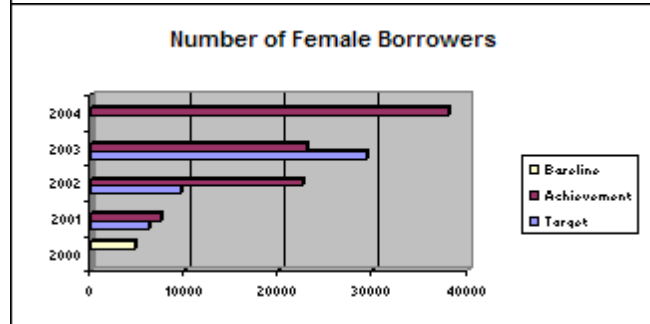
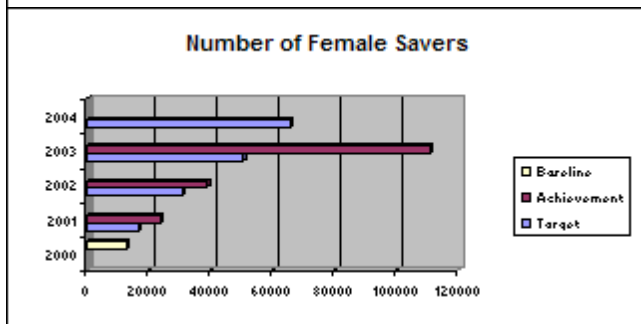
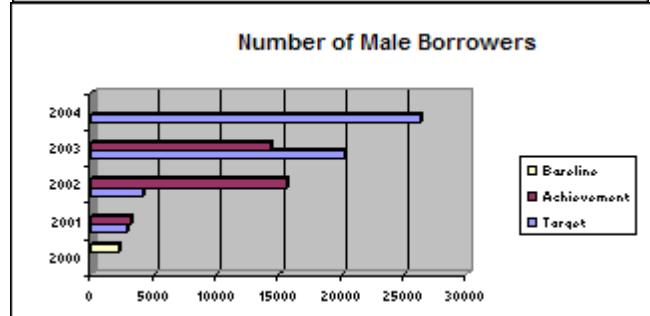
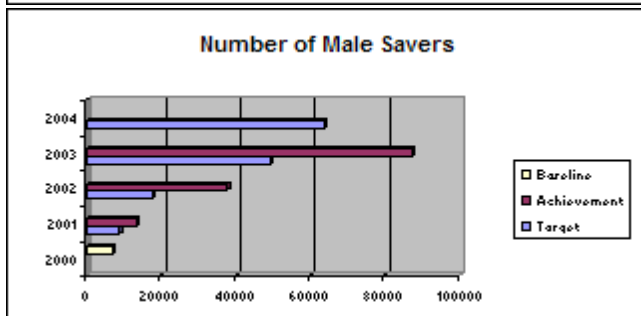
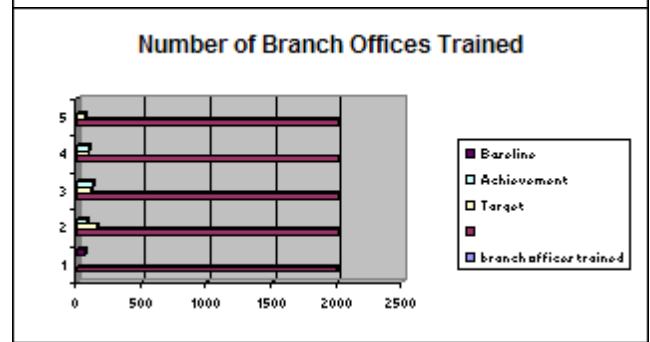
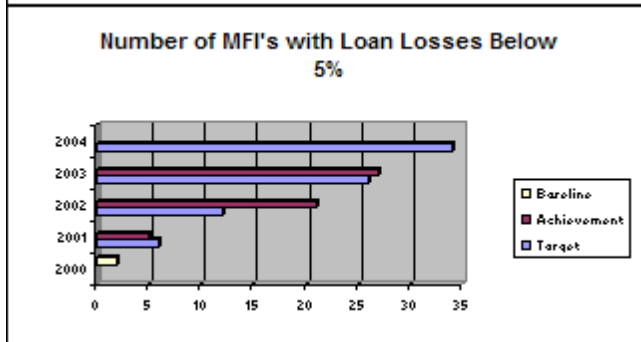
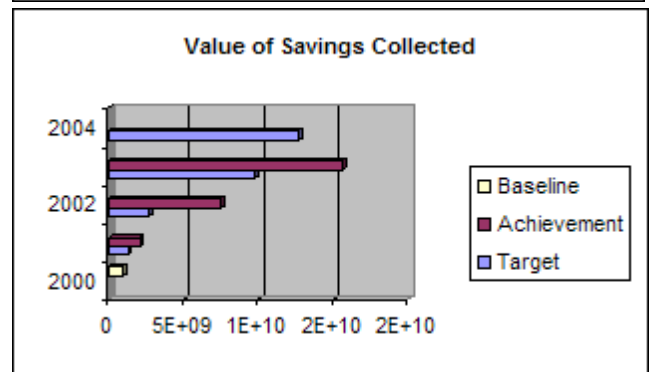
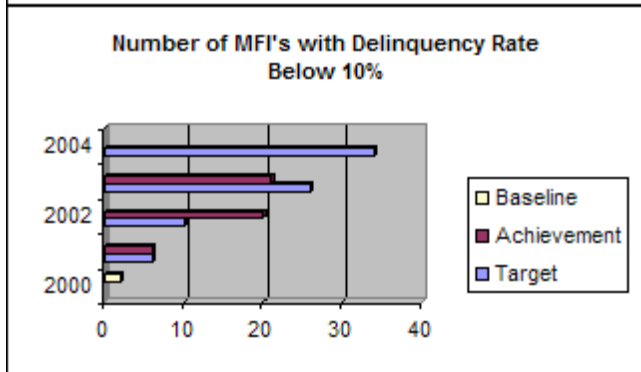
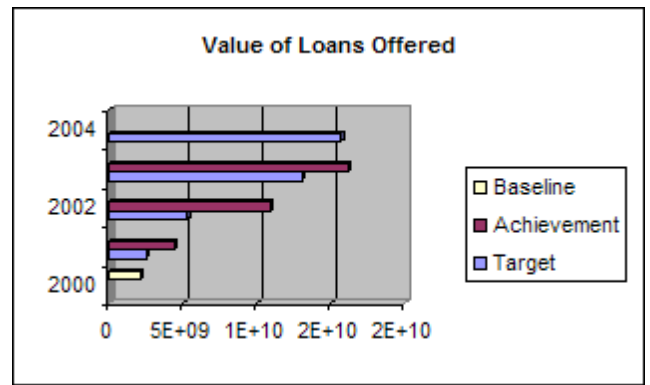
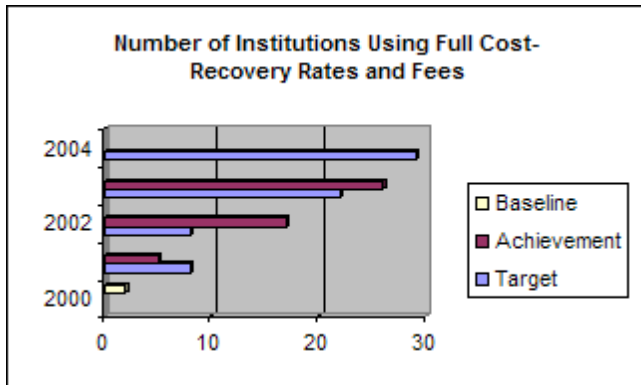
**Technical and Managerial Best Practices Component (KIR 3)
Results and Targets**

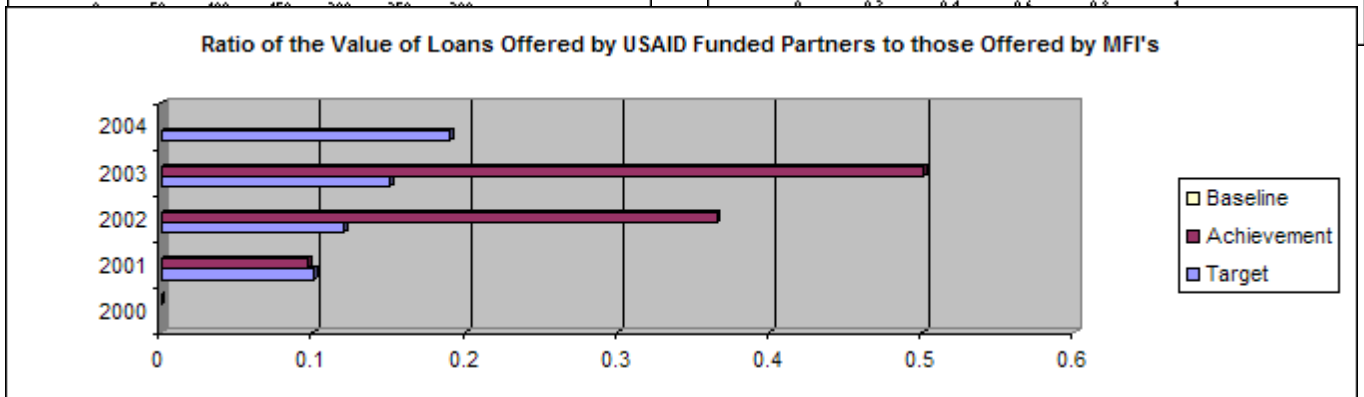
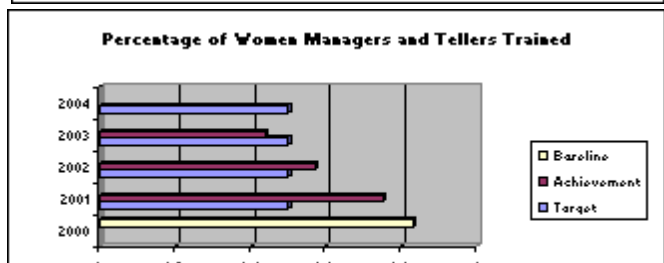
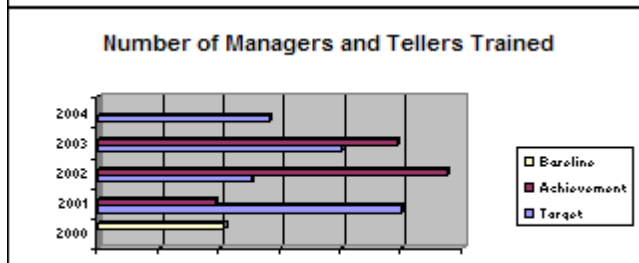
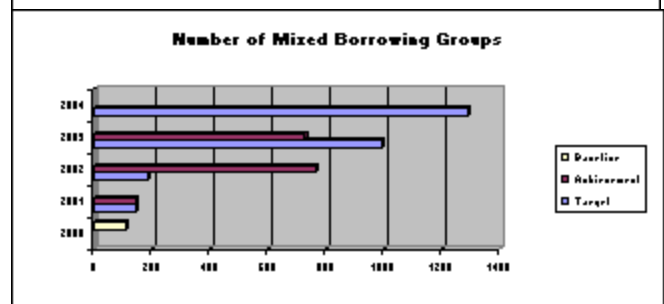
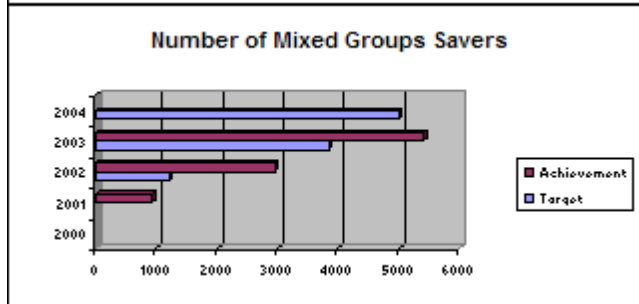
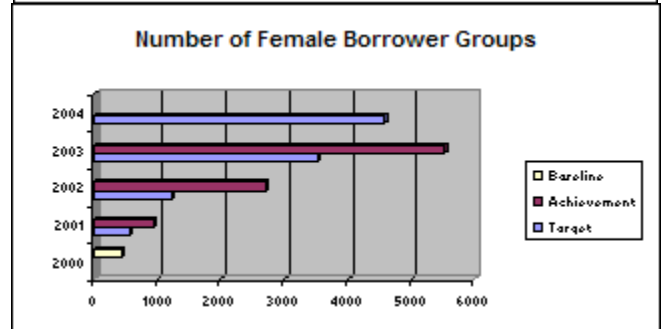
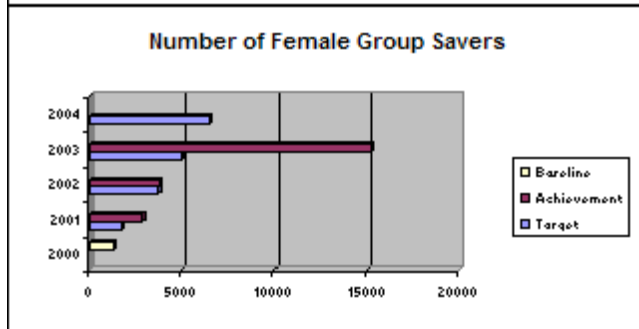
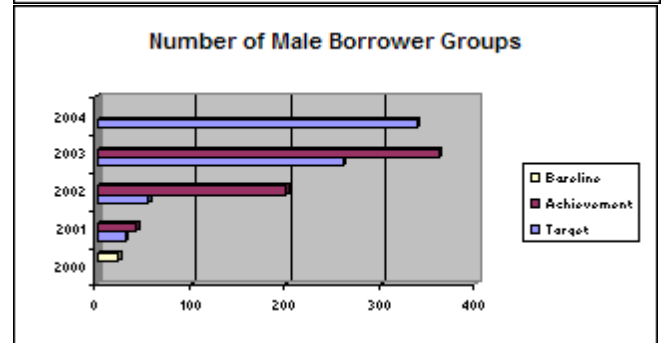
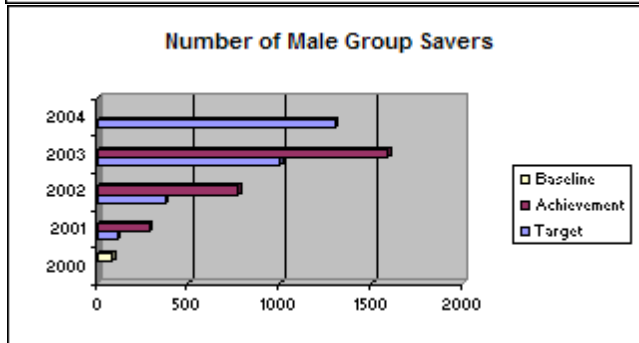
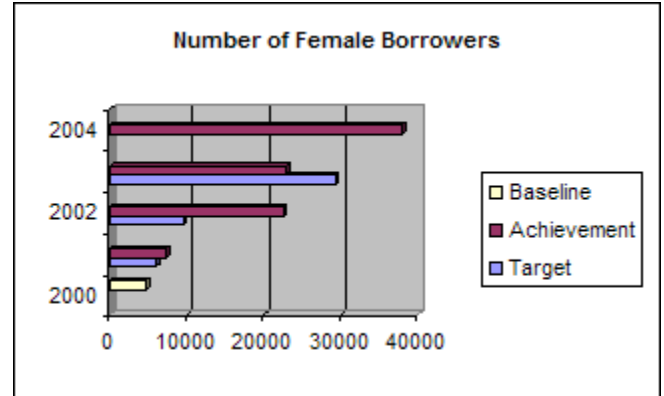
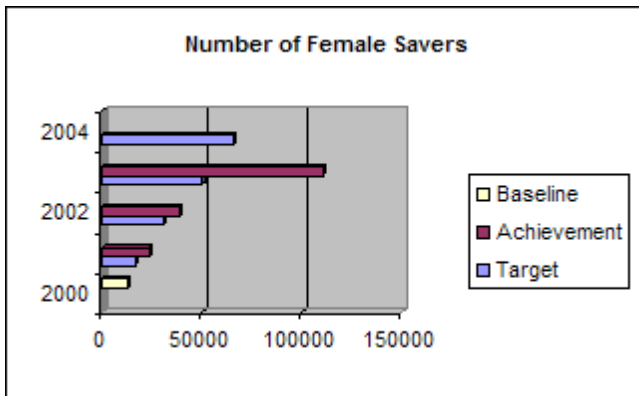
Contractor Results (CR) Targets established in proposal/negotiation process and updated through annual plans	Baseline	FISCAL YEAR 2000			FISCAL YEAR 2001			FISCAL YEAR 2002			FISCAL YEAR 2003			FISCAL YEAR 2004
	FY 2000	Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets	Results	% Compl	Targets
Tambacounda	0	0	0	N/A	30	666	#####	60	3,993	6655%	600	674		0
Thies	0	0	0	N/A	38	50	133%	75	386	515%	750	5,304		280
Ziguinchor	0	0	0	N/A	23	0	0%	45	149	331%	450	2,007		200
Totals	0	100	47	47%	150	907	605%	300	5,018	1673%	3,000	10,507		800

Note:

The preceding BDS performance indicators (1.3.1, 1.3.2, 1.3.3 and 1.3.4) were defined in Quarter 2 of FY2002 through a collaborative effort on the part of USAID and DynaEntreprises. Dyna's BDS technicians in Dakar, Kolda, Tambacounda, Thies and Ziguinchor offices provide quarterly reports on their performance using these indicators. For Fiscal Year 2001, the results in the table above were tabulated in Quarter 2 FY2002 after the new indicators were defined. For other years, the results are derived from data available at the time the annual report is written.

Visual Graphs of Microfinance Achievements





**Annex 3:
Client Institutions Included in the Field Visits**

No.	Region	Name	Service Provider or MFI BDS Client	Number of Contracts	Contract Value	Institution Visited
1	Dakar	Amadou Lo—CFA	Service Provider			Yes
2	Dakar	CompUS	Service Provider	2	\$38,902	Yes
3	Dakar	Daouda Fall	Service Provider	2	\$4,960	Yes
4	Dakar	Direco	Service Provider	6	\$33,526	Yes
5	Dakar	GetConsult	Service Provider	1	\$2,542	Yes
6	Dakar	Hodar Conseil	Service Provider	14	\$83,243	Yes
7	Dakar	Radio Oxyjeune	Service Provider	2	\$3,639	Yes
8	Dakar	Sahel 3000	Service Provider	6	\$64,214	Yes
9	Dakar	ASPI	Client			Yes
10	Dakar	Fenafils	Client			Yes
11	Ziguinchor	Avysee Consulting	Service Provider	1	\$23,594	Yes
12	Ziguinchor	Cabinet Vet Consult	Service Provider	1	\$17,110	Yes
13	Ziguinchor	OCC	Service Provider	3	\$5,474	Yes
14	Ziguinchor	Senagrosol	Service Provider	2	\$63,828	Yes
15	Ziguinchor	Sud Informatique	Service Provider	5	\$53,458	Yes
16	Ziguinchor	Association des Aviculteurs	Client			Yes
17	Ziguinchor	AGP	Client			Yes
18	Ziguinchor	Mutelles des Femmes Eleveurs	MFI Client			Yes
19	Tambacounda	Laurent Gomis	Service Provider	2	\$14,604	Yes
20	Tambacounda	ARHMT	Client			Yes

21	Tambacounda	AJMET	Client			Yes
22	Tambacounda	Association Albinos	Client			Yes
23	Tambacounda	Fenafils	Client			Yes
24	Tambacounda	Promer	Client			Yes
25	Tambacounda	UNAFIBS	Client			Yes
26	Dakar	Remix	SP MF and BDS			Yes
27	Dakar	SPIE	SP MF			Yes
28	Dakar	Max Consulting	SP MF			Yes
29	Dakar	RECEC	Client MF			Yes
30	Dakar	CMS	Client MF			Yes
31	Dakar, Zinguinchor, Tambacounda	UMECU	Client MF			Yes
32	Dakar	PAMECAS	Client MF			Yes
33	Seydou	ACEP	Client MF			Yes
34	Seydou	UMECU	Client MF			Yes
35	Seydou	Inter-CREC				Yes
36	Zinguinchor	FDEA	Client MF			Yes
37	Seydhou, Bignola, Tambacounda	FNGPF	Client MF and BDS			Yes
38	Bakel	GEC Ganda	Client MF			Yes
39	Tambacounda	MEC Winrock	Client MF			Yes
40	Tambacounda	Muproel	Client MF			Yes
41	Tambacounda	APPROVAG	Client MF			Yes
42	Tambacounda	RAFEG	Client MF			Yes

Annex 4

Full List of Clients and Partner Institutions Supported by the Dyna Project

Dyna BDS Contracts by Client, Region and FY

T	SUB-CLIENT	REGION	Σ	SECTOR			ACTIVITY DESCRIPTION		Sub-Activity	Activity Detail	Firm(s) or Consultant	Amount
				Info Diss	TIC	CyberCafe	Internet Passport	Marketing & Sales				
		Thies	2003				Internet Passport	Marketing & Sales	Appui aux associations professionnelles	TradePoint Thies	2,061,150	
	Association des Aviculteurs	Thies	2001	Training	AG	Poultry	TA		diagnostic, journée de réflexion, stratégie production & commercialisation, suivi	ACDA	9,117,281	
	Association des Aviculteurs	Ziguinchor	2003	Training	AG	Poultry	TA		(1) Améliorer la connaissance sur les AP existantes dans la zone d'intervention, (2) établir une classification des AP, (3) mettre en place un programme d'amélioration des niveaux de représentativité et d'organisation interne	Cabinet Veterinaire Consult	11,121,285	
		Dakar	2001	Info Diss	AG	Poultry	Market Research			Hodar Conseil	8,891,784	
		Dakar	2003	Info Diss	AG	Poultry	Information Day		relance filière avicole	Hodar Conseil	3,390,050	
		Dakar	2003	Training	AG	Poultry	Mise en place de Groupements de producteurs de la FAFA	(1) documentation qui servira à la création et à la gestion des Groupements de Producteurs; (2) mise en relation avec le circuit de distribution conventionnel	Federation Filiere Avicole : Association des Aviculteurs de Dakar, Assoc. des Commerçants des Produits Avicoles, Assoc. des Avicultrices de Dakar, Collectif des Techniciens de l'Aviculture, Union Nationale des Industriels de l'Aviculture	REMIX	2,625,975	
LS	Acteurs - Lait	Dakar	2001	Info Diss	AG	Milk	Rencontre Professionnelle	Diner Debat	Dinner Debate : hosting	Al Afifa	424,000	
LS	Acteurs - Lait	Dakar	2001	Info Diss	AG	Milk	Rencontre Professionnelle	Diner Debat	Diner debate : Opportunités d'affaires de la filière laitière	TDC	1,861,500	
LS	Comité Ad Hoc Producteurs et transformateurs du lait; Linguère, Dahra, Kolda & Tamba	Kolda	2002	Info Diss	AG	Milk	Rencontre Professionnelle		Rencontre	SPIE	1,535,797	
LS		Louga	2002	Info Diss	AG	Milk	Rencontre Professionnelle		bilan réalisation du plan d'action, visites des sites, programme d'activités	SPIE	2,132,128	
LS		Kolda	2000	Info Diss	AG	Milk	Sector Study		Identify and quantify business opportunities in sub-sector	TDC	10,179,750	
LS		Dakar	2001	Info Diss	AG	Milk	Study Tour		organize the study tour visit to Dakar industrial milk consumers by a dozen regional producers groups	Olivier Manga	412,560	
LS		Kolda	2001	Info Diss	AG	Milk	Rencontre Professionnelle	Journées de Réflexion, Restitution ou de l'Information	Partager les résultats de l'étude sur les opportunités d'affaires avec les investisseurs, producteurs, transformateurs, etc.	Sud Vetagro	1,279,500	
LS		Tamba	2002	Info Diss	AG	Milk	Rencontre Professionnelle	Diner Debat	Facilitation of debate on filiere laitiere at the foire	Hodar Conseil	1,246,670	
LS		Other	2003	Info Diss	AG	Milk	Study Tour	Organization & animation	Organization and animation of Milk South African Study	SPIE	1,592,113	
LS		Multiple	2003	Training	AG	Milk	Business Planning		organisation & suivi des activités du comité AD HOC de la filière lait; 21.600 FCFA par jour	Olivier Manga	4,276,800	

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUBSEQUENT REGION	YEAR	SECTOR SUB-SECTOR			ACTIVITY DESCRIPTION		SUB-ACTIVITY	Firm(s) or Consultant	COMMIT
			AG	Milk	Rencontre Professionnelle	AG Constitutive	Activity Detail			
FENAFILS	Louga	2004	AG	Milk	Rencontre Professionnelle	AG Constitutive	restauration membres FENAFILS lors de l'AG constitutive à Dahra; 150 membres pour 2 jours; hebergement & transport à la charge de FENAFILS	ADYD	600,000	
FENAFILS	Senegal	2004	AG	Milk	Marketing		(1) database for milk map and (2) memorandum of presentation	Olivier Manga	280,000	
FENAFILS & UNAFIBS	Tamba	2003	AG	Milk & Banana	TA		radio sur la filiere lait, suivi, accompagnement....Banana: suivi, diner debat sur l'investissement, appui aux Assoc., emission radio	Olivier Manga	1,340,000	
FNGPF	Tamba	2001	AP	Entrepreneurial	GERME	Gestion Marketing	Redirect selling skills to identifying customer needs and adapting the product to the market; communal level branch of FNGPF	Gestion Plus	2,910,390	
GERME Trainers	Thies	2002	Multiple	Entrepreneurial	GERME	Restitution	Partager les resultats du document sur la fiscalité avec les formateurs GERME et le BIT; location & logistics pour le rencontre de 6 participants	Centre Forestier de Thies	438,000	
GERME Trainers	Thies	2002	Multiple	Entrepreneurial	GERME		Renforcement des capacités des formateurs GERME en technique d'utilisation du manuel de fiscalité	Groupe Expert International - Business Consulting	303,000	
GERME Trainers	Ziguinchor	2002	Multiple	Entrepreneurial	GERME		introduce the fiscalité module into the GERME TOT	Groupe Expert International - Business Consulting	420,000	
GERME Trainers	Multiple	2000	Multiple	Entrepreneurial	GERME	Market Research for Product Development	Prioritizing training that paying customers wanted; adapting accounting skills to low-literate clients; led to creating the Modules Combinés	Gestion Plus	3,609,848	
GERME Trainers	Thies	2002	Multiple	Entrepreneurial	GERME		Hebergement et restauration pour 12 formateurs GERME (integration fiscalité)	Sobo-Bade Centre Tounstique de Mbour	972,000	
GERME Trainers	Thies	2003	Multiple	Entrepreneurial	GERME		13 participants x 11 days	Centre Tounstique de Mbour	2,325,000	
Groupement	Dakar (10), Tamba (3), Kolda (4)	2002	AG	Market Gardens	Transformation		Suivi formation Art Culinaire, Panification et Transformation Fruits/legumes	ITA	4,410,000	
Groupement	groupements maraichers de Kolda	2002	AG	Market Gardens	Transformation		Implementation du Programme de Planification Maraichere	Laurent Gomis	2,139,900	
Groupement	groupements maraichers de Kolda	2003	AG	Market Gardens	TA	Expert Junior		Coly Faye	600,000	
Groupement	groupements maraichers de Kolda	2003	AG	Market Gardens	TA	Expert Junior	Implementation du Programme de Planification Maraichere ; 10,170 par jour	Boubacar Tikire	2,542,470	

Dyna BDS Contracts by Client, Region and FY

T	SUB-CLIENT	REGION	FY	SECTOR	SUB-SECTOR	ACTIVITY DESCRIPTION	SUM ACTIVITY	Activity Detail	Firm/Client/Consultant	Amount
ent	groupements maraichers de Kolda	Kolda	2003	AG	Market Gardens	TA		(1) renforcement capacite institutionnelle (2) accompagner le processus d'association (organisation et structure, fonctionnement des instances, prise de decision et cotisation des membres), (3) renforcement des capacites techniques (maraicheres, compostage, fertilisation, defense et restauration du sol, selection des semences, arrosage, phytosanitaire, etc.) (4) aider dans la recherche de partenaires commerciaux (5) appuyer l'identification et l'adoption des technologies adaptees (6) aider a formaliser les relations avec les societes de commercialisation d'intrants (7) organiser les visites d'echange (8) aider a la vulgarisation d'un guide des bonnes pratiques maraicheres	Laurent Gomis	7,353,000
ent	groupements maraichers de Kolda	Kolda	2003	AG	Market Gardens	TA	Expert Junior	Implementation du Programme de Planification Maraichere	Pafrice Tame Bandagni	600,030
ent	groupements maraichers de Kolda & Thies	Kolda	2002	AG	Market Gardens	Rencontre Professionnelle	Exchange Visit	Restauration	Dieneba Ndiaye Thiarn	139,500
ent	groupements maraichers de Kolda & Thies	Kolda	2002	AG	Market Gardens	Rencontre Professionnelle	Exchange Visit	9 persons for 4 days; 7 participants and 2 experts juniors	REMIK	180,000
ent	groupements maraichers de Kolda & Thies	Kolda	2002	AG	Market Gardens	Rencontre Professionnelle	Exchange Visit	vehicle	Mamadou Diallo	230,000
ent		Multiple	2000	AG	Market Gardens	Transformation		New products and drying technology adapted to market demands	FICA	1,933,916
ent		Kolda	2001	NRM	Neem	Transformation		Training by Louga based technicians offered to groups in Kolda for producing insecticide and organic fertilizer extracted from neem tree seeds	ASADE - Association Senegalaise d'Appui au Developpement	3,650,994
ent		Dakar	2002	AG	Market Gardens	Transformation		(1) culinary meals based upon local cereals for 8 participants (2) Fruit and vegetable processing for 16 participants	ITA	1,760,000
ent		Dakar	2002	AG	Market Gardens	Transformation		Panification a base de cereales locales pour 8 participants	ITA	960,000
le	3 TechnoFoire Prize Winners send 3 staff each	Tamba	2002	Multiple	Multiple	Foires & Forums	TechnoFoire	Marekting & Promotion : Amis du Solaire, Xall Woon, Beye et Freres,	IDEAL	5,694,944
le	Decentralized Consulting Firms	Multiple	2002	Multiple	Multiple	Sector Study	Needs Assessment	Training needs assessment for decentralized consulting firms	Groupe Expert International - Business Consulting	4,153,579
le	Multimedia Caravan	Tamba	2002	Multiple	Multiple	Foires & Forums	TechnoFoire	Multimedia Caravan travel & presentation at Tamba TechnoFoire	OSIRIS	5,000,000

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUB-CLIENT	REGION	SECTOR	SUB-SECTOR	ACTIVITY DESCRIPTION	Sub-Activity	Activity/Detail	Firm(s) or Consultant	COMMIT
Multiple	Product Development	Dakar	Multiple	Entrepreneurial	GERME	Obligations fiscales & sociales de l'entreprise	Creation des supports sur la responsabilité législative, taxes, impôts et cotisations sociales des entreprises	Groupe Expert International - Business Consulting	3,670,000
Multiple	Product Test	St Louis	Multiple	Entrepreneurial	GERME	obligations fiscales & sociales de l'entreprise	update financial responsibility document and test market via test market with PC volunteers	Groupe Expert International - Business Consulting	2,636,732
Multiple	Tamba TechnoFoire Entrepreneurs	Dakar	TIC	Website	Foires & Forums	Creation	Tamba TechnoFoire	PointMicro	7,693,500
Multiple	Tamba TechnoFoire Entrepreneurs	Dakar	TIC	Website	Foires & Forums	Hosting	12 months @ 40,000 per month	TradePoint Senegal	480,600
Multiple	Targeted marketing TA for 5 specific firms having won the post-GERME competition	Kolda	Multiple	Multiple	Marketing		AVYSSE is based in Ziguinchor; 6 Junior Experts with 2 for UMEC; AJAPDS (lait), Co-Aid, Eco-Miel, Kairaba (sesame)	AVYSSE Consulting	15,336,300
Multiple		Kolda	Multiple	Multiple	Foires & Forums	TechnoFoire	Organize Kolda TechnoFoire	FIARA	26,656,000
Multiple		Multiple	Training	TIC	Training - Cybercafes		Organize and implement emerging Cyber Cafe training	YNETNET.ORG	8,781,840
Multiple		Kolda	Info Diss	Multiple	Foires & Forums	Business Forum		Sahel 3000	1,020,600
Multiple		Tamba	Info Diss	Multiple	Foires & Forums	Business Forum		Hodar Conseil	8,528,756
Multiple		Tamba	Info Diss	Multiple	Foires & Forums	TechnoFoire	Organize Tamba TechnoFoire	Sahel 3000	25,808,315
Multiple		Thies	Info Diss	Multiple	Foires & Forums	Business Forum		GLC	50,000
Multiple		Dakar	Info Diss	Website	Tenders	Hosting	11 months of hosting	DIRECO	220,000
Multiple		Dakar	Info Diss	Website	Tenders	Creation	activity underway	DIRECO	11,131,200
Multiple		Tamba	Training	Multiple	Entrepreneurial	Training of Trainers	Location salle, hébergement, restauration pour 23	Savanne Safari	4,101,100
Multiple		Multiple	Training	TIC	CyberCafe		Organize and implement total emerging Cyber Cafe training	YNETNET.ORG	7,995,000
Multiple		Multiple	Info Diss	AP	Professionalisation de l'Association	Management tools	create a "cahier de gestion" for each of the 3 filières (milk, bananas and market gardening)	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	12,787,571
Multiple		Tamba	Info Diss	Multiple	Foires & Forums	TechnoFoire	Facilitate Tamba TechnoFoire debates	SPIE	2,099,750
Multiple		Tamba	Info Diss	Multiple	Information Day	Microfinance	Journée Info MF plus Esprit d'Entrepris	Hodar Conseil	15,672,650
Multiple		Thies	Info Diss	Multiple	Foires & Forums	Business Forum		GIE Jeff-Jeill	6,111,111
Multiple		Thies	Info Diss	Multiple	Information Day	Microfinance	Journée Info MF plus Esprit d'Entrepris	Hodar Conseil	6,524,960

Dyna BDS Contracts by Client, Region and FY

T	SUB-CLIENT	REGION	FY	ACTIVITY DESCRIPTION		SUB-SECTOR	SECTOR	Sub-Activity	Activity Detail	Eliminator Consultant	Commitment
				DESCRIPTION	DESCRIPTION						
Info Diss	Listening Public	Thies	2002	TIC	Rural Radio	Info Diss	AP	Emissions Radiophoniques	6 months, saturday afternoon (live) and wednesday evening (repeat)	FM La Côteire	3,900,000
Info Diss	Listening Public	Ziguinchor	2002	TIC	Rural Radio	Info Diss	AP	Emissions Radiophoniques	6 months, saturday afternoon (live) and wednesday evening (repeat)	FM Awagna	3,900,000
Info Diss	Listening Public	Thies	2003	TIC	Rural Radio	Info Diss	AP	Emissions Radiophoniques	conception, production, animation et émission radiophonique pour la promotion de l'esprit d'entreprise	Association Xun-Pang	900,000
Info Diss		Dakar	2000	TIC	Rural Radio	Info Diss	AP	Emissions Radiophoniques	Renforcement des capacités des radio-journalistes, préparatifs et renforcement de capacité des journalistes dans la collecte et le traitement des informations économiques	Radio Oxyjeune	565,500
Info Diss		St Louis	2003	NRM	Vetiver	Info Diss	AP	Demonstration Site	protect irrigation network	Ndongo Fall	240,000
Training		St Louis	2003	NRM	Vetiver	Training	AP	TA	aménagement hydro-agricoles avec la technologie vetiver, 16.729 par jour	Djeys Fatimata Kouly Sy	2,891,220
Info Diss		Thies	2001	NRM	Vetiver	Info Diss	AP	Demonstration Site	Ancienne Carrière de Pout - SOCOCIM	Agence Commerciale des Produits Divers	1,112,852
Info Diss		Thies	2002	NRM	Vetiver	Info Diss	AP	Demonstration Site	watering & protection from animals of Pout site with SOCOCIM for 2 months	Agence Commerciale des Produits Divers	924,000
Info Diss		Kolda	2002	AG	Slaughterhouse	Info Diss	AP	Privatisation	étables, l'abattoir, camion frigorifique et usine aliments bétail; ancien SODAGR	Gamina Engineries	11,073,723
Info Diss		Kolda	2003	AG	Slaughterhouse	Info Diss	AP	Privatisation	Elaborer le cahier de charge en vue de l'appel à concurrence pour la privatisation de la Complexe Abattoirs d'Anambé (1) phase de terrain et d'identification des partenaires, (2) phase de mise en oeuvre des procédures de l'appel à la concurrence et sélection d'un partenaire stratégique	GET Consult Afrique	1,652,375
Training		Tamba	2003	AP	Entrepreneurial	Training	AP	Making Cents	14 participants	Groupe OCC	1,414,980
Training	Banana Sector Steering Committee	Dakar	2002	AG	Banana	Training	AP	TA	Organizational support to the nascent Banana Sector Steering Committee	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	3,564,101
Training	Directoire des Femmes Eleveurs	Dakar	2000	AP	Entrepreneurial	Training	AP	GERME	Redirect selling skills to identifying customer needs and adapting the product to the market	Gestion Plus	1,189,500
Training	Directoire des Femmes Eleveurs	Dakar	2001	AP	Entrepreneurial	Training	AP	GERME	Training in the principles of small business accounting requested by members of the Dakar office (includes Pikine & Rufisque)	Gestion Plus	1,695,500
Training	Directoire des Femmes Eleveurs	Tamba	2001	AP	Entrepreneurial	Training	AP	GERME	Redirect selling skills to identifying customer needs and adapting the product to the market	Hodar-Conseil	2,298,400
Info Diss	Federation des Producteurs Marchands des Niayes	Thies	2002	AG	Banana	Info Diss	AP	Market Test	Test marketing of local bananas	Sidy Alboury Ndiaye	1,112,500

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUB-CLIENT	REGION	SECTOR	SUB-SECTOR	ACTIVITY DESCRIPTION	Sub-Activity	Activity Detail	Firm(s) or Consultant	COMMIT
UNAFIBS		Tamba	AG	Banana	Sector Study		Banana Sector Study	AGROBIO Services	13,072,910
UNAFIBS		Dakar	AG	Banana	Sector Study	CD-ROM	create informational CD Rom of banana subsector study	People Input	6,959,925
UNAFIBS		Dakar	AG	Banana	Rencontre Professionnelle	Information Day	2 day Banana Sector Promotion in Dakar	SENAGROSOL Consult	14,329,007
UNAFIBS		Tamba	AG	Banana	Sector Study		Etude "Contrat-Marché" filière banane	Stdy Alboury Ndiaye	1,850,004
UNAFIBS		Tamba	AG	Banana	Rencontre Professionnelle	Journées de Réflexion, Restitution ou de l'Information	Restitution Workshop on Banana Sector Study	AGROBIO Services	3,094,627
UNAFIBS		Tamba	AG	Banana	Rencontre Professionnelle	Journées de Réflexion, Restitution ou de l'Information	Restitution Etude Banane	Centre de Formation et de Promotion de l'Entreprenariat (CFPE) Sarl	10,086,626
UNAFIBS		Kolda	Multiple	Entrepreneuriat	GERME	Gestion Marketing	filiere laitiere members plus individual businesses	GRAD	1,370,250
UNAFIBS		Dakar	AG	Banana	Rencontre Professionnelle	Journées de Réflexion, Restitution ou de l'Information	Journée de Restitution à CRESP	ISTIC	311,850
UNAFIBS		Dakar	AG	Banana	Producer's Manual		Best Practices Manual; 36 pages plus cover at 1000 copies	Imprimerie St. Paul	1,480,500
UNAFIBS		Multiple	AG	Banana	Producer's Manual		Best Practices	ISTIC	5,900,769
UNAFIBS		Tamba	AG	Banana	Rencontre Professionnelle	Information Day	Sankagne; communiquer la potential de la banane, (2) mieux connaitre UNAFIBS, (3) concertation entre acteurs dans le secteur	SPIE	2,680,572

Dyna BDS Contracts by Client, Region and FY

F	SUB-CLIENT	REGION	YEAR	ACTIVITY DESCRIPTION			Sub Activity	Activity Detail	Firm(s) or Consultant	Amount
				SECTOR	SUB-SECTOR	DESCRIPTION				
S		Tamba	2003	AG	Banana	Rencontre Professionnelle	Diner Debat	discussions sur plan d'action, qualité, finance, investissement, transformation	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	2,689,276
S		Dakar	2003	TIC	Website	Banana	Site improvements & updates	update information regularly; make UNAFIBS more prominent; linkages to other banana sites	E-Man Consulting	1,640,100
S		Dakar	2003	TIC	Website	Banana	Domain name registration	12 months for banana-senegal.com	People Input	250,000
S		Multiple	2003	AG	Banana	TA	d'emballage, plantation de la banane, gestes de qualité	Kolda, Podor, Tamba & Sedhiou	Charles Prins	1,100,000
S		Multiple	2003	AG	Banana	TA	(1) prospection des périmètres a Goudomp (2) formation des formateurs en bonnes pratiques de production des bananes	Co-finance with SOS & ANCAR; Goudomp for ASACASE funded producer & Ngarapou in Thiès for ANCAR staff; collaboration with SOS Environnement; 20 encadreurs ANCAR	Charles Prins	748,698
S		Multiple	2003	AP	Professionalisation de l'Association	TA	Expert Junior	15.925 par jour y inclus déplacement & communication	Daouda Fall	2,102,100
S		Tamba	2003	AP	Professionalisation de l'Association	TA	Expert Junior	(1) suivi formation sur les 10 gestes, (2) réactualisation site web banane, (3) mise en place de Parcelles test, (4) réorganisation UNAFIBS; 17.000 par jour y inclus déplacements et communication	Daouda Fall	1,122,000
S		Tamba	2004	AG	Banana	Demonstration Site		assist Boubarac with the banana film as well as the demonstration site preparations	Ousmane Batbé	707,000
S		Tamba	2004	AG	Banana	Demonstration Site		install 2 model demonstration sites plus training	Charles Prins	1,885,169
S & R		Multiple	2003	AG	Banana	TA		problèmes de maladie, irrigation et manutention des bananes	Charles Prins	1,111,008
work	Passersby	Dakar	2001	NRM	Vetiver	Demonstration Site		Rue de Ouakkam	GMV	1,388,750
work	Passersby	Dakar	2001	NRM	Vetiver	Demonstration Site		purchase plants for Rue de Ouakkam	Florcounda	177,000
work	Passersby	Dakar	2001	NRM	Vetiver	Demonstration Site		Canal de Relais - Rue de Ouakkam	GMV	1,001,000
work	Passersby	Kolda	2001	NRM	Vetiver	Demonstration Site		Installation and maintenance of vetiver demonstration sites in Kolda	Ousmane Niassy	555,060
work	Passersby	Dakar	2002	NRM	Vetiver	Demonstration Site		Entretien site Rue de Ouakkam (extension to 358-01)	GMV	295,000
work	Passersby	Dakar	2002	NRM	Vetiver	Demonstration Site		Entretien site Rue de Ouakkam	GMV	353,000
work	Passersby	Dakar	2002	NRM	Vetiver	Demonstration Site		Entretien Canal de Relais - Rue de Ouakkam (extension to 316-01)	GMV	660,000

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUB-CLIENT	REGION	SECTOR / SUB-SECTOR			ACTIVITY DESCRIPTION	Sub-Activity	Activity Detail	Firm(s) or Consultant	COMMIT
Vetiver Network	Passersby	Dakar	2002	Info Diss	NRM	Vetiver	Demonstration Site	Entretien Canal de Relais - Rue de Ouakkam (extension to 14-02)	GMV	712,800
Vetiver Network		Dakar	2001	Info Diss	NRM	Vetiver	Market Research	preliminary study to determine existing artisanal uses of vetiver	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	640,000
Vetiver Network		Multiple	2001	Info Diss	NRM	Vetiver	Market Research	Phase 1: Identify naturally occurring zones of vetiver supply sources in Senegal by variety, quantity & locale	Malainy Diatta	2,775,000
Vetiver Network		Senegal	2001	Info Diss	NRM	Vetiver	Market Research		Venceslas Goudiaby	900,000
Vetiver Network		Multiple	2002	Info Diss	NRM	Vetiver	CD-ROM	Vetiver dissemination approaches (test) and CD Rom production	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	27,938,215
Vetiver Network		Tamba	2002	Info Diss	NRM	Vetiver	Demonstration Site	amendment PO to add 75 linear meters of additional contouring	GIE Bambadj	1,026,165
Vetiver Network		Tamba	2002	Info Diss	NRM	Vetiver	Demonstration Site		GIE Bambadj	268,643
Vetiver Network		Ziguinchor	2002	Info Diss	NRM	Vetiver	Foires & Forums	Presentation on Vetiver best practices in the Casamance	Mamadou Sy	1,330,350
Vetiver Network		Dakar	2003	Info Diss	NRM	Vetiver	Information Day	Les Bassins de Retention d'Eau	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	4,220,756
Vetiver Network		Multiple	2003	Info Diss	NRM	Vetiver	Demonstration Site	NRM (80) & AG (20) demonstration sites; Yoff, railroad, bananas, school, hotel, water purification, canal & pont	SOS Environnement	19,658,764
Vetiver Network		Thies	2003	Info Diss	NRM	Vetiver	Demonstration Site	bassin de retention a Thies NONE	CEES - Venceslas Goudiaby	5,268,562
Vetiver Network		Thies	2003	Info Diss	NRM	Vetiver	introduire le système vetiver dans la lutte contre l'ensablement des cuvettes maraichères	Fass Boye & Touba Ndiaye cuvettes; Les Niayes	Aboulaye Diakhite	2,099,050
Village Artisanal Thies		Thies	2002	Info Diss	TIC	Website	Artisan	Creation	TradePoint Thies	7,155,22€
Village Artisanal Thies		Thies	2003	Info Diss	TIC	Website	Artisan	Presentation	TradePoint Thies	985,950
Village Artisanal Thies		Thies	2003	Info Diss	TIC	Website	Artisan	Official launching	TradePoint Thies	3,768,45€

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUB-CLIENT	REGION	SECTION SUB-SECTOR			ACTIVITY DESCRIPTION			Sub-Activity	Activity Detail	Firm(s) or Consultant	COMMIT
			TIC	Info Diss	Website	Innovation	Content					
ASPI		Dakar	TIC	Info Diss	Website	Innovation	Creation		Alimentation en contenu d'un site Web sur l'innovation technologique	SPIE	7,832,558	
ASPI		Dakar	TIC	Info Diss	Website	Innovation	Creation		website on Technological Innovation	E-Man Consulting	5,241,600	
ASPI		Dakar	TIC	Info Diss	Website	Innovation	Marketing		organize an official launching of the website	SPIE	596,368	
Bakel Telecentres		Tamba	TIC	Training	Telecentres	GERME	Gestion Marketing		plus Fiscal Tax Responsibility	Max Consulting	4,085,990	
Bakel Telecentres		Tamba	TIC	Training	Telecentres	TIC training for Bakel Telecentres			Bakel Telecentres - NTIC	YINTERNET.ORG	833,750	
Bakel Telecentres		Tamba	TIC	Training	Telecentres	GERME	Gestion Comptable		20 participants	Max Consulting	4,608,726	
BNSTP	Arc Welders	Dakar	Artisans	Training	Arc Welding	Arc Welding			Arc Welding #1; Cost share arc welding training with BNSTP who in turn subcontractis with French retired technicians	BNSTP	9,300,000	
BNSTP	Arc Welders	Dakar	Artisans	Training	Arc Welding	Arc Welding			Arc Welding #2	BNSTP	11,362,500	
BNSTP		Dakar	TIC	Info Diss	Website	Outsourcing	Creation		Bourse Nationale de Sous-Traitance et de Partenariat	PRESCO	4,125,000	
BNSTP		Dakar	TIC	Info Diss	Website	Outsourcing	Hosting		hebergement site web BNSTP pendant 1 an	People Input	250,000	
BNSTP		Dakar	TIC	Info Diss	Website	Outsourcing	Banner ad		banner ad on the Sentoo site for the BNSTP website	SONATEL Multimedia	240,000	
Cross-Cutting		Senegal	TIC	Info Diss	CyberCafe	Census	Market Research		Geo-referenced Census of CyberCafes in Senegal plus a "Passport" of information on Internet and its usage targeted to young people	YINTERNET.ORG	3,920,000	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook			design, publication and distribution costs: 1500 copies	InfoEntreprises	5,097,750	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook			camera ready version (mock-up)	Mandarine	861,400	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook			printing costs for 1,500 copies	SAIL	4,560,000	
Cross-Cutting		Senegal	TIC	Info Diss	CyberCafe	Internet Passport	Internet Passport with cybercafe census		Publication of Internet Passport	YINTERNET.ORG	1,960,000	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook			resolution of final payments for sales	InfoEntreprises	812,932	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook				CompUS International Corporation	22,786,23	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook				CompUS International Corporation	2,500,000	
Cross-Cutting		Senegal	Multiple	Info Diss	Multiple	Appointment Calendar & Guidebook				CompUS International Corporation	2,500,000	
Cross-Cutting		Senegal	TIC	Info Diss	CyberCafe	CD-ROM	comment monter et bien gerer un CyberCafe		Best Practices	Technology Experts	6,089,08	
Cross-Cutting		Senegal	TIC	Info Diss	CyberCafe	CD-ROM			50 copies of the "How to Establish & Run a Cybercafe"	IDEAL	135,000	

Dyna BDS Contracts by Client, Region and FY

sample coverage = 400000

SUB-CLIENT	REGION	YEAR	SECTOR		ACTIVITY DESCRIPTION		Sub Activity	Activity Detail	Firm(s) or Consultant	Commitment
			AP	AG	GERME	Marketing				
APAD	Ziguinchor	2003	Training	AP	Entrepreneurial	GERME	Exchange Visit	Training for the Diouboulou Planters' Association	GRAD	1,797,300
APs d'Apiculteurs de Tamba (Tanda Koumbo & Wouli Koumbo)	Kolda	2003	Info Diss	AG	Beekeeping	Rencontre Professionnelle	Exchange Visit	Visitez la Fédération des Apiculteurs de l'Arr. De Tanaff	Sahel 3000	597,750
Association Departementale des Handicapés Moteurs - Mbour	Thies	2003	Training	AP	Entrepreneurial	GERME	Gestion Comptable		GIE Jeff-Jell	1,351,833
Association des Couturiers du Senegal	Dakar	2003	Training	Artisans	Couture	Training of Trainers		25 participants: techniques pédagogiques de l'apprentissage	XL Consulting - Abdoul Sow	6,683,900
Association des Groupements des Professionnels de la Filière Peche	Ziguinchor	2003	Training	AP	Professionalisation de l'Association	renforcement des capacités organisationnelle des AP	Peche	5 cellules : Diogue, Cap, Kafountine, Elimkine & Iles du Bliss plus Zig comme I.F.	BST Consul	2,898,800
Association Nationale des Handicapés Moteur de Tambacounda (ARHMT)	Tamba	2001	Training	Artisans	Silk Screen	Silk Screen		Training requested by the Association Nationale des Handicapés Moteurs for a training of ten members of the Association des Personnes Handicapées de Tambacounda	La Vie Active	2,019,222
Association pour la Promotion de la Femme	Dakar	2000	Training	AP	Entrepreneurial	GERME	Marketing	Transform businesswomen from sellers to marketers	Gestion Plus	1,415,000
Association pour le Développement de Yamakeuye	Ziguinchor	2003	Training	AG	Market Gardens	TA	Expert Junior	2 experts juniors pour accompagner une campagne maraichere hivernale	Nicolas Sambou	1,200,012
Association pour le Développement de Yamakeuye	Ziguinchor	2003	Training	AG	Market Gardens	TA	Expert Junior	maraichage hivernal	Moussa Sane	1,200,012
Association Regionale des Albinos	Tamba	2003	Training	Artisans	Silk Screen	Silk Screen		recyclage	La Vie Active	955,000
Association Regionale des Handicapés Moteurs Kolda	Kolda	2001	Training	Artisans	Silk Screen	Silk Screen		Silk-screen training for handicapped clients	Impress Color	2,920,800
Association Synergie Femmes	Dakar	2001	Training	AP	Entrepreneurial	GERME	Gestion des Stocks & Comptabilité	Improve management of stocks and the accounting systems used by women entrepreneurs	IPG	1,587,000
Association Synergie Femmes	Dakar	2003	Training	AP	Entrepreneurial	GERME	Gestion Marketing		SPIE	1,516,925
Associations des Handicapés	Multiple	2002	Training	AP	Professionalisation de l'Association	(1) dev. De l'esprit d'entreprise, (2) amelioration des capacités managetales, (3) insertion des membres dans les filieres porteuses		Accompagnement des associations des handicapées	GRAD	5,420,625

Dyna BDS Contracts by Client, Region and FY

CLIENT	SUB-CLIENT	REGION	SECTOR	SUB-SECTOR	ACTIVITY DESCRIPTION	Sub Activity	Activity Detail	Firm(s) or Consultant	COMMIT
AP	AST - Assoc. des Soudeurs de Tamba; AJMET - Assoc. des Jeunes Menuisiers de Ebénistes de Tamba; apiculteurs de Diatiacolo, Neteboulou & Missira	Tamba	Info Diss	Artisans	Soudeurs & Menuisiers	Information Day	Plan d'Action : (1) vulgariser (2) partager info essentiels dans les plans (3) prioriser les activités et répartir dans le temps et l'espace (4) ID activités de l'Assoc et celles des autres structures	Sahel 3000	1,569,150
AP	AST - Assoc. des Soudeurs de Tamba; AJMET - Assoc. des Jeunes Menuisiers de Ebénistes de Tamba; apiculteurs de Diatiacolo, Neteboulou & Missira	Tamba	Training	AP	Professionalisation de l'Association	TA	9,637 par jour y inclus déplacement	Malang Faty	1,272,084
AP	Business Développement du Sénégal à Mbour	Thies	Info Diss	Multiple	Multiple	Foires & Forums	6 months accompagnement to BizForum Mbour association	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	5,310,375
AP	Business Développement du Sénégal à Mbour	Thies	Info Diss	Multiple	Multiple	Foires & Forums	Promotion & Communication de la Foire d'Mbour	Centre de Formation et de Promotion de l'Entrepreneuriat (CFPE) Sarl	4,426,960
AP	Business Développement du Sénégal à Mbour	Thies	Training	AP	Entrepreneuriat	GERME	Gestion Marketing	GIE Jeff-Jell	1,852,242
AP	Handicapés Moteurs de Mbour	Thies	Training	AP	Entrepreneuriat	GERME	Marketing, Gestion des Stocks, Approvisionnement et Plan Financiere	Gestion Plus	1,497,800
AP	UGF Mboro	Thies	Training	AP	Entrepreneuriat	GERME	Marketing	GIE Pool de Consultant Thies	1,676,000
AP	UGF Mboro	Thies	Training	AP	Entrepreneuriat	GERME	Comptabilité	GIE Pool de Consultant Thies	2,450,100
AP	UNACOLS	Kolda	Training	AP	Entrepreneuriat	GERME	Training in the principles of small business accounting requested by members of the UNACOLS office in Kolda (not necessarily the caisse d'épargne members)	Sud Consultance	1,211,000
AP	Union des Femmes Commerçantes	Thies	Training	Multiple	Entrepreneuriat	GERME	Gestion Comptable	ADPAM	1,621,149
AP	Xun Pang	Thies	Training	AP	Entrepreneuriat	GERME	Comptabilité	Gestion Plus	2,510,000

Dyna BDS Contracts by Client, Region, and FY

SUB-CLIENT	REGION	SECTOR SUB-SECTOR				ACTIVITY DESCRIPTION		Sub-Activity		Activity Detail		Firm(s) or Consultant	Contract Amount
		Multiple	Multiple	Multiple	Multiple	Fiscalité	Obligations fiscales & sociales de l'entreprise	Expert Junior	Expert Junior				
	Thies	2003	Multiple	Entrepreneurial	Fiscalité	Obligations fiscales & sociales de l'entreprise				19 participants 8 - Dakar UNACOIS, 7 Mbour, 3 Thies, 1 Mboro)	International - Business Consulting GRAD	1,411,029	
	Ziguinchor	2003	Multiple	Entrepreneurial	GERME						International - Business Consulting GRAD	1,489,000	
	Ziguinchor	2003	NRM	Sustainable Agriculture	TA						Mamadou Sy	2,517,797	
	Ziguinchor	2003	NRM	Sustainable Agriculture	TA					vetiver, BRP, démonstration site, compostage, FCFA 23,242 par jour	Mamadou Sy	2,942,500	
	Senegal	2004	Multiple	Entrepreneurial	Fiscalité	Obligations fiscales & sociales de l'entreprise				remise à jour avec le nouveau loi plus 500 copies à 3,500 chacun	Groupes Expert International - Business Consulting	2,419,900	
Acteurs - Improved Stoves	Multiple	2000	Artisans	Improved Stoves	Sector Study					Identify investment opportunities in the improved-cooking stove sector	USU	12,103,455	
Acteurs - Neem	Senegal	2003	NRM	Neem	Sector Study	Opportunités d'investissement				(1) analyse generale de la filiere (2) analyse detaillee de la filiere (3) Rapport	ISTIC	7,432,470	
CRESP	Dakar	2002	NRM	Sustainable Agriculture	Demonstration Site	Permaculture					SOS	13,373,026	
PAEP	Thies	2002	AP	Entrepreneurial	GERME	Gestion Comptable				GERME - Gestion Comptable & Marketing - PAEP -	Gestion Plus	3,734,000	
Peace Corps Senegal	Multiple	2001	Multiple	Multiple	Sector Study					Evaluation, options and recommendations for managing the PC Community Training Centers (CTC)	USU	13,482,945	
Peace Corps Senegal	Thies	2003	Multiple	Entrepreneurial	GERME					PC pays logistiques & meats; Dyna pays for trainer	Groupes Expert International - Business Consulting	882,924	
SOS Environnement	Dakar	2003	NRM	Vetiver	Refurbishment Alambic (vetiver distillation system)					2/3 of costs to refurbish the Alambic (distillation system for vetiver) from damages incurred during Zig TechnoFoire	ERCA Industries	1,240,000	
5 rural radio stations	Ziguinchor	2002	TIC	Rural Radio	TA	Technical & managerial				Formation en Techniques Radiophoniques et en organisation des Radios Rurales	Afric-Securim	8,009,000	
FM Awagna	Ziguinchor	2003	TIC	Rural Radio	Making Cents					combined Esprit & Entrepreneur sessions in 3 days	Groupes OCC	2,143,204	
JIDA FM & TIM TIMOL	Tamba	2003	TIC	Rural Radio	Making Cents					Esprit & Entrepreneur for animateurs radio rurales JIDA-FM & TIM TIMOL	Cabinet DEFA	2,457,750	
La Côteière	Thies	2003	TIC	Rural Radio	Making Cents					combined Esprit & Entrepreneur sessions in 3 days	GIE Jeff-Jell	1,444,855	
La Coliere, FM Awagna, Jida FM, Niani FM, Tim Timol	Multiple	2002	TIC	Rural Radio	TA	Technical & managerial				(1) maintenance, (2) formation initiative prive, (3) mise en place des émissions, (4) suivi de la qualite	Afric-Securim	12,055,737	
Listening Public	Multiple	2001	Info Diss	Rural Radio	Emissions Radiophoniques					samedi & mardi	Radio Oxyjeune	1,800,000	
Listening Public	Matam	2002	Info Diss	Rural Radio	Emissions Radiophoniques					6 months, saturday afternoon (live) and wednesday evening (repeat)	FM Tim-Timol	3,900,000	
Listening Public	Tamba	2002	Info Diss	Rural Radio	Emissions Radiophoniques					6 months, saturday afternoon (live) and wednesday evening (repeat)	FM Jida	3,300,000	
Listening Public	Tamba	2002	Info Diss	Rural Radio	Emissions Radiophoniques					6 months, saturday afternoon (live) and wednesday evening (repeat)	FM Niani	3,900,000	

CLIENT	SUB-CLIENT	REGION	SECTOR			ACTIVITY DESCRIPTION		Sub Activity	Activity Detail	Firm(s) or Consultant	COMMIT
			SUB-SECTOR	SECTOR	SECTOR	DESCRIPTION	DESCRIPTION				
Multiple		Ziguinchor	Multiple	Info Diss	Multiple	Foires & Forums	Business Forum		Informaticque Sud	4,542.45	
Multiple		Ziguinchor	Multiple	Info Diss	Multiple	Foires & Forums	TechnoFoire	Organize Ziguinchor TechnoFoire	SEMAGROSOL Consult	27,158.91	
Multiple		Ziguinchor	Multiple	Info Diss	Multiple	Foires & Forums	TechnoFoire	Communication & promotion of Ziguinchor TechnoFoire via brochures, journal, bulletins, affiches, spots radios & tele, site web, etc.	Informaticque Sud	23,522.44	
Multiple		Dakar	Multiple	Info Diss	TIC	Tenders	Information Day	Information Day on Tender Bid Website	DIRECO	5,137.30	
Multiple		Thies	Multiple	Info Diss	TIC	Foires & Forums	Business Forum	Temporary cybercafe during the business forum in Mbour	DIRECO	1,737.41	
Multiple		Kolda	Multiple	Training	Multiple	GERME	Marketing	Module simplifié d'étude de projet en complément du module planification financière du GERME; rapport, module et formation testés en 4 jours	CFPC	2,697.32	
Multiple		Multiple	Multiple	Training	Multiple	GERME	Test Marketing		Gestion Plus	7,226.09	
Multiple		Tamba Thies	Multiple	Training	Multiple	GERME	Gestion Marketing		Hodar Conseil	2,431.98	
Multiple		Thies	Multiple	Training	Multiple	GERME	Gestion Marketing		CAPG	2,128.56	
Multiple		Thies	Multiple	Training	Multiple	GERME	Gestion Comptable		ACDA	1,614.05	
Multiple		Thies	Multiple	Training	Multiple	GERME	Gestion Comptable		ACDA	1,544.75	
Multiple		Ziguinchor	Multiple	Training	Multiple	GERME	Training of Trainers		Max Consulting	7,697.55	
Multiple		Senegal	Multiple	Info Diss	AP	Rencontre Professionnelle	Journées de Reflexion Restitution ou de l'Information	Exchange day targeted on the stakes involved in professionalizing Business Associations	REMIX	1,572.75	
Multiple		Dakar	Multiple	Info Diss	Multiple	Fiscalité	Obligations fiscales & sociales de l'entreprise	300 copies at 3,500 each	Groupe Expert International - Business Consulting Centre	1,050.00	
Multiple		Dakar	Multiple	Info Diss	Multiple	Arbitrage & Mediation	"La pratique de l'Arbitrage"	39 participants	d'Arbitrage, de Mediation et de Conciliation	15,375.01	
Multiple		Ziguinchor	Multiple	Info Diss	Multiple	Foires & Forums	TechnoFoire	Multimedia Plateforme for the Zig Technofoire	Sud	4,700.49	
Multiple		Ziguinchor	Multiple	Info Diss	Multiple	Foires & Forums	Business Forum	Business Forum Follow-up : relance économique par l'impulsion du transport maritime	Informaticque Sud	1,982.10	
Multiple		Dakar	Multiple	Info Diss	TIC	Tenders	Upgrade & Marketing	Transfer of Tender Bid Website rights	DIRECO	3,585.99	
Multiple		Dakar	Multiple	Info Diss	TIC	Tenders	Hosting	3 months: tender bid website	HomeView Senegal	60,000	
Multiple		Kolda	Multiple	Training	AP	renforcement des capacités organisationnelle des AP		animation, sensibilisation, restitution et suivi	Sahel 3000	4,571.66	
Multiple		Senegal	Multiple	Training	AP	TA	Expert-Junior	2,000 ECEA par heure	Louise Tine	1,367.20	
Multiple		Multiple	Multiple	Training	Multiple	Market Test		Formation "Esprit d'Entreprise" version MSI	PRIDE Guinée ADPAM	6,265.00	
Multiple		Thies	Multiple	Training	Multiple	GERME	Gestion Comptable		ACDA	1,726.40	
Multiple		Thies	Multiple	Training	Multiple	GERME	Gestion Comptable		ACDA	1,747.71	

Annex 5

The Dyna Approach: Developing the Capacity of the Microfinance and Business Development Sector by Outsourcing Technical Assistance Activities

The Dyna Market-Led Demand Approach Through Open and Closed Tenders

The Dyna project strategy has been to outsource technical assistance activities to local firms in order to build sustainability and to acknowledge that local service providers are better placed to meet the needs of a large proportion of microfinance and business development institutions affordably. The project's goal has been to strengthen the capacity of Senegalese consulting firms and the institutional capacity of MFI and BDS institutions to link the demand and supply of services. Through a competitive tendering process, Dyna has contracted with local service providers to offer technical assistance and training for MFI and BDS client institutions providing a varied set of tailored technical services to each of these client institutions.

The Dyna project has institutionalized an effective tendering process by establishing criteria and prerequisites for service delivery through open and closed tender mechanisms. Initially the project envisioned using a variety of contracting mechanisms such as grants, sub-contracts, and purchase orders. Since then, Dyna has primarily used tenders to outsource technical assistance. Through an open and competitive tender-based approach, Dyna has replaced the initial grant component proposed under the scope of work thus demonstrating a professional, focused image for its brokering activities.

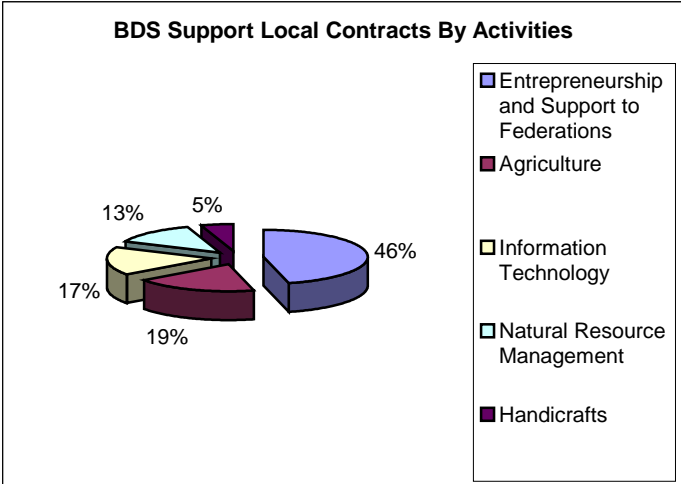
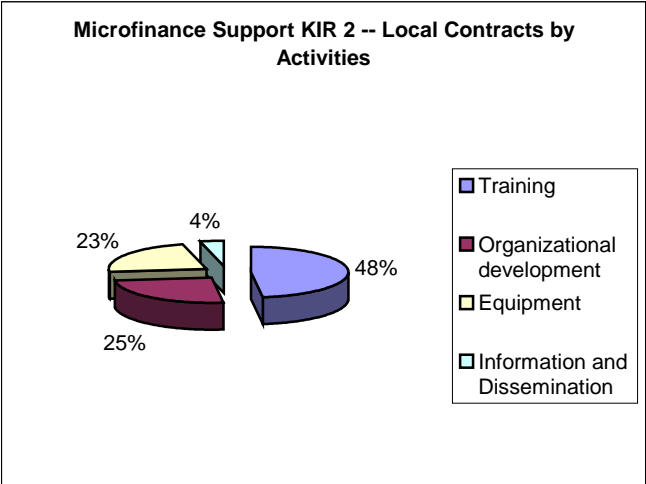
Through use of the tender mechanism for contractual activities, Dyna has reached a wider range of local firms submitting applications for technical assistance. Dyna initially popularized the tender mechanism among local service providers by advertising in newspapers. It later developed a web-based portal to make tender documents available online at: www.appel-d-offres.sn. Dyna put in place an effective and transparent management structure to support its tendering activities. This included terms of reference, selection criteria, and transparent selection processes based on a quantitative rating assessment of both technical and financial offers². The tendering and contracting approach grew in popularity among service providers, and was gradually institutionalized within Senegal as a standard process for contracting, helping to contribute towards project branding.

Tender Website Opens Doors to Business Contracting

The Portal website developed by Dyna has enabled the program to achieve a wide distribution network for its tenders. The website has contributed to the institutionalization of the tender process in Senegal and is now widely used by government and other local and regional donors to advertise their tenders. The site has tremendous potential to continue beyond the Dyna program as it also includes advertisement as well as fixed fees for tender placements. To date, the site has had more than 50,000 visitors and contains more than 639 tenders, which have been archived and classified. The cost for placement of a tender is \$20 FCFA per month making it very competitive vis a vis the \$20 FCFA charged daily by local newspapers for advertisement. The local IT company which developed the website is interested in acquiring ownership over the site in order to continue its maintenance and plans to develop a larger communication and dissemination strategy to capitalize further on this investment.

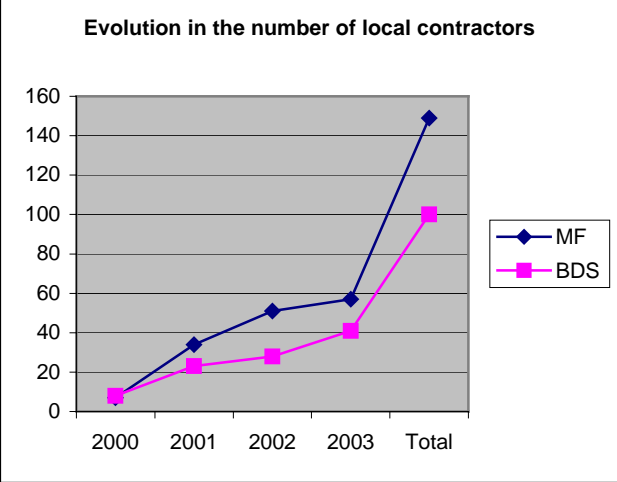
² Under the tender process proposals included a technical offer with a weight of 75 percent and a financial offer with a weight of 25 percent.

The Dyna project has been able to leverage this mechanism to institutionalize a results-based contracting process. The tenders have replaced the existing grant mechanism envisioned earlier by the program responding to the scope of work issued by USAID/Senegal. The Dyna project has experienced a continued growth in its level of local contracting by issuing more than 30 fixed price subcontracts and 26 task orders during its second year of operations. The growth of contracting has increased over time and on average 10 to 12 new contracts have been signed every month. Contracts for microfinance have had an average value of US \$28,845 while the average value for BDS contracts has been US \$7,692.



Basic Ordering Agreement (BOA): In order to scale up contracting to an even higher level of efficiency, the project revamped its tender contracting mechanism during its second year of operation by developing and introducing a Basic Ordering Agreement (BOA) to create pools of potential subcontractors available to provide technical assistance³. Through its open tenders, Dyna has been able to cast a wide net of potential contractors, attracting bids from many service providers within the country. The open tenders have been complemented by the BOA’s or closed tenders, which have enabled Dyna to select pools of consultants and pre-qualify them for services in distinct technical areas.

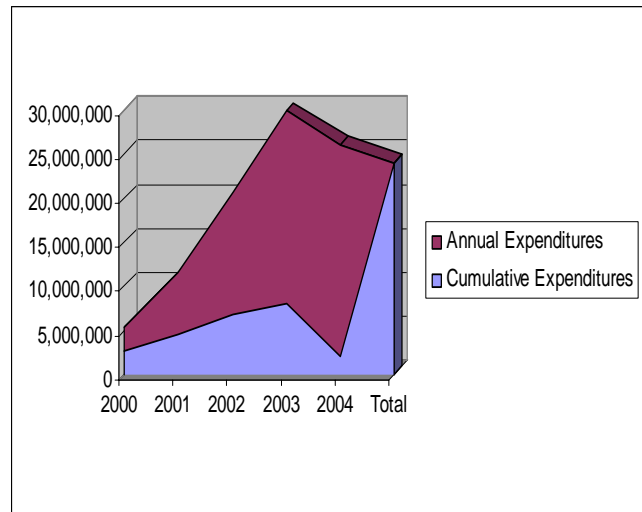
Dyna has experienced a continuous evolution in the number of local contractors. To date, more than 214 service providers have worked with Dyna in its four years of operations (81 in microfinance and 133 in BDS). These have included local contract and purchase orders provided to 38 sole proprietor firms and 198 small and medium enterprises. Through its contractual innovations, intensive communication strategies, and distribution channels, the project reached its highest peak of



³ The basic ordering agreement acts like a closed tender or an indefinite quantity contract pre-qualifying service providers and later issuing task orders among these pre-approved consulting pools.

operation in 2003 signing 216 local contracts and purchase orders with a value of nearly US \$ 3 million dollars.

Dyna’s support to micro, small and medium enterprises has increased substantially over its five year of operations and the project has gained considerable experience in the brokering of service provision in microfinance and business development services. (See section III.2 below for a description of the Dyna model.) Although project resources were earmarked mostly for microfinance activities (US \$ 11 million) and less than ten percent (US \$1 million) for business development services (BDS) the number of contracts issued for both of these technical areas has been almost identical. The project has thus been able to increase the financial resources for BDS interventions.



In its five years of operations, Dyna has issued more than 351 contracts for microfinance activities with a contract value of US \$10,124,806 providing training, equipment, organizational development and information dissemination to Senegalese microfinance institutions, which have jointly reached more than 43,769 local borrowers and 219,760 of local depositors⁴.

As mentioned earlier, the project has also been able to leverage its resources to nearly twice the scale of its business development service operations which have included more than 237 contracts valued at US\$1,832,057. This has surpassed the initial funding allocated for this component, encompassing interventions in ten different sub-sectors and a wide array of entrepreneurial training activities reaching more than 38,727 micro, small and medium enterprises MSME’s in 2003⁵. On average, the program has expensed \$4.7 million in funding in each of its five years of operations.

III.2. How Did the Dyna Model Work?

Following demand-side orientation, the Dyna project has responded to the need and the demand of existing microfinance and business development institutions with a presence in the five regions. The Dyna program has operated under a very broad program structure and has utilized a communication campaign to disseminate and advertise the availability of its services to microfinance and business development institutions and service providers. The communication campaigns enabled the project to broadly publicize its services and stimulate demand while local institutions began to approach them and demonstrate their interest to work with the Dyna project.

⁴ Information furnished by Dyna which includes achievements reported to USAID for Fiscal Year 2003.

⁵ The contract obligations include data furnished by DynaEnterprise Senegalaises to the evaluation team under the headings of Microfinance Support – Local Contract Value and BDS Support -- Local Contracts Value.

The demand-led orientation of Dyna's project and delivery structure has responded to the needs of existing microfinance and business development institutions and achieved substantial depth and breadth. The service delivery model implemented by Dyna has enabled the project to intervene both in the demand and supply for services, producing market distortions and some sub-optimal effects on the sustainability of the linkages established between service providers and MFI/BDS client institutions.

Due to the complex nature of the tendering contracting system, Dyna has become an indispensable broker between the MFI/BDS client and the service provider. Dyna's insertion as a requisite institution in service delivery and demand-driven activities has not permitted MFI and BDS institutions from learning the process of contracting between service providers and clients. Through the tendering and contracting process, Dyna has become the integral link between service providers and clients. Dyna's brokering structure has therefore promoted a tendering response capacity rather than direct client demand-identification and these market distortions have potentially contributed to higher prices for technical services.

Since the purchase of technical assistance has been led by Dyna, there is greater potential for market price distortions, as those market prices have not been determined by the clients nor by the service providers but through direct negotiations with Dyna. Ultimately it is Dyna, as the funding institution, that is deciding where to place the subsidy for purchase of services and also which institution will receive it, thus providing unequal access to the market for all key stakeholders/players.

Although Dyna has effectively stimulated the consulting market in existence in Senegal and made it more vibrant, its brokering activities have prevented MFI and BDS client institutions from acquiring all the necessary skills involved in the direct outsourcing of technical activities. This finding was reconfirmed during focus group discussions and individual interviews. Clients and service providers unanimously projected that after the end of Dyna's interventions both products and prices would suffer tremendous readjustments in time, service/product restructuring and also in determination of real market prices. The fixed subsidy within the project has not driven demand for payment of services, nor to price determination at which it is currently able to support. Therefore, the tailoring of technical services to individual MFI/BDS clients has not fully leveraged the use of subsidies and has actually been conducive to higher level prices⁶.

⁶ Among a small sample of 20 BDS providers the evaluation group was able to find five contractual arrangements between BDS institutions and service providers which had been arranged outside of the Dyna project demonstrating that 25% of the BDS client institutions had sourced their technical services needs directly from the local market service providers demonstrating their willingness and ability to pay for technical assistance provision. Nevertheless this finding is not representative statistically of the entire program and these results will have to be evaluated in the medium and long-term as per specific recommendations issued under the recommendations sections of this report.

Annex 6
List of Persons Interviewed

Name	Position	Organization	Location	Telephone/Fax	Email Address
John Stamm	Private Enterprise Officer	USAID/Senegal BP 49 Dakar, Senegal	Dakar	869-6100	jstamm@usaid.gov
Ousmane Ndao	Monitoring and Evaluation Specialist	USAID/Senegal BP 49 Dakar, Senegal	Dakar	869-6182	ondao@usaid.gov
Charles Alan MAY, Ph.D.	Project Director, Economist	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	cmay@dynaenterprises.com
Victor Luboyeski	Deputy Director	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	vluboyeski@dynaenterprises.com
Mamata Bah LO	Responsible for Contracts	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	mlo@dynaenterprises.com
Awa Paye Gueve	Administrator for the support of the decentralized financial systems	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	agueye@dynaenterprises.com
Helene SOW-DAHOU	Technical Director for the Microfinance Department	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	hsow@dynaenterprises.com
Madeleine Cisse	Administrator for the support of the decentralized financial systems	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	macisse@dynaenterprise.com
Fatou Thiam	Director for Monitoring and Evaluation, Analysis, and Communication	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	Fcisse@dynenterprise.com
Basheer Ndaye	Technical Director for Business Development Services	BP 5457, Dakar-Fann, Senegal	Dakar	865-1737	Bndaye@dynaenterprise.com
Annica Jansen		USAID/Senegal BP 49 Dakar, Senegal	Dakar	869-6100	Ajansen@usaid.gov

Olga Sedo		USAID/Senegal BP 49 Dakar, Senegal	Dakar	869-6100	Osedo@usaid.gov
	Cellule for Microfinance				
Ann Wessling,	Directrice	CAPAF: Programme de Renforcement Des Capacites Des IMF en Afrique Francophone	36 rue V. Hugo X J.T. Gomis Dakar	221-823- 6572/73/78	Ann-wessling@sentoo.sn
Tanguy Gravot	Expert en Microfinance	CAPAF: Programme de Renforcement Des Capacites Des IMF en Afrique Francophone	36 rue V. Hugo X J.T. Gomis Dakar	221-823- 6572/73/78	tanguy@sentoo.sn
Daniel Gaye	Coordinateur de l'Antenne Sud	Senagrosol	B.P. 1180 – Zinguinchor, Senegal	Telephone / Fax: 221-991-1626	senasud@sentoo.sn
Omar Kante	Financial and Administrative Assistant	Senagrosol	B.P. 1180 – Zinguinchor, Senegal	Telephone / Fax: 221-991-1626	senasud@sentoo.sn
Mr. Cisse		OCC	Ziguinchor		
Safitou Coly	Manager	GEC of Bignona	Bignona	547-90-85	
Mr. Sidibe		Mutuelle et Developement de Basse	Bignona		
Adama Thiam		Remix	Dakar	644-8207	
Amadou Bachiru Ndiaye		SPIE	Dakar	824-5190	
Asane Ndiaye		Max Consulting	Dakar	864-3638	
Madame Sanabu Diop		RECEC	Dakar	639-9947	
Sebastian de Portal		CMS	Dakar	638-9932	
Abrahima Lo		UMECU	Dakar	823-3456	
Daniel Voizot	Attache de Coopertion Economie et Finances	Ambassade de France au Senegal – Service de Cooperation et D'Action Culturelle	Dakar	839-5170/ 8395308/ Fax 839-5301	Daniel.voizot@diplomatic.fr
Hyacinthe	Directeur	Projet de	Tambacounda	981-11-01	promerdp@sentoo.sn

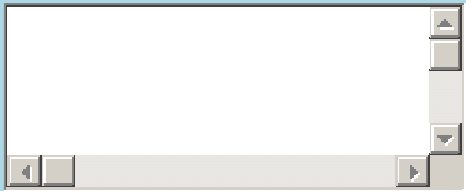
Modou Mbengue	Technique	Promotion des Microentreprises Rurales			
Mbaye Toure	Econmiste/ Directeur Executif	ONG Sahel 3000	Dakar	835-19-09	Ongsahel3000@sentoo.sn

Annex 7
List of Documents Reviewed

Document Type/Name	Source
Quarterly Reports: 1-3; 5-7; 9-11; 13-15; 16	USAID
Annual Reports: 1, 2, 3, 4	USAID
Annual Workplans: 1, 2, 3	USAID
Scope of Work	USAID
Scope of Work amendments: 2, 3	USAID
USAID/Senegal FY2003 Annual Report	USAID
USAID/Senegal Strategic Plan 1998-2006	USAID
Performance Monitoring Plans	USAID
Dyna Auto-Evaluation	Chemonics
MFI/BDS Summary Sheets: 11	Chemonics
List of BDS Providers and MFIs	Chemonics
Budget/Contract Breakdown Sheets	Chemonics
Dyna video-clips and round-table footage	Chemonics
Microenterprise Results Reporting Information	Weidemann & Associates Inc.
BDS/MFI Table 1 for the Implementation Grant Program of USAID	USAID/EGAD/IGP RFP

**Annex 8
Microenterprise Results Report Data
Submitted by DynaEntreprise to USAID**

***FY 2002 Microenterprise BDS Data View*
Chemonics International Inc. - DynaEntreprises Project/Senegal**

FIELD TITLE	FIELD VALUE
Institution Name	Chemonics International Inc. - DynaEntreprises Project/Senegal
FY of record	2002
Facilitators	
<u>1 - How long has your organization been involved in supporting other providers of BDS?</u>	
How long has your organization been involved in supporting BDS?	3
<u>2 - Assistance provided to BDS providers in FY 2002.</u> <u>Check all that apply.</u>	
2a - Market Research	
Assessment of market constraints	Yes
Identifying new opportunities or innovative products	Yes
Opening new markets	Yes
Other (describe)	
2b - Supply-Side Services	
Market information services	Yes
Product development	Yes
Research and development (other than product development)	Yes
Test marketing	Yes
Capacity building	Yes
Training of trainers	Yes
Quality assurance	Yes
Business linkages/network	Yes

development	
Franchising	No
Promoting best practice	Yes

Other (describe)

2c - Demand-Side Services

Information Services	Yes
Building awareness of BDS services	Yes
Providing incentives for BDS services	Yes

Other (describe)

2d - Evaluation

Monitoring and evaluation	Yes
Impact assesment	Yes

Other (describe)

2e - Advocating for Sound Policies

BDS policy advocacy	No
---------------------	----

Other (describe)

3 - Who were your clients in FY 2002?
Select all that apply and indicate how many for each.

How many for-profit firms	7,879
How many non-profit organizations	24
How many government agencies	0

How many other types of clients 0

4 - Please provide data (actual or estimated) on the microenterprise clients of the firms or organizations you assisted in 2002.

4a - How many clients received BDS services?

7,879

4b - What percent of these clients were women?

30.00%

4c - What percent of these clients lived in rural areas?

73.00%

4d - What percent operated businesses in these sectors?

Agriculture % 16.00%

Agribusiness % 32.00%

Manufacturing % 7.00%

Commerce % 10.00%

Service % 34.00%

Other % 1.00%

5 - If possible, please report on the poverty level of the microenterprise clients of the BDS providers you assisted in 2002:

5a - What percent do you estimate have income below the poverty line in your country ("the poor")?

0.00%

5b - What percent do you estimate have income amounting to less than 50 percent of the poverty line in your country ("the poorest")?

0.00%

5c - Recent U.S. legislation requires USAID request this information. The Agency uses this data to provide input on the way in which its supported programs address the needs of the poor.

Estimate the percent of microenterprise clients of the assisted organizations with loans from any source in the following amounts:

- US\$300 equivalent or less in Africa, Asia, Near East;
- US\$400 equivalent or less in Latin America and the Caribbean; or
- US\$1000 equivalent or less in Europe or Eurasia.

0.00%

6a - For which of the following category(ies) does your organization collect data?

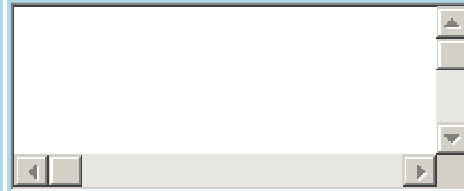
Please select all that apply.

"Customers" refers to the microenterprise clients of the BDS providers to which you provide services, not the BDS providers themselves.

For those items you select, please email a copy of the information collected to MRR2002@mrreporting.org.

- | | |
|---|----|
| Customer satisfaction (repeat customers, referrals) | No |
| Gross profit of customers/clients | No |
| Business starts fostered | No |
| Change in business practice | No |
| Awareness of business services available | No |

Other (describe)



6b - Have you had an internal or external evaluation of your organization's performance? If yes, please send a copy of the evaluation to

MRR2002@mrreporting.org.

No

6c - Have you had an internal or external evaluation of your program's impact on microenterprise clients? If yes, please send a copy of the evaluation to

MRR2002@mrreporting.org.

No

7 - How do your customers purchase or acquire your services? Customer refers to the end client - the microentrepreneur. Check all that apply:

- | | |
|---|-----|
| Payment of fees | Yes |
| Margins on goods sold | No |
| Bundled with other products and/or services | No |
| Partially subsidized | Yes |
| Free of charge | No |

Other ways in which your clients acquire your services?

8 - What percentage of your direct operating costs is covered by client revenues? Client refers to BDS Providers

0.00%

9 - The types of BDS Providers in the market include which of the following... (Select all that apply)

9a - The types of BDS Providers in the market include which of the following... (Select all that apply)

Our competitors are For-profit firms Yes

Our competitors are Non-profit organizations Yes

Our competitors are Government agencies No

We have no competitors No

Please describe any other competition.

9b - Since our organization has been engaged in facilitating the BDS market, the number of providers in the market serving the same general clients, has

Increased

9c - The BDS market can be characterized as

Very competitive

9d - Since our organization has been engaged in facilitating the BDS market, the demand for the type(s) of BDS we support has

Increased

9e - Comments? Please add your comments.

Demand has increased particularly in the decentralized zones (outside the capital city). We find that BDS providers have gone out on their own to organize training to market their services at events and to

10 - Exit Strategy

10a - What are your plans regarding an exit strategy?

Plan to develop an exit strategy

10b - For those who have an exit strategy, what is the time frame?

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Institution/Chemonics International Inc. - DynaEnt

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9E Comments: Demand has increased particularly in the decentralized zones (outside the capital city). We find that BDS providers have gone out on their own to organize training, to market their services at events and to Professional Associations, and have expanded their organizations to provide new services in sectors that they otherwise did not consider to be profitable.

Annex 9
LIST OF DYNA'S MFI CLIENTS PER SEGMENT

Segment #1:

Recognized Networks

	N° Offices	N° Caisses reporting	N° Members	
ACEP		4	744	Sep-03
PAMECAS	28	28	119,493	Sep-03
CMS			NI	

Segment #2:

Networks Under Consolidation

	N° Caisses		N° Members	
UMEC	25	24	13,163	Sep-03

Segment #3:

Networks Under Construction

	N° Caisses		N° Members	
UMECU	50	40	36,215	Sep-03
RECEC	16	15	30,840	Dec-03
			67,055	

Segment #4:

Emerging Networks

	N° Caisses		N° Members	
ACRA	18	17	6,865	Dec-03
FNGPF	49	42	19,982	Sep-03
PPMEH	9	9	7,910	Sep-03
Inter-CREC	6	6	3,801	Sep-03
PROFEMU	7	7	10,866	Sep-03
MEC FADEC	3	1	1,161	Sep-03
COCOGES	7	5	1,004	Sep-03
IMCEC / CCF	13	13	11,787	Sep-03

UFC	10	7	1,598	Sep-03
			64,974	
Segment #5:				
Isolated MECs & GECs				
	N° Caisses		N° Members	
FEMUNI	1	1	457	Sep-03
COFDEC	1	1	60	Mar-03
NAFA	1	1	1,530	Sep-03
MECFEMZOP	1	1	595	Sep-03
GANDA	1	1	638	Sep-03
GEC LAW TAN	1	1	879	Sep-03
MECPROPEM	1	1	2,669	Sep-03
MEC EGAM	1	1	716	Mar-03
MUPROEL	1	1	222	Sep-03
TINAARE	1	1	185	Sep-03
CAPEC JOOBASS	1	1	480	Sep-03
MFC	1	1	496	Sep-03
MECFAM	1	1	476	Mar-03
CMECAT	1	1	1,328	Sep-02
APROVAG	1	1	0/n/a	
RAFEG	1	1	124	Mar-03
GEC UGPF	1	1	689	Dec-02
CAPEC SAM SA NGOR	1	1	758	Sep-03
			12,302	

Source: DynaEntreprises

Annex 10
Evolution of DFS/Types from 1999 to 2003

Type of Decentralized System Structure	Baseline 1999	Newly Created Structures			
		2000	2001	2002	Est. 2003
Structure faitière	2	2	0	0	1
MEC agréé	173	43	20	24	54
Convention cadre	6	2	0	0	0
GEC	148	130	53	53	17
Total	329	177	73	77	72
Cumulative	329	506	579	656	728

Structures in existence in 1999 : UM-PAMECAS et UMEC/Sédhiou

Structures in existence in 2000 : CMS et UMECU/ DEFS

Annex 11

Calculation of Effective Interest Rates in the Senegalese Microfinance Market

CASE 1: GEC

	Month	Year
Nominal Interest rate (%)	1.5	18%
Mode	Constant	
Reimbursement Frequency	monthly	
Amount Reimbursed	capitl + int	
Obligatory Savings 3.5%	25%	
Commission (montant forfait)	2%	
Inflation	3%	
Effective Interest Rate		58%

Effective Interest Rate	Real
Only the loan	33.8%
Including Savings	58.0%

CASE 2: UNACOIS-Tamba

	Month	Year
Nominal Interest Rate (%)	1.5	18%
Mode	Constant	
Reimbursement Frequency	monthly	
Amount Reimbursed	capitl + int	
Obligatory Savings 3.5%	10%	
Commission (flat rate)	4.5%	
Inflation	3%	
Effective Interest Rate		44.4%

Effective Interest Rate	Real
Only the loan	36.9%
Including Savings	44.4%

CASE 3: Approvag

	Month	Year
Nominal Interest Rate (%)	2%	24%
Mode	Constant	
Reimbursement Frequency	monthly	
Amount Reimbursed	capitl + int	
Obligatory Savings 3.5%	20%	
Commission (flat rate)	2%	
Inflation	3%	
Effective Interest Rate		50.6%

Effective Interest Rate	Real
Only the loan	36.0%
Including Savings	50.6%

CASE 3: GEC Nacader-Tamba

	Month	Year
Nominal Interest Rate (%)	1.5%	18%
Mode	Constant	
Reimbursement Frequency	monthly	
Amount Reimbursed	capitl + int	
Obligatory Savings 3.5%	20%	
Commission (flat rate)	2%	
Inflation	3%	
Effective Interest Rate		47.8%


Effective Interest Rate	Real
Only the loan	31.8%
Including Savings	47.8%

Annex 12

**Client Institution Retention Rate
Number of Individuals Trained**

#	Name of Client Institution	Number of Interventions			Total # Interventions	# Trained LOP
		2000-2001	2002	2003		
1.	Directoire des Femmes Eleveurs	3			3	55
2.	Synergie Femmes	2		1	3	56
3.	UNACOIS	1			1	16
4.	Entrepreneurs (GIE)	2	4	6	12	177
5.	FCGPF	1			1	43
6.	Association Gerants Telecentres Bakel	1	1		2	28
7.	ARMT	2		1	3	46
8.	Association Xun Pang	4	2	2	8	114
9.	Rural Radios		1	7	8	114
10.	ARHMK		2		2	26
11.	Groupement Feminin de Mboro		3		3	56
12.	Pepinieristes et Agents Projets		8		8	136
13.	15 SMEs		2		2	40
14.	PAEP		3		3	52
15.	Promer-ASACASE-CFAVA-Conforge		1		1	15
16.	FNPJ		2		2	110
17.	GIE-Xaal Yoon		1		1	7
18.	Laureats Techno-Fair		1		1	7
19.	Union des Femmes Commerçantes		1		1	15
20.	Facilitators Peace Corps		1		1	9
21.	Association of Albinos			2	2	13
22.	Handicapes of Mbour			3	3	41
23.	APEFA			3	3	87
24.	Association Business Development			1	1	14
25.	UNAFIBS			3	3	32
26.	APAD			2	2	34
27.	Association de Coutures			1	1	25
28.	Producteurs de PODOR			2	2	45
29.	Maraichers des Niayes			5	5	75
30.	Maraichers of Kolda			1	1	26
31.	Banana + Milk transformers			1	1	7
32.	AGP			1	1	14
33.	Groupement des producteurs Boukhou			1	1	15
34.	Groupement Femmes de Ngaparou			1	1	34
35.	Technician ANCAR			1	1	14
	TOTAL					1598 Trained

Annex 13

	<i>SECTORS</i>	<i>MULTIPLE</i>			<i>AGRICULTURE</i>					<i>IT</i>				<i>NRM</i>			<i>HANDICRAFTS</i>						
		Multiple	Entrepreneurs	AP	Other	Banana	Poultry	Milk	Gardening	Slaughterhse +Beekeeping	Website	Radio	CyberCafe	Telecentre	Vetiver	Sustainable AG	Neem	Arc Welding	Improved Stoves	Silk Screen	Sewing	Welding	TOTAL
	Activities																						
Information Sharing	Demo Site, fix-up					2									19							1	22
	Exchange Visit								1														1
	Info Day	2					1								1								4
	Fair & Forum	16									2				1								19
	Sector Study	2			2	3		1								1	1		1				11
	Arbitrage/Mediation	1																					1
	Radio program											1											1
	Family Business		9																				9
	Website										11												11
	Manuals created					2																	2
	Census												1										1
	Appt book/Calendar	6																					6
	Internet Passport												2										2
	CD-Rom												2		1								3
	Marketing	1				1	1	1							3								7
	Professional Meeting			1		6		7	3	1													18
	Study Tour							2															2
	Privatization									2													2
	Suivi +Radio Emission					1		1					8										10
	Tenders										5												5
Management Tools			1																			1	
Fiscalite		2																				2	
TOTAL		28	11	2	2	15	2	12	3	4	18	9	5		25	1	1		1			1	140
	<i>SECTORS</i>	<i>MULTIPLE</i>			<i>AGRICULTURE</i>					<i>IT</i>				<i>NRM</i>			<i>HANDICRAFTS</i>						

	Subsectors:																			TOTAL		
	Multiple	Entrepreneurs	AP	Other	Banana	Poultry	Milk	Gardening	Slaughterhse +Beekeeping	Website	Radio	CyberCafe	Telecentre	Vetiver	Sustainable AG	Neem	Arc Welding	Improved Stoves	Silk Screen		Sewing	Welding
Activities																						
GERME		39										3									2	44
AP-professionalism			4			3																7
Sector specific TA					4		9		1	2	1	1							4			24
Expert Junior			6				3							1	2	2						12
TOT																				1		1
Business Planning							1													1		1
Techno-fair	1																					1
Marketing	1	1																				2
Fiscalite		1																				1
Making Cents		1								3												4
TOTAL	2	42	10		4	3	1	12		1	5	1	4	1	2	2			4	1		97

Annex 14

