

SECTION C - DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

Activity Title: USAID/Wula Nafaa

C.1. Objective/Introduction/Background:

C.1.1 Purpose

The purpose of the USAID/Wula Nafaa activity described herein is to increase the sustainable, profitable, and decentralized use and management of Senegal's agricultural, marine and natural resource base.

To achieve this purpose, the USAID/Wula Nafaa activity has four components:

- The Creation of Wealth through an increase in the number of businesses based on sustainable resource use and a corresponding increase in those businesses' profitability;
- Improving Local Governance by improving the performance of local governments in monitoring, regulating, and managing the use of their natural resources;
- Improving Biodiversity Conservation by promoting the sustained use, conservation and management of natural resources and biodiverse areas by local populations; and
- A Policy and Communications component that improves the enabling environment in which citizen and professional groups can successfully lobby for policy changes that serve their economic, governance or environmental interests.

C.1.2 Introduction

The USAID/Wula Nafaa activity will contribute to the achievement of specific, measurable, results essential to the attainment of USAID/Senegal's strategic objective (SO) of Increased Economic Growth through Trade and Natural Resource Management. USAID's strategy for transformational development in Senegal seeks to boost economic growth by improving the enabling environment to attract more investment, increasing the volume and/or value of trade, and creating wealth through better management of Senegal's natural resources. This activity will specifically address the following Intermediate Results (IR) under the above-stated USAID/Senegal SO:

IR1: Increased Trade Capacity

Sub-IR 1.1: Expanded availability and value of products in compliance with international market standards

Sub-IR 1.2: Improved access to market

IR2: Improved sustainable Management of Natural Resources and Biodiversity

Sub-IR 2.1: Improved Management of Protected Areas

Sub-IR 2.2: Enhanced local Management of Natural Resources

IR3: Improved Enabling Environment for Sustainable Growth

Sub-IR 3.1: Improved legal, administrative, and regulatory environment supportive to growth

Sub-IR 3.2: Strengthened capacity of selected institutions to foster growth

IR4: Improved Transparent and Accountable Management of Resources

Sub-IR 4.1: Enhanced Capacity of Selected Institutions to Foster Good Governance

Sub-IR 4.2: Enhanced Capacity of Non-Government Actors to Foster Good Governance

Sub-IR 4.3: Strengthened Public Private Partnerships

This Contract is one part of USAID's efforts to promote environmentally sound, pro-poor economic growth in Senegal. USAID/Senegal's Economic Growth Strategic Objective also includes the USAID/Economic Growth Program (685-I-00-06-00005-00) that provides support for accelerated growth and increased competitiveness of Senegal's economy. This Program is USAID's main effort to support the Government of Senegal (GOS)'s Accelerated Growth Strategy and has three components: the development of public-private partnerships, increased exports, and policy reform to improve the business environment in Senegal. The Contractor will be expected to work closely and coordinate efforts with the USAID/Economic Growth Program.

In addition, USAID/Senegal has put in place a Development Credit Authority (DCA) that provides up to \$10 million in loan guarantees for the clusters targeted in the Accelerated Growth Strategy. These clusters are: agribusiness, tourism, information technology, textiles and fisheries. An additional DCA is planned for 2008 that will provide loan guarantees to micro-finance institutions that will support sub-sectors most likely targeted under this contract.

Background on Senegal, including a recent evaluation, performance monitoring plan and other key documents, are available at the following USAID/Senegal website: <http://senegal.usaid.gov/pubs/index.html>. Other information on USAID programs in Senegal that may be of interest is available on the USAID public website for Senegal at: http://www.usaid.gov/locations/sub-saharan_africa/countries/senegal/. Information on the Ministry of Environment's priorities and planning documents can be found at <http://www.cepsmepn.org/publication.htm>. Of particular interest is the main planning document the Cadre de Dépenses Sectorielle à Moyen Terme, the Ministry's Annual Work Plan, and the evaluations of the Ministry's Annual Work Plans.

C.1.3 Background:

This Contract is a follow on of the Wula Nafaa agriculture and natural resource management five-year contract (685-C-00-03-00008-00) that was implemented by the International Resources Group (IRG). Wula Nafaa, roughly translated, means the "natural wealth from the environment" in local languages. This same activity name is being retained for this Contract because of the name recognition by partners and beneficiaries. The activity used the "Nature, Wealth, Power" paradigm which is based on USAID's experience in implementing natural resource management programs over the last twenty-plus years.

The key hypothesis of the previous contract was that if communities effectively exercise their rights to utilize their natural resources as stipulated by the Senegalese decentralization law, and if there is an increase in income generated from those resources at local levels, closest to those who actually use them, then there will be more incentives for local communities to sustainably use and manage natural resources in Senegal. The five years of the first program has proven the basic premise of this hypothesis to be sound, though results achieved thus far are still fragile. The program described in the following pages will continue to test this hypothesis but will also broaden the scope of the program's underlying rationale. The secondary hypothesis posits that, if

the primary hypothesis is true, continued success by the program should lead to transformation in local government services and practices, poverty reduction, and a visible reduction or reversal in environmental degradation in the targeted regions.

Some of the accomplishments of the previous contract included a highly positive overall economic impact with substantial direct and indirect benefits, due to factors such as improved quality, expanding markets, better price negotiations and a higher portion of the final price captured by producers. Processing groups have benefited from the broader availability of processing technologies which has contributed to improved product quality and helped with new product development. Beneficiaries, communities and buyers have reported major injections of cash into the local economy and substantially increased incomes for producers and processors which have, among other things, improved security against the effects of drought. In addition, rural populations have started to realize the nexus between increased economic benefits and protection of their natural resource base. In this context, many communities have taken actions to reduce the number of bush fires, establish harvesting schedules appropriate for product sustainability, and patrol forests and other commons to prevent incursions and illegal harvesting. Local Conventions and Forest Management Plans have confirmed community willingness to take stringent steps and necessary actions to regulate and protect their natural resources against degradation, although it is too early to identify major physical changes in forest size or forest health.

Some specific results of the previous contract include the following:

1- Economic Benefits Component

- \$2,360,904 increase in value of exports of targeted sub-sectors
- \$1,097,179 increase of revenues of enterprises directly supported by the activity
- 3,278 enterprises that showed increased, measurable revenues in areas targeted by the activity
- 4,127 cumulative number of enterprises groups assisted by the activity
- 19 Markets surveys and studies to identify potentially marketable natural or non-traditional agricultural products
- 17 grading schemes and value-added processes developed to increase producer revenue/income per unit of production

2- NRM Rights and Responsibilities Component

- 24 Communities/Community based organizations (CBOs) that have developed local conventions, forest management plans or other agreements governing access, use and protection of natural resources
- 1,073 Communities/CBOs have undertaken community-led activities to increase productivity of natural resources sustainably
- 2,572,087 hectares covered by legally recognized local conventions that govern natural resource use
- 39,214 hectares covered by forest management plans

3- Policy Component

- 33 legal, regulatory or administrative barriers to local sustainable management of natural resources reduced

- 118 processes of consultation between and among Senegalese communities and national/national government offices and the private sector
- 41 assessments, supporting field studies, policy analyses contributing to progress in addressing the policy reform agenda prepared and disseminated

C.2 Statement of Work.

The Contractor shall demonstrate expertise, experience, and understanding of what needs to be set in motion to assist Senegal to achieve meaningful natural resource management and reform of both terrestrial and marine ecosystems. The Contractor shall provide services in the four component areas listed below and more fully described in C.2.5 Activity Components.

- The Creation of Wealth through an increase in the number of businesses based on sustainable resource use and a corresponding increase in those businesses' profitability;
- Improving Local Governance by improving the performance of local governments in monitoring, regulating, and managing the use of their natural resources;
- Improving Biodiversity Conservation by promoting the sustained use, conservation and management of natural resources and biodiverse areas by local populations;
- A Policy and Communications component that improves the enabling environment in which citizen and professional groups can successfully lobby for policy changes that serve their economic, governance or environmental interests.

During the previous contract, significant progress was made in generating wealth in rural south-eastern Senegal, improving the management of natural resources, and transferring management rights to resources to local governments and communities. In addition to building upon the successes of the previous contract, this new effort will also contribute to, and be an impetus for, marine fisheries and coastal management reform through improving local management capacity and increasing economic and environmental benefits from coastal resources. In this context, the Contract will develop and field-test a new model for community-based sustainable fisheries that, if successful and if replicated, will offer Senegal an opportunity to achieve sustainable management of its artisanal/traditional fisheries sector.

It is expected that this contract will provide technical services and limited commodity support to help USAID Senegal and its partners meet defined performance measures necessary to achieve this effort. USAID/ Senegal partners consist of executive and elected Government of Senegal (GOS) officials at the national, regional, departmental, and local levels, local resource users, community-based organizations, medium and small enterprises, other USAID-funded partners, agribusiness entrepreneurs, and Senegalese communities. The technical services required are expected to include, but not be necessarily be limited to: short and long-term technical assistance (TA); support to/provision of in-country and international workshops, conferences, training, and observation tours; development and dissemination of information on agriculture, natural resources, governance and business best practices, and lessons learned from communities and organizations participating in contract-supported activities; data collection, data harmonization (where necessary), analysis, and reporting, as part of an overall monitoring function; support to private enterprises, local governments and community organizations in testing and/or applying

new agriculture/natural resources technologies and management regimes; provision of necessary equipment to complement assistance to intermediaries and customers; and administration and management of a Small Grants Fund.

C.2.1 Priority Regions: This activity, as a follow-on activity, will continue to target the agro-ecological zone of Senegal's south-eastern forest estate.¹ In addition, the activity will work in a new ecological zone: the coastal, delta and river systems of the Casamance and Sine Saloum Rivers. USAID also envisions the activity to have the flexibility to take advantage of targets of opportunities in other parts of the country, as approved by USAID. This flexibility is desired because USAID recognizes that some promising non-traditional agricultural or natural products may not be located in the primary zone of intervention and that developing the value chains of certain products may make it necessary to work in other zones.

Within the target regions, sites suitable for conservation work will be chosen and approved by USAID and the concerned technical ministries based on a biodiversity threats assessment conducted by the Contractor and the willingness of local governments to adopt new management practices.

C.2.2 Priority Partners & Customers: Key partners and customers under this contract are expected to include the following institutions (note, however, that this list is not all inclusive, as USAID expects the Contractor to forge partnerships with a wide variety of private and public organizations as deemed necessary to achieve Contract objectives):

The Ministry of Environment, Nature Protection, Retention Ponds and Artificial Lakes (MEPNBRLA) will serve as the Contractor's institutional home and will appoint a National Coordinator to serve as GOS liaison for the contract with USAID. The National Coordinator will help facilitate interaction with governmental partners and other key actors to achieve Contract objectives. The National Coordinator will be intimately involved in the annual work planning process, ensuring conformity with the government policies and the Ministry's main planning document, the Cadre de Dépenses Sectorielles à Moyen Terme (CDS-MT). The activities under this Contract are integrated into the CDS-MT and comprise the Ministry's main effort to achieve its Strategic Objective to "contribute to the fight against poverty and improve livelihoods." The Coordinator will be intimately involved in the monitoring and evaluation component of the activity to ensure continued integration in the CDS-MT. Moreover, the Coordinator will assist the Ministry to duplicate lessons learned in other regions outside the zone of intervention for this Contract.

Local Governments – The Regional Development Agencies (RDA), and Regional, Municipal and Rural Councils will be the Contractor's key "point of entry" to communities in the priority regions specified above. All Councils have some form of development plans for their respective areas, and it is critical that Contractor-supported activities are consistent with those plans. Additionally, the Councils will be key in any transfer of management responsibility for forest, fisheries or other resources, and will provide an essential focal point for coordination of activities of devolved technical ministries, Contractor, and community efforts to achieve the activity's goals.

The Ministry of Maritime Economy is the ministry responsible for coastal and fisheries management. The fisheries department of this Ministry will be key in the achievement of

¹ The south-eastern agro-ecological zone includes the area from the Ziguinchor region east, encompassing the whole of Kolda and Tambacounda regions and the extreme south-eastern portion of Kaolack region.

contract results focused on marine resources. Through the World Bank Integrated Coastal and Marine Management Project (*Gestion intégrée des ressources marines et côtières*, or GIRMAC) significant resources are available to the ministry to promote sustainable use of coastal resources, strengthen local governance in this area and develop marine national parks. The activities of this Contract will be integrated into the ministries overall strategy and the Contractor is expected to participate in regular coordination or synergy meetings to ensure coordination and collaboration.

The Private Sector at the national level can be a key partner in developing marketing chains for natural and agricultural commodities. Several businesses are already supplying markets in the West African region, Europe and the U.S. with locally produced “non-traditional” commodities such as hibiscus, various gums, and horticultural products. Private commercial enterprises at all levels base their business on local resources, ranging from individual women harvesting Shea nuts, to cooperatives and associations engaged in horticulture, to small and medium scale lumber yards in secondary cities, to the powerful and wealthy Dakar charcoal cartel. Although national policy in general supports private sector investment in agriculture and natural resources, there are often numerous legal and regulatory barriers to investment. In many areas of the country, there is also a dearth of information on pricing and technologies to make resource-based investment profitable. Furthermore, transportation and lack of marketing knowledge often constrain the most ambitious entrepreneurs. Transportation cartels block the entry of new and competitively priced truckers to evacuate commercial quantities of produce from remote areas.

To engage in sustainable resource management, in most cases the community based organization (CBO), or enterprise, will need to mobilize capital, deal more effectively in markets, and/or sign contracts to manage forest lands or marine protected areas and negotiate business agreements. Experience suggests that the necessary characteristics for a CBO to be a successful activity partner are that it be self-selected, self-managed, transparent, and business-oriented. It also must already be, or be able to become, a legally registered entity capable of entering into legal agreements.

The Direction des Eaux et Forêts, Chasses et de la Conservation des Sols (Forestry Department) controls all forest reserves in the country and must approve management plans for forests outside of protected areas. It controls the national system for charcoal production from natural forests through a quota system sold mainly to urban-based traders. This department also controls hunting quotas and is responsible for soil conservation. It is located within the MEPNBRLA, with personnel both in Dakar and in all eleven regions. It is expected that forestry activities under this Contract will be coordinated, as appropriate, with the Forestry Department at both national and sub-national levels, particularly in terms of application and/or modification of policies and regulations that affect the ability of communities to control and manage forest resources.

Direction des Parcs Nationaux, (Department of National Parks) has authority over the seven national parks in Senegal and heavily influences community activities in buffer zones around the parks' peripheries. In some cases, there is continued opposition to the parks due to the forceful way in which some of the parks were established and indigenous populations resettled without compensation. Although efforts have been made to quell such conflicts by involving local populations more in park management, in many areas park staff and communities are still working with conflicting goals. The Department is also within the MEPNBRLA, with personnel in Dakar and the seven parks. It is expected that activities under this Contract related to protected areas and national parks be coordinated as appropriate, with the National Parks Department.

C.2.3 Special Concerns:

USAID believes that targeting women and youth, which often are marginalized groups, can be an effective poverty reduction strategy.

Gender: Following USAID and GOS policies, the Contractor shall assure that special attention be given to activities that assure equitable participation of women. Nineteen percent of households – or almost one in five -- are headed by women. Years of experience have shown that women in Senegal benefit from targeted interventions to counteract gender inequalities. The 2001/2002 household survey (ESAM II) reports that rural women represent 70% of the country's workforce and contribute more than 80% of agricultural production, mainly in food crops. Around 83% of women perform work in agriculture, livestock and natural resources management (against 79% for men). They process basic natural products, including agriculture and fishing products, and ensure 60 to 90% of the commercialization of these products. However, only 31% of households headed by women have access to crop land compared to 61% of households headed by men. The average farm size is 4.5 hectares for men and only 2 hectares for women and most of the farms are headed by men. The Contractor will assure that women are accorded at least equitable, and where possible, preferential access to natural resources, including tree crops, to ensure benefits are distributed as equitable as possible.

Youth: Also following GOS and USAID priorities, the Contractor shall accord special attention to activities that encourage the participation of youth in national development. An estimated 25 percent of Senegal's population is between the ages of 15 and 35, which is the cohort considered "youth," and these young people are among the most dynamic in the society. It will be important to assure their participation if any current development work is to be sustained over time.

C.2.4 Key principles:

USAID/Senegal believes that the following key principles are important in creating an environment for improved natural resource management:

- Strive for meaningful co-management through secure access and allocation to fisheries and natural resources by the producers. Secure access (such as “rights-based fisheries”) is a precondition for successful co-management and further investment in the sector by others in the value chain. Secure access can take many forms (spatial, temporal, gear type, target species, allocation, tradable quota), but requires control of the number of entrants to a fishery or natural resource sub-sector.
- Over time, move from external enforcement to self-management.
- Move towards a collective understanding that rights-based also means responsibility-based.
- Turn resource users into businessmen, and assist them to organize (either individually or cooperatively) into some type of business management unit.
- Help to strengthen existing cooperatives/federations, where resource users retain rights individually (or collectively) and form commercial entities to capture a greater share of value-added products, with vertical integration already negotiated with processors and retailers.
- Assist the GOS to move from a “command and control” (top-down) solely regulatory function, to an enabling role that incentivizes the private sector to do what is best in their self-interest.
- Over time, strive for more vertical integration. Move from simple commodity trading relationships, to relationships along the value chain that include corporate investment (producers, processors, marketers).
- Catalyze the NGO community/civil society to (among other things) neutralize opposition for sector reform from “economic self-interests”.

- Promote sustainable sourcing and social responsibility (fair trade, labor standards, etc) in sourcing policies of the private sector (processors and marketers). This is the direction that every fishery must take if it wishes to participate in international trade.
- Promote equitable distribution of benefits and costs by all participants. Involve the private sector in management costs, and consider how best to reinvest the “economic rent” from a natural resource or fishery back into its management.
- Protect subsistence needs. Ensure that increased attention to achieving value-added products does not displace food and livelihood security options for the rural poor.
- Instill the correct set of policies/incentives and major issues (e.g., overcapacity) will naturally sort themselves out (over time).
- Recognize that reform is a long-term process (i.e., 10-25 years). But what we do in the next 5 years will set the stage for everything that follows.

C.2.5 Activity Components

C.2.5.1 Component 1 - Wealth Creation

The Government of Senegal (GOS) has set an ambitious target of attaining 7.5% growth from 2006 to 2015 to create enough employment opportunities for its large and rapidly growing labor force. To do so, the GOS has developed the Accelerated Growth Strategy (AGS) and elaborated the Poverty Reduction Strategy Program (PRSP). The AGS is targeting five key sectors: agriculture and agro-industry; fisheries; tourism, cultural industries and handicrafts; textiles and garments; and communication technology. The PRSP involved four strategies: wealth creation, promote access to basic social services, enhance social protection and better management of risk and good governance and participatory and decentralized development. The *Cadre de Dépenses Sectorielles à Moyen Terme* (CDSMT) of the Ministry of Environment and Nature Protection also has a strategic objective that specifically targets alleviating poverty and improving livelihoods that is linked to the PRSP and AGS.

Sustained management and good resource stewardship is partly assured by the value individuals and communities place on a resource. To date, communities still remain disenfranchised from the resources around them. An increase in income from the natural resource base will increase the opportunity value they place on the resources in the short and long term. The purpose of this component is to promote increased wealth through improved resource management, whether on natural forest, agricultural land, or in the marine environment. The component seeks to increase the revenues of local communities and enterprises through diversifying and improving production and marketing for the local and international trade of natural, non-traditional agricultural and marine fisheries products in a sustainable manner. A balance of increasing value, while maintaining sustainable production, is essential to ensure proper management. In this context, under this component the Contractor shall build the capacity of local enterprises and business associations to take responsibility to ensure that the natural resources on which their businesses rely are managed in a sustainable manner.

It is expected that in this component the Contractor will provide capacity building and technical assistance to businesses, local producers, processors, business associations, exporters and other actors within targeted value chains. Capacity building assistance will include, inter alia, assisting enterprises to: improve the management of their businesses; demonstrate good governance, improve financial accountability and transparency practices; access credit, and obtain an increased ability to respond to market changes and new opportunities as they arise. During the life of this activity, the Contractor shall reduce technical assistance to targeted enterprises as the enterprises become more established. Where appropriate in this component, the Contractor will

promote improved local delivery of business development services through the use of local consulting firms, many of which have benefited from past USAID assistance.

USAID defines natural products as those products obtained from natural areas but not cultivated or raised by mankind, such as: botanicals, fruits, charcoal, fuel wood, timber, medicines, wildlife, seafood and other marine products, spices, honey, oils, resins, gums, latex, tannins, dyes, and ornamental plants. Natural products also refer, in the business sense, to those services based on natural areas such as ecotourism. Non-traditional agricultural products refer to any on-farm product (or its transformation) that diversifies the farming system away from traditional monocultures (such as peanuts), has real potential for profit, and improves the use of farm resources. Marine fisheries products refers to any products or services from the sea, estuaries and deltas including, among others, various fish species, shellfish, shrimp, squid and marine based tourism. USAID's intention is to promote those natural, marine or agricultural products that have the dual potential to substantially raise revenues and promote good resource stewardship on a wide scale. Practical approaches to resource management will ensure the sustainability of these resources and diversify incomes sources.

The Wealth Creation component is expected to include provision of TA, training, limited commodity support, and financial and/or in-kind Small Grants to local entrepreneurs and business-oriented community groups in Contractor zones of intervention. When promoting increased production of any natural, marine or agricultural product, the Contractor shall develop a value chain analysis for submission to and approval by the USAID CTO prior to undertaking the activity.

Objectives

Under Component 1- Wealth Creation the Contractor will be expected to achieve the following objectives:

1. The value of trade in sustainably sourced natural resource, non-traditional agricultural and marine fisheries products will be increased by micro, small and medium enterprises in the targeted regions.
2. The number of people with increased revenue derived from sustainable natural resource management and conservation will be increased.

Component Activities

To achieve the objectives of this Component, the Contractor shall implement the following activities. This list is not necessarily comprehensive and, with USAID CTO prior approval, the Contractor may propose and implement alternative or additional activities:

- Value-chain analyses and market studies for non-traditional agriculture, marine fisheries, and natural products.
- Improving processing skills of local producers.
- Training for enterprises to improve their business skills and enable them to respond to opportunities and changing market dynamics.
- Dissemination of market information and improved production techniques through local media, phone networks or other information technologies.

- Development of certification, labeling and traceability for targeted fisheries, agriculture and natural products.
- Development of grades, standards, quality control measures for targeted fisheries, agricultural and natural products.

Additional illustrative activities:

Following are additional potential activities that the Contractor may consider performing to assist in achieving the objectives of this Component:

- Development of cold chains, warehouse receipts and improved packaging and labeling to improve market accessibility.
- Improve the capacity of enterprises to access credit to expand or scale up their businesses.
- Expanding tourism by promoting wildlife viewing in forest and coastal regions.
- Establish ongoing business development services by local firms.

Indicators

This component is expected to be about 30% of the total estimated cost of the entire activity. The interventions, approaches and overall activity design shall be consistent with meeting this target. The following are standard indicators to be used in the Contract with targets to be set annually in the Work Plan. Baselines for each indicator are presented based on past activities. With prior CTO approval, the contractor can use additional indicators that may better capture activity impact.

Component	Indicators	Baseline
Wealth Creation	• Percent change in value of purchases from smallholders of targeted commodities as a result of USG assistance	79
	• Percent change in volume of trade in sustainably sourced natural resource, non-traditional agricultural and marine fisheries products will be increased by micro, small and medium enterprises in the targeted regions.	0
	• Number of producer’s organizations, water users associations, trade and business associations, and community-based organizations receiving USAID assistance	1,039
	• Number of agriculture-related firms benefiting directly from USAID-supported interventions	5,807
	• Number of women’s organizations/associations assisted as a result of USAID interventions	210
	• Number of firms receiving USAID-supported assistance to improve their management practices	437
	• Number people with increased economics benefits derived from sustainable Natural Resource Management/conservation	14,565
	• Number of “full time” jobs created	0

NOTE: For the Fiscal Year 2008 reporting cycle, the Contractor must collect and report data from late 2007 and early 2008 for the previous activity.

C.2.5.2 Component 2 - Local Governance

The purpose of the Local Governance Component is to increase the capacity of local governments to manage local resources in a transparent and sustainable manner. It is expected that under this component the Contractor shall build the capacity of various Regional Councils, Regional Development Agencies, Rural Councils, and local village development committees to establish priorities, manage resources effectively and transparently, provide support to local producer and processor enterprises, and address constraints and challenges. The Contractor shall also strengthen the capacity of decentralized GOS technical services to ensure they are able to effectively support the above organizations.

Results from the previous contract provided a foundation for far-reaching improvements in local management of services and resources. However, active central government support to fully implement decentralization (and other relevant) legislation has been lacking. There are many factors that account for the incomplete application of decentralization laws, including: a lack of financial resources; a lack of confidence in the capacities of local governing institutions; a lack of practice by those institutions in exercising new rights; and, a lack of knowledge about what the law says or how it might be interpreted.

These constraints will only be overcome if local institutions get to actually govern with the rights, authorities and financial resources necessary to make decentralization work. And, once in action, they will need to build up their skills in governing and implementation. Given that marine and other natural resources generate revenue streams and raise questions over how to best manage common lands and properties, these are sectors that provide opportunities for local governments to get practical governing experience. It should be noted that fisheries management has not been decentralized in Senegal, although the de facto and preferred method of management by the Department of Fisheries is community-based sustainable fisheries management.

The Contractor shall direct assistance under this component to appropriate technical services of governments at the regional and national levels to build their capacity to provide services and become more accountable to the Regional and Rural Councils. It is expected that under this component the Contractor will provide capacity building and technical assistance to all levels of local governments so they can gain greater discretionary power over more financial resources and the capacity to generate greater wealth. The Contractor shall also ensure that more effective and participatory governance practices are also being applied to challenges outside of the natural resource management and biodiversity realm. Similarly, the Contractor shall provide vital capacity building to local citizen groups and social movements to strengthen their ability to advocate and lobby for transparent and efficient management of public and natural resources. Finally, it is anticipated that before long, adequate financial resources will become available for Village and Rural Council environmental institutions to function normally, with increasing local revenues generated from local conventions and forest management plans.

The development and implementation of local conventions – including forest and fisheries management plans - strengthen democratic institutions at the Rural Community and village levels- if they are done correctly. In the previous Wula Nafaa contract, communities developed local conventions and forest management plans to ensure more secure and prosperous livelihoods as well as to conserve their natural resources. Communities may also aim to reduce conflict and uncertainty over land use. Local conventions are part of a community's investment in its natural resources base. When seen as an investment, local conventions and forest management plans provide compelling reasons for members of the community to come together in order to negotiate land/water use decisions, make land/water use rules, and enforce those rules. Community members also need to negotiate how benefits will be distributed and responsibilities shared. When local conventions and forest management plans address a community's "bread-and-butter"

issues, their development and implementation offer a compelling vehicle for strengthening democratic institutions and processes.

The Contractor shall collaborate directly with other USAID funded activities in the health, education or other sectors that address local governance issues to ensure a coordinated, unified effort within the local governments where activities overlap.

A previous USAID activity that was focused entirely on decentralization and governance, completed in 2003 and known locally as DGL Felo, demonstrated that improved local governance via the training of locally elected officials on the effective and transparent management of public services and local resources is feasible in Senegal, even when not tied to a specific sector. USAID local governance activities have also shown that empowering effects are created in the community when local actors come together to solve problems in concert with their local governments. These experiences serve as an incentive and catalyst not only for additional local governance improvements, but for building popular demand for reforms as well.

Objectives

Under Component 2- Improved Local Governance the Contractor will be expected to achieve the following objectives:

1. The capacity and performance of local government institutions is improved to better manage natural resources on a profitable and sustainable basis
2. Transparency and accountability in how natural resources are managed is increased.

Component Activities

To achieve the objectives of this Component, the Contractor shall implement the following activities. This list is not necessarily comprehensive and, with USAID CTO prior approval, the Contractor may propose and implement alternative or additional activities:

- Capacity building of Regional and Rural Councils in financial management and strategic planning.
- Strengthen the role and mandate of Village Development Committees and Local Fisheries Management Committees to manage resources.
- Strengthen the competencies of the Regional Development Agencies (ARDs).
- Develop a replicable model for community-based, rights-based sustainable fisheries.
- Prepare and gain necessary approvals for Local Conventions for community based natural resource management and sustainable fisheries with further development of control mechanisms (spatial, temporal, gear, species, and other restrictions).
- Design effective enforcement measures to decrease the incidence of poaching, illegal fishing and illegal activities in protected or managed areas.
- Promote agreements, approved plans or memoranda of understanding to solidify community rights to a resource.

Additional illustrative activities:

Following are additional potential activities that the Contractor may consider performing to assist in achieving the objectives of this Component:

- Strengthen local citizen/community groups to monitor, advocate and lobby for transparent transactions, planning and management of resources
- Provide technical assistance to institutions that provide information on the role, obligation and performance of government, including the translation and dissemination of relevant laws and policies.
- Assist the ARD to develop regional resource priorities and policies.
- Assist local governments to hold public meetings/hearings to discuss budget and or policy decisions in order to increase transparency.
- Develop a process for third party neutral certification of management plans based on national and/or international standards.

Indicators

This component is expected to be about 30% of the total estimated cost of the entire activity. The interventions, approaches and overall activity design shall be consistent with meeting this target. The following are standard indicators to be used in the Contract with targets to be set annually in the Work Plan. Baselines for each indicator are presented based on past activities. With prior CTO approval, the contractor can use additional indicators that may better capture activity impact.

Component	Indicator	Baseline
Local Governance	• Number of mechanisms for external oversight of public resource use supported by USG assistance	8
	• Number of local governments receiving USG assistance that increase their annual revenues from local level activities.	0
	• Number of local governments that expend locally generated resources in a transparent and participatory manner.	0
	• Mechanisms supported with USG assistance for citizens to engage their sub-national government	0
	• Number of individuals who received training in local government and/or decentralization	

NOTE: For the Fiscal Year 2008 reporting cycle, the Contractor must collect and report data from late 2007 and early 2008 for the previous activity.

C.2.5.3 Component 3 - Biodiversity and Natural Resource Management

The purpose of the Biodiversity and Natural Resource Management Component is to increase the quantity and the quality of the conservation and management of biodiversity and biologically significant areas. It is expected that under this component the Contractor will provide capacity building and technical assistance to ensure the sustainable use of resources targeted under the Wealth Creation component and to improve the general management of biodiversity in Senegal. Targeted sites for biodiversity conservation, including natural forest and coastal areas will be proposed by the Contractor based on an analytical process and approved by the USAID CTO before activities at the site are undertaken.

The Contractor shall develop key planning documents for natural resources including forest management plans, protected area management plans and local conventions. The main result expected under this component is an increase in the area of land or coastal resources under these sustainable plans and ensure that these resources are successfully and sustainably governed by local communities. To promote sustainability, during the life of this activity the Contractor shall gradually reduce technical assistance to village committees and rural and regional councils. In this context, forest, national park and/or fisheries management plans and local conventions will serve as models for other plans and conventions developed outside the scope of this contract.

A clear definition of what constitutes a Biodiversity activity is made explicit in the Agency's "Biodiversity Code" which guides the Agency in determining what activities are included in the accounting toward the biodiversity attribution. Within the code are four key criteria, all of which must be met to be considered a biodiversity activity:

- The activity must have an explicit biodiversity objective; it isn't enough to have biodiversity conservation result as a positive externality from another activity;
- Activities must be identified based on an analysis of threats to biodiversity;
- The activity must monitor associated indicators for biodiversity conservation;
- Site-based activities must positively impact biologically significant areas.

This and other relevant information on USAID's Biodiversity Code and how it is applied can be found online at: http://www.usaid.gov/our_work/environment/biodiversity/code.html.

Senegal has established a network of national parks and wildlife reserves that provide a rather complete representation of natural ecosystems existing in the country. There are 7 national parks and 8 reserves which occupy some 8% of the land area of the country. In 2005, Senegal created 5 new protected coastal areas bringing the total to 12 protected areas. This considerable amount of land and water area placed under protected status has salvaged vestiges of the initial biodiversity, but the overall situation is alarming. Most of the original wildlife and fisheries resources have decreased in recent years in the face of human encroachment. The protected terrestrial areas have suffered from heavy commercial poaching in the past, and these areas tend to be under-staffed, under-equipped and under-funded to provide adequate protection.

Because of the vastness of the protected estate and the numbers of forest reserves (more than 200 reserves covering originally 2,519,000 hectares), the current biophysical status of Senegal's protected area network is not well known, although the loss of the major wildlife populations is well documented. This natural capital is being lost. Yet these resources could be an engine for rural growth through tourism, improved fisheries, and/or promotion of markets for natural products. Within the boundaries of Senegal are a number of species at the northern limit of their geographic range, such as chimpanzee, elephant, hippopotamus and buffalo. Other species present are at their most southerly point of occurrence, including some Palearctic migrant birds, among them the gull-billed tern and little tern. The relatively low biodiversity of Sahelian terrestrial habitats is in contrast to the presence of rich coastal and marine life forms where urban pollution or mismanagement has not destroyed them.

The Niokolo Koba National Park in the southern forest zone of Tambacounda houses the only viable population of the rare Eland de Derby (*Tragelaphus derbianus derbianus*) in the sub-region. The park is equally the last refuge for the elephant (*Loxodonta africana*) in Senegal and around 150 chimpanzees (*Pan troglodytes*) live in the gallery forest in and around the park. Many of the remaining large mammals are protected because they are close to extinction locally (including

elephants, leopard, cheetah, hippopotamus, red-fronted gazelle, giant eland, chimpanzee, ostrich, crocodiles and lions).

For the fisheries/coastal sector, USAID/Senegal expects the Contractor to contribute to and be an impetus for fisheries sector reform for the social, economic, and environmental benefits that can only be sustained through meaningful transformation of the sector. While fisheries have not been decentralized, the Contractor will develop and field-test a new model for community-based sustainable fisheries that, if successful and if replicated, will offer Senegal an opportunity to achieve sustainable management of its artisanal/traditional fisheries sector. The Contractor will promote a broader, national dialogue on the need for and the elements of a successful reform of the fisheries sector. We envision the bulk of the Contractor's effort in fisheries to be at the community-level, while seeking to be opportunistic in contributing to – or perhaps providing key pieces of technical analysis for – a national dialogue and vision.

In this regard, the lessons learned from USAID/Senegal's previous contract are both useful and necessary to build upon.² At the same time, it is critical to bear in mind two important characteristics of this sector in general, but especially for Senegal: (a) fisheries are an extractive industry (akin to logging) with huge sums of money at stake; and (b) fisheries are complex systems, and that prior to designing detailed action strategies, significant effort must be applied to understanding its component systems, including both the bio/physical/chemical ecosystem and the human sub-system (producers, processors, marketers, retailers, credit services, boats and equipment supply services, etc.). Understanding the socioeconomics and the general ecology of a fishery are preconditions for any sustainable reform process.

Objectives:

Under Component 3 – Biodiversity and Natural Resource Management the Contractor will be expected to achieve the following objectives:

1. To increase the amount of biologically significant areas in protected areas that is under improved, sustainable management.
- 2: To increase the amount of area outside of protected areas that is under improved natural resource management.

Component Activities

To achieve the objectives of this Component, the Contractor shall implement the following activities. This list is not necessarily comprehensive and, with USAID CTO prior approval, the Contractor may propose and implement alternative or additional activities:

- Natural resource tools such as local conventions, forest management plans and national park or marine protected area plans are drafted and implemented by local communities.
- Technical assistance and limited commodity support to establish or support a public-private partnership in Niokolo Koba National Park and other protected areas.
- Implement an effective model for marine protected areas (MPAs) and/or fisheries no-take reserves

² See for example the Evaluation Report for the Wula Nafaa Program at: <http://senegal.usaid.gov/pubs/index.html>

- Increase the percentage of fishers and forest resource users within targeted areas that are legally licensed and/or registered.
- Analytical studies to rationalize fisheries statistics and analyses to support management goals (e.g. total landings of target species, catch composition by weight/number) and to incorporate climate change vulnerability and adaptation analyses and actions as appropriate.
- Assist the Ministry of Environment to harmonize and simplify the complex system of national parks and other “protected” areas.

Additional illustrative activities:

Following are additional potential activities that the Contractor may consider performing to assist in achieving the objectives of this Component:

- Develop pilot ecotourism activities in concert with local governments, villages and civil society.
- Conduct biodiversity threats’ assessments, surveys or censuses on key species and, marine/coastal interaction studies, to inform management decisions and management plans for their conservation.
- Identify alternative financing models for the implementation of forest, marine or protected area management plans, such as creating a market through micro-finance institutions and the creation of public-private partnerships.

Indicators

This component is expected to be about 30% of the total estimated cost of the entire activity. The interventions, approaches and overall activity design shall be consistent with meeting this target. The following are standard indicators to be used in the Contract with targets to be set annually in the Work Plan. Baselines for each indicator are presented based on past activities. With prior CTO approval, the contractor can use additional indicators that may better capture activity impact.

Component	Indicator	Baseline
Biodiversity Conservation	• Number of additional hectares under improved technologies or management practices as a result of USG assistance	114,094
	• Number of hectares in areas of biological significance under improved management as a result of USG assistance	39,214
	• Number of hectares under improved natural resource management as a result of USG assistance	2,611,301
	• Number of individuals who have received USAID-supported short term agricultural sector productivity training.	2,618
	• Number of people receiving USG-supported training in NRM and/or biodiversity conservation	5517

NOTE: For the Fiscal Year 2008 reporting cycle, the Contractor must collect and report data from late 2007 and early 2008 for the previous activity.

C.2.5.4 Component 4 - Policy Reform and Communication

The Policy Reform and Communication Component will increase public dialogue on experiences, problems and tactics for improved decentralized management of natural resources. A donors' Environmental Working Group, led by USAID/Senegal, has taken steps to structure the policy dialogue with the GOS. USAID/Senegal intends to support the donors' Environmental Working Group by using state-of-the-art methodologies and tools for promoting policy reform. The fundamental purpose of this Component is to support: (1) democratic and environmental GOS reforms; (2) the policy reform agenda emanating from the donor dialogue managed by the Environment Working Group; and (3) USAID/Senegal's own policy dialogue with the GOS.

It is expected that under this component the Contractor will provide capacity building and technical assistance to ensure that champions of reform are given a voice and exercise influence over key policy decisions at the local and national level. The capacity of constituency groups (Regional Councils, CBOs, Rural Councils, and enterprise networks) to become advocates for policy reforms needs to be strengthened to improve public policy dialogue, improve the general understanding of national and local laws and regulations on resource use, and to promote improved management practices.

Improving NRM at the community level will help guide the initiatives that inform national policy. For clarity, USAID defines "policy" both in terms of: i) the actual policy statement from government (i.e. codes, laws, etc.) that sets the enabling environment under which natural resources are managed; and ii) the regulations and administrative requirements that have a direct, often immediate, effect on resource use and economics (i.e. taxes charged on resource use, concession fees and collection, gear restrictions, fishing licenses, boat registrations, permits, etc.). Policy reforms pursued under this component by the Contractor will require prior USAID CTO approval and shall be established in the annual work plans.

Communication is a necessary tool for USAID to promote a fruitful dialogue leading to economic growth and natural resource management policy change in Senegal. The Contractor shall strive to garner general visibility for this USAID-funded activity through a comprehensive public outreach and media plan, which more importantly, should effectively and measurably reach audiences with targeted messages using strategic communications tools. In this way, communications can and should play an integral role in attaining overarching activity objectives.

Communication under this component will have a dual role: dissemination of information and use as a policy tool to inform the public dialogue. In this context, long-term message development, placement, tracking/monitoring, and adjustment are imperative to ensuring the success of this activity. Message management should be strategic, with ample human and financial resources made available throughout the life of the Contract. For this approach to succeed, all members of the Contractor's team must regularly contribute results of meetings, comments made by key stakeholders publicly and during bilateral meetings to a robust and fully accessible message and policy tracking system. It should be reviewed regularly (at least monthly) to determine if messages have been successful, making clear where the team has gained ground in driving forward policy issues. Where messages and communications have failed to achieve the desired result, team members must quickly reassess and reformulate messages and a put in place a strategy to help advance the policy reform process. It is expected that this communications effort will help support the work of the donor's Environmental Working Group.

Objectives:

Under Component 4 – Policy Reform and Communication the Contractor will be expected to achieve the following objective:

Policies that improve trade, governance or sustainability of natural resource management are developed and implemented.

Component Activities

To achieve the objectives of this Component, the Contractor shall implement the following activities. This list is not necessarily comprehensive and, with USAID CTO prior approval, the Contractor may propose and implement alternative or additional activities:

- Provide support and intellectual leadership for an effective decentralization process and clarification of interagency roles for community based natural resource management and the marine fisheries sector.
- Support technical ministries and donor groups with assessment and policy dialogue on forestry, fisheries and biodiversity policy reforms including the development of policy analytical studies.
- Strengthen policies and regulations to enable local governments to better manage resources, and to ensure transparent transactions, planning and management.
- Identify policy instruments/administrative orders needed to support sustainable forestry, biodiversity and marine fisheries (e.g., transhumance, market-based incentives, tax incentives, licensing systems; importation rules for fishing gear; gear restrictions; rights-based fisheries; etc.)
- Capture, disseminate and institutionalize lessons learned through active participation of a broad-base of stakeholders.
- Provide technical assistance to improve policy dialogue mechanisms between different levels of local government and between resource users and policy-makers.
- Develop an information system to gather data to inform policy and determine policy impacts, including provision for community and other civil society input into the policy process.
- Support media to increase coverage of the impacts from the implementation of reforms and of issues raised by proposed reforms.
- Promote policy reforms and solutions such as the privatization of protected areas, integrating range management with forestry management, migratory fishing and hunting concessions.

Additional illustrative activities:

Following are additional potential activities that the Contractor may consider performing to assist in achieving the objectives of this Component:

- Support individuals or groups in providing information and assistance to the National Assembly on key natural and coastal resources issues and reforms.
- Develop and implement public education and outreach activities that support forestry, biodiversity and marine fisheries reform.

Indicators

This component is expected to be about 10% of the total estimated cost of the entire activity. The interventions, approaches and overall activity design shall be consistent with meeting this target.

The following are standard indicators to be used in the Contract with targets to be set annually in the Work Plan. Baselines for each indicator are presented based on past activities. With prior CTO approval, the contractor can use additional indicators that may better capture activity impact.

Component	Indicator	Baseline
Policy Reform and Communications	<ul style="list-style-type: none"> • Number of policies, laws, agreements or regulations promoting sustainable natural resource management and conservation that are implemented as a result of USG assistance 	0
	<ul style="list-style-type: none"> • Number of significant, USAID-approved, policy reforms that improve trade, governance or sustainability of natural resources management 	0

NOTE: For the Fiscal Year 2008 reporting cycle, the Contractor must collect and report data from late 2007 and early 2008 for the previous activity.

C.2.6 Monitoring, Evaluation, Reporting and Analysis (MERA)

The Contractor is responsible for developing a performance monitoring plan each year. Before submission for approval, the Contractor should consult with the USAID CTO to ensure that it has the latest standard indicators as well as to discuss any proposed changes to indicators and targets. The tasks that the Contractor shall undertake to successfully implement the Monitoring, Evaluating, Reporting, and Analysis (MERA) activities of the contract are:

1. Developing an overall Monitoring and Evaluation Plan.
2. Establish baseline data and set targets for the indicators included in a Performance Management Plan (PMP) that will be updated annually in the annual report. The PMP will include standard indicators from USAID’s operational plan as well as USAID/Senegal specific indicators.
3. Undertake activity-related monitoring and evaluation (M&E) of impact in order to generate data required for annual reporting information for activities in each zone of intervention.

In accordance with the definitions, principles and processes described in USAID’s ADS 203, and in conformance with guidelines established by USAID Senegal, and in close collaboration with USAID, the Contractor will undertake rapid appraisal, routine monitoring, periodic assessment, impact assessment, evaluation, and topic-specific analysis activities to track activity progress, describe successes and failures, and identify lessons in conformity with the PMP and timelines established by USAID. The Contractor will utilize appropriate media and fora to disseminate and communicate useful findings from the MERA system to a wider audience, contributing to general public education on community-based NRM best practices to promote improved understanding of NRM in Senegal. In addition, the Contractor will provide graphic site-based representation (GIS) of activity interventions and progress to USAID.

The Contractor will collaborate with USAID Senegal to define/refine PMP indicators, as appropriate, and to assure that indicators are adequately defined, including disaggregation by

gender, age cohort, language, and/or region, as appropriate, to allow for measurement. The Contractor will develop and test indicators to assure that they meet requirements for validity, reliability, timeliness, precision, and integrity.

The Contractor will undertake a rapid appraisal or similar type of assessment, as necessary, to establish baselines and targets for indicators identified in the PMP and based on the timelines established in Contractor tasks i) and ii) for this component.

USAID expects innovative presentation of data to help inform decisions, including, inter alia, geographic information system (GIS) software and simple economic and/or demographic modeling in the activity zones of intervention. In this regard, the Contractor will collaborate with the Centre de Suivi Ecologique (CSE) and the Direction de l'Analyse, de la Prévision des Statistiques Agricoles (DAPS) as necessary, as both have excellent bases of data from which to draw. "User-friendly" graphic presentations may prove useful to local government units and community based organizations (CBOs) in public information and communication efforts, and in efforts to influence government decision-making.

C.2.7 Limited Participant Training Program

A plug figure of \$300,000 is included as part of the Contract as a tool to achieve longer-term Contract objectives. The Contractor will manage a limited participant training program for individuals from key partner institutions or businesses to long-term training programs at accredited universities or institutes of higher learning to strengthen long-term capacity of key partner institutions. The Contractor will need prior approval of candidates and training programs by the CTO before implementation.

C.2.8 Small Grants Funds

A Small Grant Fund is included as part of the Contract as one tool to achieve contract objectives. The purpose of the Small Grants Fund is to provide the Contractor with a flexible means, where necessary and/or useful, to encourage participation and/or collaboration of local entities toward the achievement of the four activity components.

The Grants Fund is not seen as an end in itself. The Contractor will not be judged according to how many grants are issued in a given period and there are no specific Contract Results related to the Grants Fund. The Contractor shall award grants where appropriate, in combination with technical assistance, training, and/or other Contractor inputs toward achievement of specific objectives that respond to expressed local needs and contribute to achievement of stated Contract Results. In keeping with the principles of the USAID's Global Development Alliance program, Contractors are encouraged to leverage funding from other non-USG resources, e.g. as a "matching grant" for an NGO or private sector activity.

Examples of Small Grants would include:

- Pilot activities in support of existing USAID objectives and expected intermediate results, with USAID funding provided on a declining basis.
- Activities, equipment, materials to support creation of linkages between and among communities, the private sector, and government on a particular issue or set of issues.
- Activities, equipment, materials to support the start-up of ecotourism or natural product based enterprises.

- Information/education/communications campaigns by an NGO or the private sector to promote sustainable natural resource management.
- Processing/transforming machinery/equipment for an operations/applied research test of a new or appropriate technology.

(a) General. The Contractor will award grants on behalf of USAID to eligible Senegalese local entities (community-based natural resources user groups, private enterprises, local government units, NGOs, associations, grassroots organizations, etc.) in the zones of intervention to further the activity, and will generally administer such awarded grants, in accordance with the requirements of USAID's Automated Directives System (ADS) Chapters 302, 303, the provisions of this contract and applicable law. USAID expects the grants to range from about US\$500 up to US\$100,000, with an average award amount of US\$10,000-US\$15,000. USAID will evaluate this assumption with the Contractor periodically, and may revise this range in grant award amounts based on experience and circumstances.

(b) Approval of Grantees. The Contractor shall coordinate with USAID with respect to the establishment of selection criteria for grantees, such that USAID shall have substantial involvement in the establishment of the selection criteria. Before awarding a proposed grant, the Contractor must receive the prior written approval of the USAID CTO, including approval as to (1) the identity of the proposed grantee, (2) the amount of the proposed grant, and (3) the nature of the grant activities.

(c) Ineligible Recipients. Without the prior written consent of the USAID cognizant Contracting Officer, the Contractor may not award a grant to: (1) any entity which is a "private voluntary organization" ("PVO") that has not registered as such with USAID; (2) any entity whose name appears on the "List of Parties Excluded from Federal Procurement and Non-Procurement Programs"; (3) any "public international organization"; or (4) any entity affiliated with the Contractor or any of its directors, officers or employees. In the case of an unregistered PVO which the Contractor believes might be able to undertake useful grant activities to further the activity objectives, the Contractor may encourage the organization to register as a PVO with USAID, provided that the Contractor makes no promise, actual or implied, that the organization shall thereafter receive a grant.

(d) Award of Grants. The Contractor's grant-making duties include: (1) with USAID, establishing eligibility and selection criteria; (2) selecting grant recipients in accordance with competition requirements; and (3) after securing USAID's approval, drafting, negotiating and awarding grants.

(e) Selection Criteria for the Activity. The USAID Cognizant Technical Officer (the CTO) will provide information to the Contractor as to the desired objectives to be met by the grant activities to be supported through the activity. The CTO shall approve the selection criteria of grant recipient for all grants of \$25,000 or above, based on documentation provided by the Contractor. Following mutually agreed criteria and established procedures, the Contractor will be delegated authority to approve all grant recipients for grants less than \$25,000.

(f) Form of Grant. Each grant awarded by the Contractor on behalf of USAID under this Contract shall comply with the Contractor's grant manual. Prior Contracting Officer approval of the Contractor's grant manual, which should generally follow the requirement found in ADS 303, is required.

(g) Term of Grants. The Contractor may not award any grant for a period extending beyond the estimated termination or completion date of the Contract and whose term should allow for the orderly close-out prior to the expiration date of the contract.

(h) Funding of Grants; Separate Account. The Contractor will give periodic advances to the recipients of all grants, in accordance with the Required-as-Applicable Standard Provision, unless USAID shall have agreed to another payment mechanism. The Contractor will receive reimbursement from USAID of such advanced amounts through its usual vouchering procedure under the Contract. All interest and other refunds by grant recipients will be made to a special, non-commingled, interest-bearing account established by the Contractor (the "Separate Account"). The Contractor has no beneficial interest in any funds in the Separate Account. Funds in the Separate Account may be used for grant-making or shall be paid annually to USAID, as directed by the Contracting Officer. At the conclusion of the Contract, any funds remaining in the Separate Account shall be returned to USAID.

(i) Right of USAID to Supersede Contractor Decisions. Recognizing the paramount interest of the United States and USAID in grant-making, the parties agree that USAID may, in its sole discretion, supersede any decision, act or omission taken by the Contractor in respect of any grant made by it, or proposed to be made by it. Notwithstanding any other provision of this Contract, USAID retains the right, at all times, through the Contracting Officer, to (1) dictate a different decision with respect to the award or administration of any grant; (2) rectify an omission by the Contractor with respect to the award or administration of any grant; (3) take over the administration of any grant awarded; and/or (4) terminate, in whole or in part, the Contractor's authorities to approve grants.

(j) Conflicts. In performing its duties, the Contractor shall scrupulously avoid any conflicts of interest. Should any conflict of interest arise, the Contractor shall immediately notify the Contracting Officer as to the conflict and the Contractor's proposed solution for avoiding the conflict, and the Contractor shall follow the instructions of the Contracting Officer.

(k) Records Retention. The Contractor will act as custodian for USAID of all records relating to grants under the Contract. The Contractor will preserve all records with respect to its grant-making (including with respect to the deliberations of all Review Panels) and grant administration hereunder. Copies of all reports received from grantees will be promptly forwarded to the Contracting Officer or his/her designee. USAID and the Comptroller General shall have full access to all documents, papers and others records of the Contractor with respect to its duties. At the conclusion of the Contract, the Contractor shall consult with the Contracting Officer for direction as to which records shall be transferred to USAID.

(l) Liability. The Contractor shall assume all liability with respect to its awarding and administration of grants on behalf of USAID, and with respect to the acts or omissions of its grantees hereunder, particularly to the extent that losses to the USAID foreign assistance program arise from the Contractor's negligence or bad faith in performing its responsibilities.

C.2.9 Environmental Impact and Reviews

Although a complete environmental analysis was done for the Economic Growth program as part of the Mission Country Strategic Plan, the Contractor should be aware that for any activities proposed under this activity, an environmental review will be needed to screen each activity for its potential environmental impact and to help develop mitigation and monitoring measures. The Contractor shall collaborate with USAID/Senegal's Environmental Officer and the Cognizant

Technical Officer (CTO) for any activity that might have an environmental impact. The USAID/Senegal Environmental Officer will recommend additional environmental review for activities that may have an impact on the environment.

During the implementation of the activity, the Contractor must assure that all activities are undertaken in accordance with the US Government's Code of Federal Regulations (22 CFR 216) regarding environmental soundness. Where indicated, the Contractor will undertake recognized methodologies for Initial Environmental Examinations (IEEs) for specific activities prior to implementation. The Contractor must assure that USAID agreement with the recommendations of the IEE are recorded and must also assure that the recommendations of the IEE are fully incorporated in activity implementation.

A copy of the current USAID/Senegal IEE can be found at:
<http://senegal.usaid.gov/pubs/index.html>.

C.3 IMPLEMENTATION AND MANAGEMENT OF ACTIVITY

C.3.1 Staffing

The Contractor should make use of local specialists to the greatest extent possible. The ability of Contractor staff working in-country to communicate in English and French, as well as relevant local languages is essential for successful accomplishment of the contracted results.

C.3.2 Activity Management

The Contractor must submit the following documents to the USAID CTO in accordance with the timetable specified in Section F.3. Reports and Delivery Schedule:

A **Coordinated Implementation Plan** must be developed in collaboration between the Contractor and any sub-Contractors. The plan must at a minimum include:

- A clear strategy to frame all components into one solid activity so that they do not stand alone and are not independent of each other;
- Clear guidelines as to how the Contractor and all sub-Contractors will work in a coordinated manner on contract planning, implementation and monitoring;
- How the Contractor will ensure that each partnering organization will contribute to the overall strategy and implementation and that the different technical components of the activity will be integrated and coordinated;
- A communications strategy for the regular sharing of information between the Contractor, sub-Contractors and USAID Cognizant Technical Officer (CTO), which would also include joint observation visits to activity sites;
- A designation of responsibility and decision-making authority for contract components and sub-components, along with an explanation of how information will be shared vertically and horizontally;
- A plan for dispute resolution.

A general **Management and Procurement Plan** will focus on how to efficiently and effectively use the human, technical, and organizational resources at hand. Section J (Attachment 4) includes

a list of government furnished equipment and furniture that will be provided to the Contractor. The Contractor must address the following issues in this plan:

- What resources the Contractor will need to procure?
- How will the Contractor mobilize in terms of personnel, logistics set-up, and establishment of management and financial control systems?
- Where will activity offices be located? Are field offices envisaged?
- To what degree will the operational and financial management set-up, decision-making procedures and staff structure allow the activity to (1) effectively coordinate implementation between the country office and field office(s) and (2) ensure sufficient flexibility to respond to unpredictable restrictions in activity implementation?
- How will the activity work with local partners, other USAID activities, and other implementing organizations to achieve results? USAID/Senegal places high value on the Contractor's ability to ensure that all activity staff create and maintain effective working relationships with counterparts and work in a collaborative and inclusive team oriented manner.
- What type of strategies or approaches for cost containment will be adopted?
- How will the Contractor ensure that expenditures are tracked and reported against the various types of funding accounts used for the activity?

C.3.3 Annual Work Plans

The Contractor, in coordination with implementing partners, will design a Work Plan that is highly specific for the first year of implementation and provide a notional view of work to occur in the following year. For the second and following years the Contractor, in coordination with implementing partners, will design a highly specific Annual Work Plan for the year. The Contractor shall submit all Annual Work Plans to the USAID CTO in accordance with the schedule specified in Section F.3. The presentation, review and approval of the Annual Work Plan will be an annual event involving the Contractor, USAID and key partners.

C.3.4 Quarterly Progress Reports.

The Contractor will prepare and submit to the USAID CTO quarterly reports that summarize progress in relation to agreed upon targets contained in the Annual Work Plan, and will specify any problems encountered and indicate resolutions or proposed corrective actions. For each action, the Contractor will designate responsible parties and establish a timeframe for completion. The report will list activities proposed for the next quarter, noting where they deviate from the approved Annual Work Plan.

Until all Contractor-procured commodities are received and installed, the quarterly report shall include an update on the procurement plan. The update should inform on solicitations in preparation, solicitations out for bid, awards, shipment, carrier name, and expected arrival date of commodities.

The Quarterly Report to be submitted at the same time as the Annual Report will be combined with the Annual Report. There are thus only three Quarterly Reports due each year.

C.3.5 Annual Reports.

The Contractor will submit an annual report covering activities of the previous U.S.G. fiscal year. These reports will provide a succinct presentation of Contractor achievement of Contractor objectives and targets in the previous year, with supporting discussion as warranted, including as necessary to explain any shortfalls. These reports will summarize progress, provide an analysis of impact based on activities completed or in progress, identify success stories, and suggest resolution of any outstanding issues.

As discussed in Section C.2.6, Monitoring, Evaluating, Reporting, and Analysis Component, the Annual Reports will additionally provide MERA data for incorporation into USAID's annual reporting, as relevant. In this context, annual reports will include a performance indicator data table presenting the baseline, targets established for each fiscal year, and the actual annual performance data using indicators in the PMP.

C.3.6 Quarterly Accruals Report

The Contractor must submit a spreadsheet showing cumulative disbursements and estimated (undisbursed) accruals to the CTO in accordance with the schedule specified in Section F.3 below.

C.3.7 Consultant Reports and Special Reports.

The Contractor will provide USAID/Senegal with five (5) copies of the products -- studies, trip reports, technical reports -- of all short-term consultants financed under the contract within 30 days of completion of the consultancy. All reports will be in English or French, with translations subject to the decision of the CTO. In addition, USAID may request the Contractor to provide special reports in response to requests, to further objectives of the contract, or to promote a better general understanding of natural resource management that can be replicated elsewhere. These special reports will not be more than two per year.

C.3.8 Final Report.

The Contractor will prepare and submit a Final Report to the CTO. This report will contain a summary and discussion of all activities conducted under the contract, the results achieved, complete data from the performance management plan, the impact of the activity on wealth creation, local governance and biodiversity.

This report should not exceed 50 pages, although annexes may be appended.

C.3.9 Offices/Representation

Two or more modest offices in Senegal are envisioned, as necessary, to provide support for management and technical assistance activities under the contract. It is also envisioned that the Contractor will base the majority of its staff at an appropriate location, close to its primary customers and partners. USAID's experience with contractors has shown that Senegal's excellent telephone services throughout the country facilitate regular communications. It is expected that some representation will be maintained in Dakar. The MEPNBRLA has offered office space for this activity at its offices in the Hann Forest Park on the outskirts of Dakar. Three separate, furnished offices and the use of a conference room are available at this location rent-free. However, costs related to maintenance and utilities are the Contractor's responsibility.

The Contractor will provide all administrative and management support to the personnel under the activity, including implementation of financial and accounting systems for commodity procurement, arranging for and supporting in-country training, processing of short-term consultants, provision of all travel and support for long- and short-term personnel, etc. The office(s) will operate under the general supervision of the Contractor's Chief of Party.

C.3.10 Relationships with USAID Senegal.

The Contracting Officer (CO) will represent USAID in all contractual matters. The Contractor shall work under the general guidance of the Cognizant Technical Officer (CTO) recommended by USAID/Senegal's Economic Growth Office (EGO) Director and designated by the Contracting Officer.. The CTO reports to the EGO Team Leader. All contract queries and authorizations will be managed through the USAID/Senegal Contract Office. The CTO or his/her alternate CTO will provide technical direction under this contract.

The Contractor shall authorize the Chief of Party (COP) to represent the Contractor in all day to day matters pertaining to the execution of this contract of Work and the achievement of results. The COP will serve as the Contractor representative in Senegal for the purposes of this contract, and will be responsible for the activities of all short-term and long-term personnel employed under the contract.

Only USAID personnel can represent USAID to the GOS. The COP and other senior employees or consultants will have frequent interactions with appropriate parties within the GOS and will gain the trust of the GOS officials with whom it collaborates. However, the Contractor shall inform USAID in advance of contacts with the senior GOS officials and obtain prior CTO approval for such contacts and purpose of the interactions. The Contractor shall draft a very brief summary of the key conclusions of meetings and share them with the CTO and other relevant actors to keep them up-to-date on what will be a series of rapidly moving initiatives. USAID may call upon the Contractor to make technical presentations and/or to participate in meetings, as appropriate.

In accordance with USAID protocols and subsequent to USAID introductions, the Contractor will take the initiative to coordinate with agencies and organizations working toward similar objectives, whether receiving funds from USAID or not. The Contractor shall work closely with these organizations to assure coordination of Senegalese and international partners working toward the same objectives.

C.3.11 Relationships with Implementing Agencies.

The Contractor shall work closely with the key partners of USAID to ensure that all activities are collaboratively programmed. These include all partners and customers mentioned in section C.2.2. above as well as others that may be indicated over time.

As stated in C.2.2, the Contractor's institutional home with the GOS will be the MEPNBRLA, which has named a National Coordinator that will work with USAID and the Contractor. The National Coordinator will facilitate necessary relationships within the GOS and other partners as necessary for Contract implementation. The National Coordinator will also assist in ensuring that activities are collaboratively programmed with key partners. Being directly attached to and supervised by the Ministry, USAID expects the National Coordinator to take a strong role in

policy/regulatory reform and creating improved policy dialogue among the different levels of government.

USAID and the Government of Senegal jointly ensure the implementation of the Economic Growth Strategic Objective. A steering committee has been created to guide and provide advice to USAID and the GOS on its programs. A technical committee has been formed comprised of the USAID's Economic Growth Strategic Objective team and the two National Coordinators appointed by the GOS as focal points in the Ministry of Environment and the Ministry of Finance. The Contractor will be called upon from time to time to support these two coordinating bodies by providing progress updates and analysis of policy and implementation issues. In addition, this contract is in direct support of the Ministry of Environment's planning document (the Cadre de Dépenses Sectorielles à Moyen Terme or CDSMT). The Contractor will ensure that work plans are developed in collaboration with partners and fully integrated in the CDSMT.

The key entry point for work in the field is through the Regional and Rural Councils. The Contractor shall work closely with these local governments and ensure that their annual work plans are integrated and take into account local priorities identified in Local Development Plans. The Contractor is also expected to widely share progress report and analytical studies with these partners. In addition, the Contractor shall work closely with extension services such as ANCAR, the Regional Development Agency, the Regional Forestry Inspectorate, local technical offices and other donor activities.

For fisheries and coastal activities, the Contractor is expected to work closely with the Ministry of Marine Fisheries, in particular the Fisheries Department. There is a plan to develop a working team to ensure coordination and promote synergies among all fisheries and coastal activities or programs. The Contractor will actively participate in these meetings to ensure integration of coastal activities with other programs.

It is expected that the Contractor will work towards achieving the goals of the Paris Declaration on Aid Effectiveness in the implementation of the activity. Efforts could include the use of host-country financial and procurement systems (where possible and in close coordination with USAID) and the building of host country capacity to manage and implement elements of the activity at the conclusion of the contract.

USAID values its established partnership with the Government of Senegal (GOS). In accordance with USAID protocols and subsequent to USAID introductions, in its zones of intervention, the Contractor will coordinate closely with agencies of the GOS, the private sector, PVO/NGOs, international organizations, CBOs, and other Contractors receiving USAID funds from, or otherwise collaborating with, the contract team. The Contractor will work closely with these organizations to assure improved coordination of Senegalese, American, and international partners in delivery of resources, and activity-related monitoring and evaluation of impact.