

Plan Burkina Faso



Programme Evaluation of Plan and Reseau Marp's VSL Programme in Burkina Faso



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List of Terms and Acronyms

Animateur	Field Officer paid by the project
M&E.....	Monitoring and evaluation
MIS	Management information system
PU	Programming Unit. Decentralised programme support unit
RoA.....	Return on assets
AI	Animateur indigene: Community-based trainer. Volunteer or paid by the group
VSL.....	Village Savings and Loan
VSLA	Village Savings and Loan Association

1 Executive Summary

Plan Burkina Faso's VSL programme implemented in Namentenga has created 1,025 groups in 18 months covering 19,908 members (July 2010 MIS reports). This is divided between Boulsa with 487 groups and 9,444 members and Tougouri with 538 groups and 10,464 members. This has been achieved using 10 Animateurs and 168 Animateurs indigènes. This implies an Animateur productivity of 1,990 members in 18 months, which can be crudely pro-rated to about 1,300 per Animateur per year: this is about double best practice norms.

This extraordinary productivity arose because Plan Burkina Faso was under pressure to spend its grant of about \$440,000 in 12 months, extended to 18 after representations to the donor. The purpose of the evaluation was to determine if this drive for large numbers came at a cost of group quality and/or sustainability of the delivery channel.

All but 9 of the 11 groups visited scored in the good quality range and none was considered poor quality. Thus, it can be said that the project appears to have achieved its objective of creating sustainable and effective groups. The areas of weakness, which do require remedial attention were in the following areas, In order of importance:

- Poor quality loan record keeping: far too many variable approaches and an unsuitable technical methodology (old-style passbooks). A new layout for the passbooks is suggested, but, vitally, much more attention is needed to Animateur and Animateur indigène training and supervision to ensure a high and consistent standard. Reduced productivity is an acceptable price to pay
- Low Animateur indigène productivity in terms of new group creation, partly attributable to the lack of kits, but more to a programme decision to relegate most Animateurs indigènes to the role of supervisors rather than trainers. As such (see second bullet) they are not as effective as they should be, even in this subordinate role, because there is too much procedural variation between groups. *There is a need to recruit fewer, higher-quality Animateurs indigènes* (so as to make sure they are effective and well-supervised) and put them through a structured curriculum and certification process
- Lack of a policy on Animateur indigène fees, chargeable to the groups. This is essential to ensure retention of good-quality Animateurs indigènes
- Too much variation (departure from) standard procedures, to the detriment of transparency and effectiveness
- Insufficient transparency of the money-counting process
- Subsidy policy for the supply of kits, preventing the emergence of market-based solutions, that are essential of Animateurs indigènes are to work independently

Having noted these weaknesses, it is clear that there is a lot to learn from Burkina Faso, particularly in shifting the role of the Animateur mainly to that of trainer and diminishing his/her monitoring responsibilities. This clearly leads to faster programme growth and productivity. As the programme evolves, it should preserve this bias, but make it less extreme and be more active in promoting the Animateurs indigènes as trainers

2 Terms of reference

2.1 Purposes of the evaluation

The Namentenga experience is the first time that a Plan West Africa VSL program conceptualised and pursued an aggressive outreach strategy and attained significant scale of operations in a relatively short time. As such, WARO and Plan Burkina Faso are anxious for an outside observer to assess the experience and highlight the lessons. These will be of interest to all twelve of Plan WARO's 12 programme countries.

Because of the end of funding, paid project staff had to be withdrawn earlier than was probably desirable. So a second purpose is to assess the state of the more than 1,000 VSLAs in light of this and to offer a judgment on the prospects for the sustainability of the groups and the work of the Animateurs indigènes who remain. This judgment will be useful for programme planning where there are other VSL projects in Burkina and throughout WARO.

2.2 Tasks

- Document and assess the outreach strategy (working aggressively through cluster teams) used by the project to achieve the rapid increase in VSLA membership.
- Assess the quality (adherence to procedures, performance) of a sample of VSLAs against the methodology as set out in the VSL Programme Guide.
- Assess the project's guidelines for the use of Animateurs indigènes, the supervision and support accorded to them and their motivation and performance during the life of the project.
- Assess the prospects for the continued involvement of VAs in the creation and maintenance of VSLAs in Namentenga post project and recommend any follow-on actions by Plan Burkina
- Assess the use of the VSL Portfolio Tracking System (MIS) by the project.
- Assess the quality of technical program oversight over Réseau MARP du Burkina and to the project overall by Plan Burkina.
- Assess the outcomes (at least initially) of Plan Burkina's phase out strategy occasioned by funding limitations.
- Provide recommendations to help Plan Burkina consolidate the gains of the project and for other suggested follow-up.
- Highlight the lessons of the project that will help Plan Burkina effectively implement its other VSL projects and that will be of interest to Plan WARO's other program countries.

2.3 Outputs expected from the Evaluation

- An oral briefing for Plan Burkina and Réseau MARP staff on findings, conclusions and recommendations at the end of the mission in Burkina Faso.
- A written report with findings, conclusions and recommendations to be submitted to Plan WARO and Plan Burkina no later than 2 weeks after the field assignment.

3 Evaluation design and approach

3.1 Design

Figure 1: General framework

Area of Inquiry	Type of Evaluation	Level of Inquiry
Community-based service provider (VSLA) capacity, performance and efficiency	Programme	<ul style="list-style-type: none"> Community-based service provider Clients
Implementation: effectiveness and efficiency of the implementing institution and capacity to sustain the programme	Programme	<ul style="list-style-type: none"> Implementing institutions <ul style="list-style-type: none"> Plan Burkina Faso Reseau Marp
Programme Design: relevance of the programme to the needs of clients and method of delivery	Programme	<ul style="list-style-type: none"> Community-based service provider Clients

The following framework was used to assess the quality of VSLAs

Figure 2: VSLA capacity, performance and efficiency

Area of Inquiry	Indicators	Means of Measurement	Approach
Institutional capacity	<ul style="list-style-type: none"> Staff/leadership capacity Level of financial resources/sustainability Systems (financial, HR, M&E) 	<ul style="list-style-type: none"> Observation Review of records 	<ul style="list-style-type: none"> 11 groups Evaluators first witnessed VSLA meetings and assessed the VSLAs quality in terms of leadership and participant performance and behaviour.
Client/member satisfaction proxies	<ul style="list-style-type: none"> Participation in group-level decision-making Attendance rates 	<ul style="list-style-type: none"> Observation 	
Financial performance	<ul style="list-style-type: none"> Total assets Return on assets Average member investment 	<ul style="list-style-type: none"> Review of records Review of records 	
Loan fund performance	<ul style="list-style-type: none"> % of members with active loans Loan fund utilisation rate 	<ul style="list-style-type: none"> Review of records Review of records 	

Figure 3 outlines the issues that were considered in looking at the manner of Réseau MARP's implementation of the project.

Figure 3: Réseau MARP/Plan implementation strategy and efficiency

Area of Inquiry	Indicators	Means of Measurement
Strategy	<ul style="list-style-type: none"> Service delivery channel (FAs and VAs) Strategy for sustainability of service delivery Strategy for long-term programme growth Gap analysis 	<ul style="list-style-type: none"> Interviews with Plan and RM senior staff
Operating efficiency	<ul style="list-style-type: none"> Caseload: Associations per field staff Caseload: members per field staff Ratio of field staff to total staff Cost per member assisted 	<ul style="list-style-type: none"> Review of MIS
Institutional capacity	<ul style="list-style-type: none"> Review of organisational structure Systems (MIS and programme administration) 	<ul style="list-style-type: none"> Interview with staff/leaders Review of records

Figure 4 below outlines the issues that were considered in evaluating the programme's design.

Figure 4: Programme design

Area of Inquiry	Indicators	Means of Measurement
Interventions and Methodology	<ul style="list-style-type: none"> • Credit, savings and insurance services are appropriate to the needs and characteristics of clients and the environment • Interventions and methodology are delivered cost-effectively (Cost/member/intervention) 	<ul style="list-style-type: none"> • Observation of groups and FGD • MIS
Delivery channel	<ul style="list-style-type: none"> • Service delivery methodology is appropriate to clients and environment 	<ul style="list-style-type: none"> • Observation and FGD
Sustainability	<ul style="list-style-type: none"> • A realistic strategy for sustainability/exit exists 	<ul style="list-style-type: none"> • Discussions with Vas, FAs, Supervisors and senior staff

3.2 Fieldwork

3.2.1 Areas and groups visited

It was decided to visit three of the 4 Districts in Namentenga Province where Plan has implemented VSL and visit between 3 and 4 VSLAs in each district as follows:

Tougouri:

- Namalgzanga VSLA
- Neblaboumba
- Nongtaaba
- Namalazanga

Yalgo:

- Sougrinoma
- Nongtaaba
- Ouattinoma

Zegedequin:

- Pengwende
- Namalgzanga
- Wendyam
- Kiswenwida

The assessment form on the following page was used to standardise the key areas of quality, focusing largely on the roles of office bearers, meeting procedures and the quality of record-keeping.

3.2.2 Assessment procedure

The interviewing team consisted of:

Hugh Allen:	Team leader and Plan Consultant
Berenger Berehoudougou:	Household Economic Security Advisor in charge of DRR, Plan Burkina Faso
Dissa Sekou:	Finance Manager, Reseau Marp

On each visit to a VSLA the team was accompanied by the relevant Supervisor, Animateur and Animateur indigène.

On arrival at each group the team explained the purpose of the mission, which was to assess the performance of the groups. The groups then carried out their normal meeting, after which the team queried them on aspects of the meeting that needed clarification and assessed the quality of the financial records in the passbooks as well as drawing up simple balance sheets of performing assets, loan liabilities and member equity.

Figure 5: Group quality assessment form

Name of group	
No.of group	
GPS	<i>N °</i>
	<i>W °</i>
Name of interviewer	<i>Hugh Allen</i>
Date of visit	

Issue		Points
1	Did the meeting start on time?	
2	Did at least 80% of the memers attend the meeting?	
3	Were the keys held by three members who were not on the committee?	
4	Did the Chairperson lead the group effectively?	
5	Did the Secretary perform his/her role effectively?	
6	Did the Money Counters perform their roles effectively?	
7	Did the members of the group respect meeting procedures?	
8	Did the group have a constitution on hand?	
9	Was the constitution signed by all members?	
10	Were the savings procedures orderly and consistent?	
11	Were the lending procedures orderly and consistent?	
12	Were passbook savings records up to date and accurate?	
13	Were passbook loan records up to date and accurate?	
14	Were the members attentive?	
15	Did the members participate actively?	
Total points:		
Points Key	Condition:	N/A
1 = bad/no	Good health 75 - 100	
2 = Average	Uncertain health 55 - 74	
3 = good/yes	Sick 0 - 54	

Comments:
•
•
•
•

Rate of return

0.00

The assessment format above was used to score the groups, with percentages derived from the total number of items that were measurable. Wherever an item was not measurable (such as for example where there may have been no loans outstanding, these were excluded from the calculations and a percentage score derived from the remaining

data. This format is an evolution of the change of phase format used by Animateurs to determine the progress of the group and its readiness to proceed to a subsequent phase.

4 Group level assessments

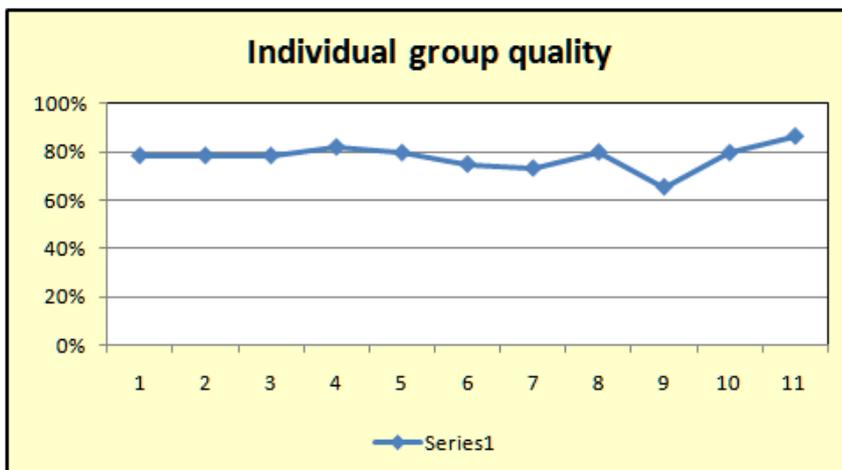
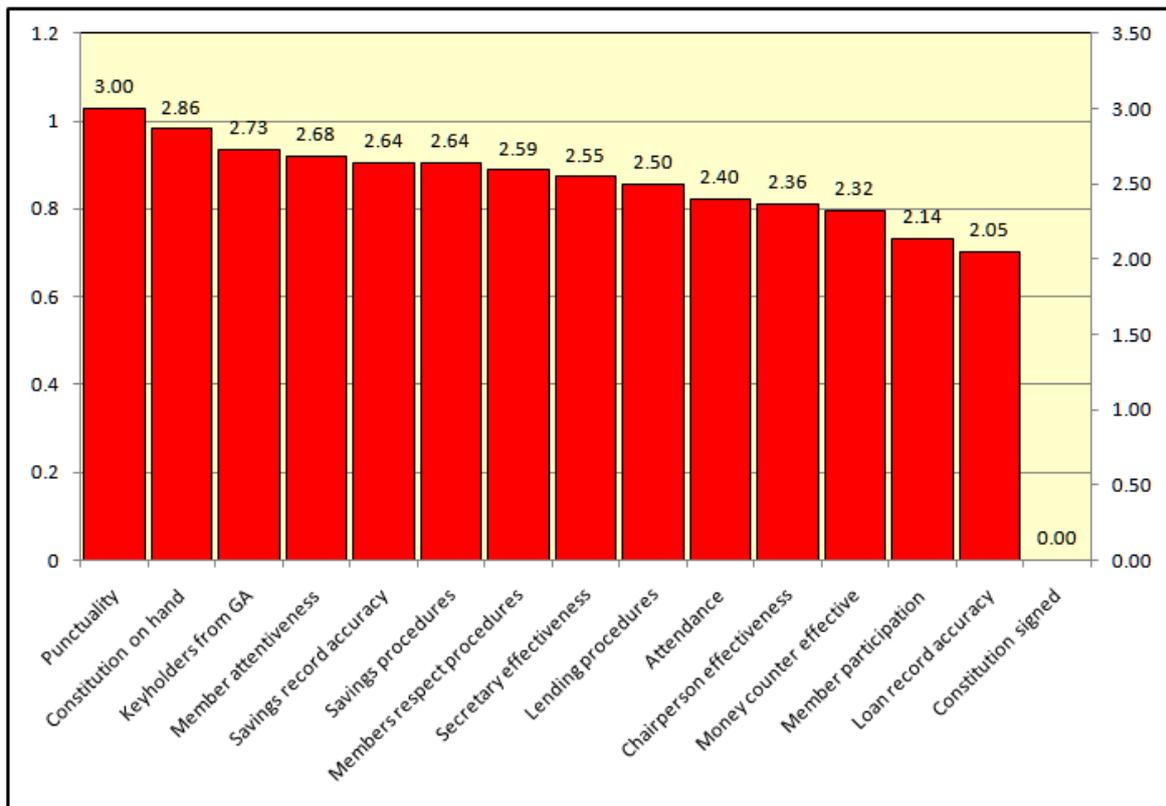
4.1 Group quality

The following aggregate results were noted:

Name of Institution	<i>Reseau MARP</i>	
No.of groups visited	<i>11</i>	
Districts visited	<i>Zegedeguin, Yalgo, Tougouri</i>	
Name of interviewer	<i>Hugh Allen</i>	
Dates of visits	<i>7-12October 2010</i>	
Issue		Average
1	Punctuality	3.00
2	Attendance	2.40
3	Keyholders from GA	2.73
4	Chairperson effectiveness	2.36
5	Secretary effectiveness	2.55
6	Money counter effective	2.32
7	Members respect procedures	2.59
8	Constitution on hand	2.86
9	Constitution signed	0.00
10	Savings procedures	2.64
11	Lending procedures	2.50
12	Savings record accuracy	2.64
13	Loan record accuracy	2.05
14	Member attentiveness	2.68
15	Member participation	2.14
Total points:		35.5
Points Key		Condition:
1 = bad/no	Good health	75 - 100
2 = Average	Uncertain health	55 - 74
3 = good/yes	Sick	0 - 54
		78.8%

The graph on the following page presents this information in visual form, sorted by score. This shows a moderately high overall score of 78.8. What is noteworthy is that individual group quality scores are high, with only 2 groups scoring in the Uncertain health range. The standard deviation across all scores of only 5.4% indicates a high level of consistency in quality and thus training and supervision. Taken as a whole, the groups are as good quality as in other countries where a more leisurely approach to expansion has been adopted.

Factor assessment



Average group quality
78.78%

Standard deviation
5.40%

4.2 Issues arising from group assessments

Marks above 2.5 may be considered satisfactory, while those below need attention. The following is a list of issues arising, relating strictly to group quality.

- Loan record-keeping. This is the area that needs most attention for the following reasons:
 - Interest accrual and monthly record-keeping. Some groups used declining balance interest, some used flat. Some groups simply calculated interest for a 3 month period and charged it off at the end of the period as a single transaction. This was the most common issue and related to the fact that groups go dormant during the rainy season and therefore don't meet to transact. When they meet again they then compress the monthly accrual of interest into a single charge. This is fine so

long as the interest projected to accrue during this period is fully calculated at the time of loan disbursement, but often it is not. So the member ends up with a listed monthly interest charge, but pays a full 3 months interest. This throws off the passbook calculations. It also may lead to under-charging of interest in cases where the monthly interest charge is shown and this becomes what is charged after 3 months. All in all the project needs to define a policy for this.

- Loans are issued weekly in some groups and monthly in others. Where loans are issued weekly, loan tracking is problematic. It is clear that this is a preference for a large proportion of the groups because they do not want to leave cash unused and also feel that there is no logic to having money sitting in the box that members cannot access when they need.

Rather than insist on adherence to the current methodology, it is suggested that the following changes are made to the passbook and training given in their use.

Step 1: Entry at loan disbursement

Loan No.		Monthly service charge	
1		5%	
Date	Item	Amount	Signed
02/03/2010	Loan Amount	10,000	Monica
	Service charge	1,500	
	Total to be paid	11,500	
25/05/2010	Paid		
	Balance		
	Service charge		
	Total to be paid		
	Paid		
	Balance		
	Service charge		
	Total to be paid		
	Paid		
	Balance		
	Service charge		
	Total to be paid		
	Paid		
	Balance		
	Service charge		
	Total to be paid		
	Paid		

This shows a member who takes her first loan for CFA 10,000. The interest rate is 5%, or CFA 500 per month. The member does not expect to make a payment for 3 months, because the rainy season is coming, so the interest to be paid after 3 months is listed as CFA 1,500 (i.e. 3 months x CFA 500) and the date of the next meeting is entered, showing a date 3 months in the future. Thus, the entry shows that the group has allowed for the accrual of interest over that period, and the entry then shows the total that will be owing

– CFA 11,500. Monica signs to show that she agrees to these terms.

Step 2: Entry at loan disbursement

Loan No.		1		Monthly service charge		5%	
Date	Item	Amount	Signed				
02/03/2010	Loan Amount	10,000	Monica				
	Service charge	1,500					
	Total to be paid	11,500					
25/05/2010	Paid	6,000	Monica				
	Balance	5,500					
	Service charge	500					
	Total to be paid	6,000					
22/06/2010	Paid						
	Balance						
	Service charge						
	Total to be paid						
	Paid						
	Balance						
	Service charge						
	Total to be paid						
	Paid						
	Balance						
	Service charge						
	Total to be paid						
	Paid						

At the next loan meeting, three months later, the member brings CFA 6,000. This is subtracted from the 'Total to be paid' amount, leaving a balance of CFA 5,500. The interest charged here is, again, CFA 500, or 5% of the original total. This greatly simplifies the calculation of interest. Again, the date of the next loan repayment meeting is entered. This is 4 weeks only after the first loan repayment

Step 3: Completed repayment

Loan No.		1		Monthly service charge		5%	
Date	Item	Amount	Signed				
02/03/2010	Loan Amount	10,000	Monica				
	Service charge	1,500					
	Total to be paid	11,500					
25/05/2010	Paid	6,000	Monica				
	Balance	5,500					
	Service charge	500					
	Total to be paid	6,000					
22/06/2010	Paid	6,000	Helena				
	Balance	0					
	Service charge	0					
	Total to be paid	0					
	Paid						
	Balance						
	Service charge						
	Total to be paid						
	Paid						
	Balance						
	Service charge						
	Total to be paid						
	Paid						

This shows the loan repayment process completed on the due date, which, in total, is 4 months after the date of initial disbursement. Note: Where loans do not precede the rainy season the date of the next loan meeting will always be 4 weeks in the future.

By including dates, this allows the members to take out loans at any meeting, but it requires the Secretary to look at every passbook so as to know whose loan is due for servicing on that date.

The basic weaknesses of the loan record-keeping system relate to uncertainty on the part of Animateurs indigènes and Animateurs as to how to deal with seasonality and aggregated interest accrual. It also has to do with the quality of the basic mathematics involved. While it is certain that the project needs to come up with a technical policy on handling loans (such as the one suggested above), it is also certain that much more intensive training and supervision (particularly supervision) is needed to make sure that Animateurs indigènes – and Animateurs – understand how it ought to be done and apply it consistently across the project.

What we noticed was that Animateurs and Animateurs indigènes alike crafted local solutions. This tells us that the technical policy on loan record-keeping is not well-adapted to the field realities. But the fact that basic mathematical errors are occurring and inconsistent interest accrual are being applied says that staff are not being properly supervised, nor held to account for accuracy. This is understandable under the pressures contingent on meeting donor expectations, but needs to be improved for the longer term.

- Inconsistent Animateur indigène quality. We came across two Animateurs indigènes who were entirely ineffective and whose competence was much lower than that of the group leaders. The project needs to be more demanding in this respect and to ensure that Animateurs indigènes not only go through a standard curriculum but are examined on their competence. Animateurs indigènes that are not competent will quickly be rejected by groups.
- Procedural inconsistency. Many groups had altered the laid down procedures, often to the detriment of the underlying financial logic. To give examples:
 - One group disbursed loans without first of all mobilising loan repayments. This reduced the amount of loan capital available.
 - In all cases, once having counted the money in the loan fund bag, this was returned to the bag before savings were mobilised. In one case this led to loans being rationed when there was, in fact, plenty of money available to cover the loan demand. By replacing the money in the Loan Fund bag it isn't made clear that loan savings, loan repayments and fines are automatically included in the total available for lending
 - There is also a laborious and repetitive counting of money at far too many stages. Instead of counting money only to confirm balances and immediately prior to loan disbursement, all groups count savings, loan repayments and then aggregate funds available for lending for no good reason. This is almost certainly impossible to sustain when the groups start to deal with larger amounts of funds. The times at which Loan Fund money should be counted are as follows:
 - After the loan fund balance has been confirmed at the beginning of the meeting, the money is not returned to the Loan Fund bag, but placed in the money-counting bowl
 - Savings are contributed. Although the amount each member saves is counted to confirm what she claims to have contributed, it is simply placed in the Loan Fund bowl and, without any summation, either of the total amount saved, or the total in the bowl (prior balance plus savings)
 - Loan repayments are contributed. Again, the individual payments are confirmed, but added to the money already in the money-counting bowl without any summation.
 - Fines in the fines bowl are added to the money in the money-counting bowl. No summation is made

- Any expenses that the group needs to cover are taken from the money-counting bowl
- Once all this is done, and only then is the total amount of money in the bowl counted

The logic behind this approach is that because everyone has seen where the money came from going in to the bowl, and because the individual amounts are validated by the Money-counters, there is no need for a step-by-step summation, especially because, if there are small discrepancies, they can be impossible to pin down – so it is disruptive and counter-productive to take these extra steps..

- In another case the social fund mobilisation was carried out and then immediately followed by savings mobilisation. This meant that Social Fund disbursements and repayments were relegated to the end of the meeting: it is preferable if an entire set of transactions are completed before moving on to the rest.
- In only one case did the Chairperson or Secretary ask the members if there was any request for grants for loans from the Social Fund. The assumption seemed to be that people would ask if they had a need, but it is important that this step is not omitted: glossing over this step may inhibit people in need from making a request.

In short, Animateurs and Animateurs indigènes alike were providing too much latitude in terms of procedure and it is probable that this has not been sufficiently emphasised by the programme. We do not suggest that the procedures as laid down cannot be changed, but they ought to be changed only as part of a thorough review of practice and experience and then applied consistently and with rigour across the programme.

The moment they become ad hoc it is possible (indeed, likely) that some decisions are made about procedure by individual Animateurs that are not well thought through. In not a single case did we witness Animateurs or Animateurs indigènes using procedures sheets to ensure that laid down steps were followed. Procedures are the fundamental under-structure that holds a group together and greater emphasis should be given to ensuring their consistency.

- In most cases money counting is insufficiently transparent. Most Money-counters counted the money with their backs to the members, counting quietly under their breath and then announcing the results – usually quietly to the Secretary. It needs to be more open and transparent, especially during the first cycle. CRS uses a highly public way of counting money that involves everyone in witnessing the process and with every single note counted. See illustration. This may end up also being laborious, but when combined with streamlining of the number of times that money is counted will not add greatly to the time, while ensuring that everyone is clear about the totals available.

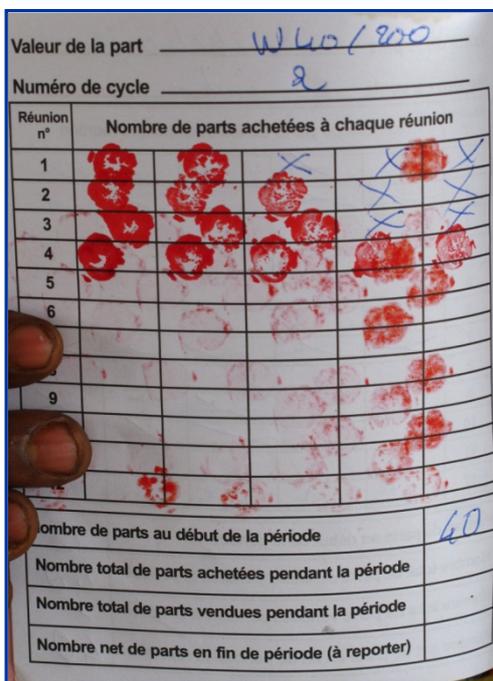


- Social Fund arrears were not tracked. When we queried groups about how Social Fund arrears were tracked it was claimed that this was done and arrears entered in the groups' notebooks. But during our visits not a single group Secretary required delinquent members to pay their Social Fund arrears. This needs to be more firmly emphasised, and, perhaps, a simple table developed that groups can use in their notebooks. If members do not pay their social fund dues, they may either be denied Social Fund benefits, or engender resentment if they benefit from a system to which they contribute only irregularly.
- Consistency of Supervisors' change-of-phase evaluations. We came across a group that had received a very high change-of-phase evaluation that had received a very high rating. We felt that this group was, in fact, very weak. By contrast, another group had

received a very low rating at change of phase, yet we felt that it was amongst the best. Some attention may need to be placed on revising the change of phase forms as per the format we used for the evaluation, but senior management attention should be given to training Supervisors in arriving at a consistent approach.

- The quality of the rubber stamps and in pads was absolutely deplorable. The stamps were far too large, lacking precision and were over-inked with a strong red ink that penetrated the paper. Such a vital yet simple technology ought to have received more attention from the programme. In some cases stamps were broken and people had reverted to using their fingers as a substitute. It may be a practical expedient to use stamps made from the eraser end of a pencil: almost anything would be better than what is used right now. The photographs on the following page show a typical page in which the inadequate nature of the stamp itself is clear, and where over-inking and use of red ink has caused the stamp marks on a previous page to penetrate the paper. The other two pictures are from, respectively, CLP in Bangladesh and Plan in Ghana

Typical passbook in Burkina Faso



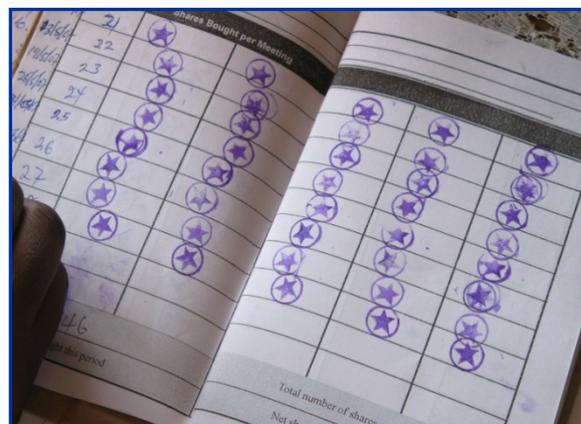
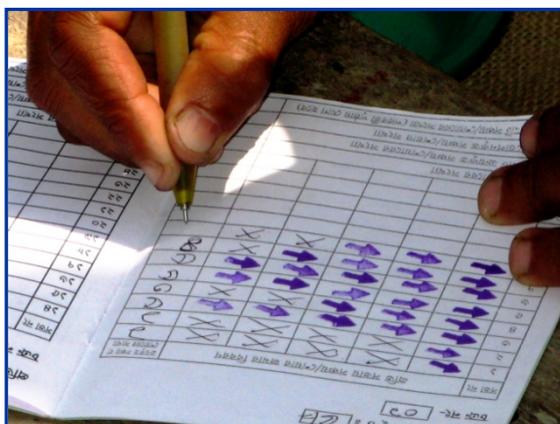
Note the following:

- Stamp too large for boxes
- Stamp lacks sharp definition
- Ink penetrates the paper: too much ink

Note the following for stamps in Bangladesh and Ghana

- Stamps fit boxes
- No over-inking
- Stamps are clean and sharp

Typical passbooks in CLP Bangladesh and passbook in Plan Ghana

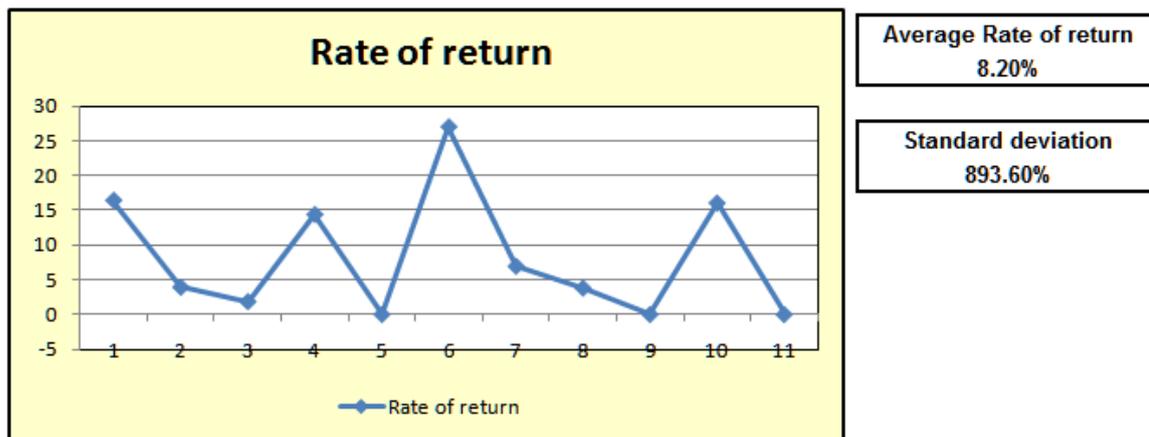


While this may seem a detail, it is important to get this right, because appearance affects attitudes and what looks grubby may be treated as less important than something that appears clean and clear.

5 General observations

5.1 Group level

- In only one case was a group making a loss, and this was negligible and probably due to minor expenses. Thus, the groups are a safe place to save and offer attractive returns compared to alternatives.
- Returns vary enormously, but are generally low, indicating a strong savings preference. This is validated by the fact that most groups had a large proportion of their cash on hand. The chart below looks at rates of return. The average was 8.2% but with a very large variance and standard deviation.¹ Only one group was making the sorts of returns that are normal for other parts of Africa (about 30%). None of this is surprising, because the nature of economic opportunities varies enormously across the zones we studied, with the majority offering very few investment opportunities for groups that are, in any case, mostly made up of people who are not literate. This is nothing to be alarmed about, but points, possibly, to the need for some very simple business training. For the most part, however, the members exhibit a strong savings preference and this may be expected to continue for a few subsequent cycle. Animateurs should not encourage the idea that not to borrow is bad, or negative in any way. Some preference for business management training may be considered in areas where gold-mining is prevalent and in which cash is flowing in the local economy throughout the year



- Loan demand is also very seasonal, especially linked to the rice growing season. The exception to this is in areas where gold-mining is well-established
- Groups with a low literacy rate may need Animateur indigène input for the longer term. Groups with a higher literacy rate (and level of economic activity) may not. Thus, Animateurs indigènes may fall into two categories:
 - those that derive their long-term income from continuing to assist groups in financial administration² and
 - those that derive their income from continuing to create new groups.

Thus, a long-term strategy of concentration will be appropriate in the former case, with Animateurs indigènes aiming to offer administrative help up to 5-10 groups whose literacy level is low, and a more dispersed strategy in the latter – where new groups can continue to be trained (with the end in view that they will be fully independent), so long as the travel time is reasonable and the groups enjoy a high standard of literacy.

¹ With such a small sample the SD calculation is liable to extremes, but in this case points to a very large variance across the groups

² We came across several cases where Villa Agents acted as group Secretaries, both formally and informally.

5.2 Programme level

- There is as yet no policy on Animateur indigène remuneration. There are differing opinions on this, but results generated by the Savingsgroups.com website, which compiles results from some 30,000 groups all over Africa have concluded the

Ratio	Animateur: project paid	Animateur indigène: paid by group	Animateur indigène: unpaid
Savings per member as % of GNI	4.8%	6.6%	1.7%
Outstanding loan size as % of GNI	4.7%	9.3%	2.3%
% of members with loans outstanding	56.2%	42.9%	55.6%
Annualised return on assets	39.4%	61.3%	50.4%
Average loan size per member	\$25.2	\$33.9	\$13.2
Average savings per member	\$17.3	\$17.1	\$7.5

following:

Comparison of paid and unpaid Animateur indigène performance:

While this table shows that unpaid Animateurs indigènes score better on ensuring that a larger percentage of members take out loans, on all other measures of performance unpaid Animateurs indigènes score much lower, particularly in terms of savings mobilisation. Even more striking is the fact that paid Animateurs indigènes appear to perform better than paid Animateurs, except in terms of the percentage of members with loans outstanding. Thus, a focus on remunerating Animateurs indigènes through fees paid by groups must be considered an indispensable part of a longer-term strategy

It was clear from our discussions with Animateurs and Animateurs indigènes that there is as yet no policy with respect to this question and that Animateurs indigènes are left to their own devices to negotiate any form of pay for their work. Approximately half of the Animateurs indigènes receive nothing from the groups that they train, owing to kinship and community obligations. Ultimately this will lead to lower quality groups, lower skill levels on the part of Animateurs indigènes (because more competent candidates will not be attracted to the work) and high drop-out rates as Animateurs indigènes give up on the work.

The project needs to be more pro-active. While it cannot dictate a rate across the entire project area it can do the following:

- Have Animateurs indigènes introduced to communities as fee-for-service agents, supervised and vouched for by the project
- Negotiate a price for their services that is based on the daily rate commonly paid for agricultural labour in any given zone (or some such proxy that is common to all the areas in which the project works, but subject to local variation)
- Ensure that a written contract is drawn up, obligating the group and the Animateur indigène to basic behavioural norms and setting a fixed price for a fixed set of training and supervision meetings. An example, used by CARE, is shown on the following page.

It is important to initiate this payment policy in any expanded project, because it is key to attracting and retaining good quality Animateurs indigènes and is central to the maintenance of long-term community-based technical support.

Format for an agreement between a VSLA and a VA

This agreement is between _____ (Animateur indigène name)

and _____ (Group name)

The Animateur indigène agrees to:

- Provide high quality training on VSL, making 15 visits over 36 weeks (or longer if needed)
- Be on time at the agreed meeting time and place
- Never touch the Group's money, write in its records, or take the box away
- Never ask to take a personal loan
- Never ask for a gift from the Group

The VSLA agrees to:

- Ensure every member comes on time and attends every meeting
- Follow the rules and procedures taught to them
- Pay the Animateur indigène at each of the 15 training visits the sum of _____
- Payment will be made in the form selected by the VA below (note checkmark in relevant box):

n cash for each training visit

n the equivalent value in shares for each training visit.

The meetings will be held at (place) _____

The meeting time will be _____

The Animateur indigène telephone number is _____

VSLA Chairman (or other member's) telephone number is _____

Animateur indigène signature and date _____

Chairman signature and date _____

An interesting feature of this arrangement is that the Animateur indigène can choose whether or not to be paid a set fee at every meeting, or to be paid in shares, redeemable at the end of the cycle. An Animateur indigène may choose to be directly

paid by a number of groups and to be paid in shares by others, thus allowing for regular income and participation in deferred profit-sharing

- Availability of Kits. The project has had a policy of giving away kits to groups and has none available at this time. This means that Animateurs indigènes cannot easily create new groups (or properly service older ones whose passbooks are filled). This is understandable in the rush to get things done in time to meet donor deadlines. For the future this needs to change, for 2 reasons:
 - By giving away kits a contradiction is created between the project's rhetoric about self-reliance and actual practice
 - By giving away kits there are no incentives for commercial players to undertake for-profit supply.

The project gave away kits because it did not want to create cost disincentives, but it should consider a strategy that is widely adopted by CARE. A group gives a 25% down payment (about \$12). It uses the kit until independence. If it wants to carry on as a VSL group it must hand over the balance owing at the time of share out, at which point the debt will be a small proportion of total assets, and less of an apparent burden to pay. This preserves the principle of self-reliance, while removing initial barriers to purchase at full cost. If the group does not want to carry on, it can return the kit, less the cost of the passbooks consumed.

Once there is a known market price for the kits, and, in particular, the passbooks, commercial for-profit supply can be initiated. This may be through Plan's partners or through purely commercial channels. It will probably be best to depend initially on Plan's partners to undertake centralised procurement, but to feed the kits into the market using Field Agents to market the kits on a commission basis. Discussions with stationers should begin once there is a clear pattern to demand (start-ups and replacements).

5.3 Use of the MIS

We did not have the time to delve deeply into the MIS, but compared Animateur data collection forms with the latest set of data entered by the data capture clerk. There was a significant variance. It was explained to us that the variance had probably arisen because there had been a rush to collect data using Animateurs who were collecting data from groups other than those they normally worked with. This does not explain the fact that data entered in the database was frequently not the same as that on the data collection forms and worse, where data was not available on the forms, had been somehow 'created' when entered in the database. We examined about 10 FO data collection forms and found only a small minority where the data entered on the form matched what was in the database.

For whatever reason, we can only conclude that the latest data set appearing in the MIS does not reflect the financial facts on the ground.

We also noted that calculations relating to profit and loss were frequently inaccurate and form no basis for designing a course of remedial action.

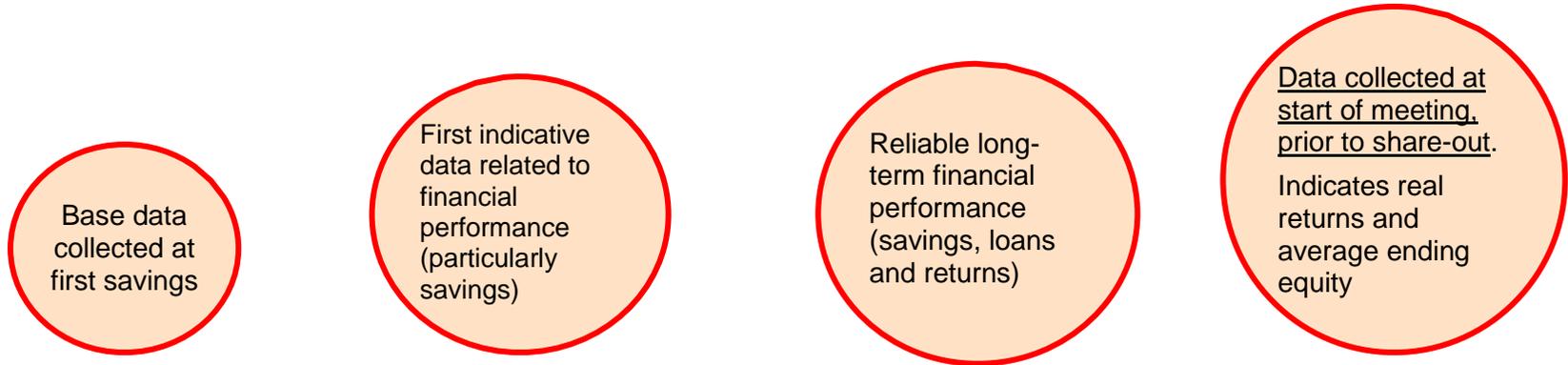
It is clear that re-training of field staff in the use of the MIS is essential if it is to be used as other than an inaccurate reporting tool. We strongly recommend that formal re-training of MIS staff in assuring Animateur understanding of the following is instituted:

- Regular data audit by the data capture clerk and spot audit by the respective Supervisor
- Data cleaning and quality-control over data entry.
- MIS data collection only at 4 points in the annual cycle: at the time of the first savings meeting, at both changes of phase and at the final share-out. In the case of the first

three data collection exercises the data should be collected at the end of the meeting, while the final data collection, at share-out, should be done at the start of the meeting,

before distribution takes place. The schematic below suggests how this should be done.

Frequency of data collection and what it tells us



VSLA training and supervision schedule																																						
Preparatory			Intensive Phase								Development Phase					Maturity Phase																						
A	B	C	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	7
1-2 Weeks			1 week																																			
Legend																																						
A	Orientation of local leaders and government officials. Attended by Supervisor				Supervision meetings: no training module		4	Training: First share purchase savings meeting																														
B	Introduction of VSL to the community		1	Training: Groups, leadership & elections		5	Training: First loan disbursement meeting																															
C	First meeting with newly formed groups		2	Training: Social fund, share-purchase & credit policies		6	Training: First loan repayment meeting																															
PC	Phase change. Attended by Supervisor		3	Training: Development of Association constitution		7	Training: Action audit/shareout and elections. Attended by Supervisor																															

By collecting data quarterly there are the following advantages:

- The activity can be supervised by the Animateur's Supervisor, or, in the case of an Animateur indigène, by the relevant Animateur
- The amount of data to be collected is cut by 75%, freeing up Animateur time for the more pertinent work of assuring group quality (principally by ensuring that procedures are closely followed and by checking that passbook entries are accurate)
- Less time is needed for data entry, freeing up the data capture clerk to prepare reports, which need not be produced more often than every 2 months and even as infrequently as every quarter. If this is done more often, the analytical work will become burdensome and will not be done. Better to have a mandatory set of reports that are used in programme management every quarter, than monthly reports which are never analysed and acted upon. But once produced, they should be shared with Animateurs and discussed between the Animateur's Supervisor and the Animateur. Similarly, these reports should be shared by the Animateur with their Animateurs indigènes to identify strong and weak groups and chart a course of action. Note. Group data can be collected quarterly, but, because this happens at different times for each group, means that overall data changes on almost a daily basis, allowing for discretionary report preparation as needed.

While recognising that current data needs audit and careful re-establishment, it is clear that the average return to member investment in Tougouri (at 17.4%) is about double that of Boulsa (at 9.7%). This is about double that of our sample, which is possibly due to the fact that at 1.1% of the total our sample size is not statistically reliable. If we assume (a big assumption) an average return of 13%, this approximately squares with the generally low rates of interest charged (compared to other countries) and the relatively low overall rate of loan fund utilisation (averaging 28%) It is notable, however, that the percentage of members with outstanding loans is far higher in Tougouri (at 17%) than Boulsa (at 9%). This squares with what we know of economic opportunity differences between the two areas and the entrepreneurial capacity of the different target populations.

What this tells us is that even in the most economically developed part of Namentenga there is a strong savings preference and reluctance to become indebted. This is unsurprising but will change over the coming few years, especially as groups invest greater sums in their groups, now that confidence is established and they become more aware of their personal potential.

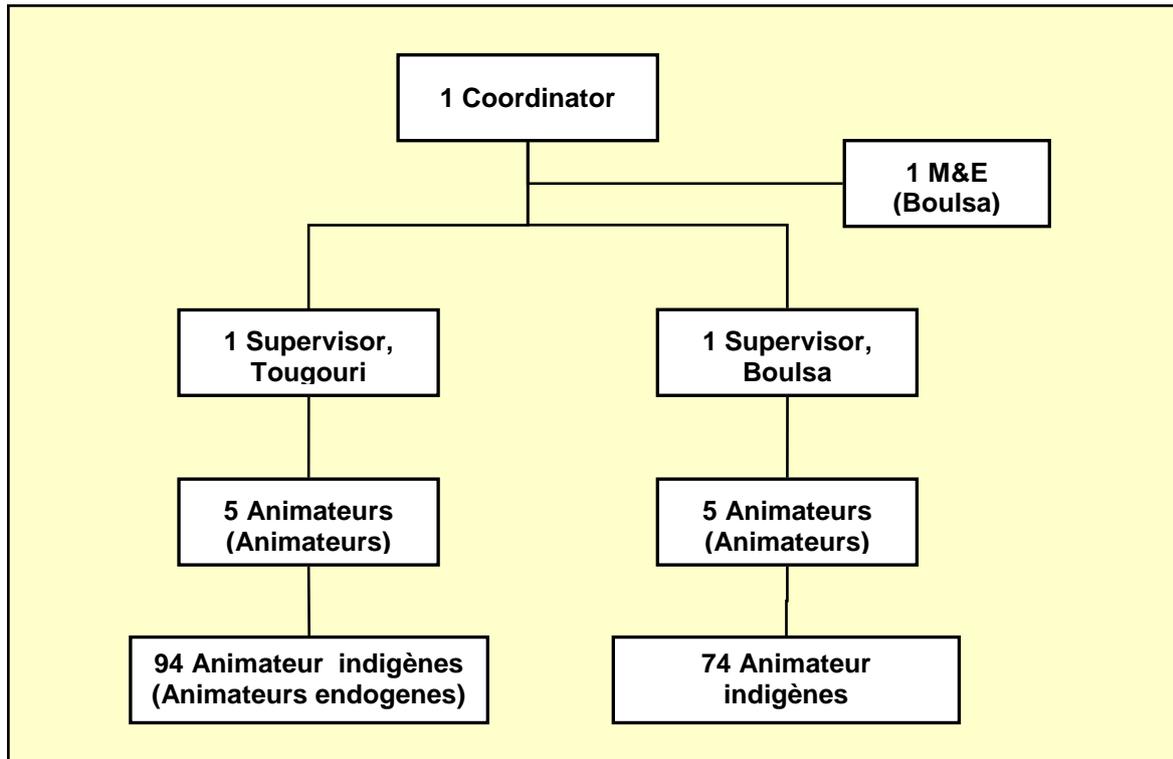
5.4 Reseau Marp

The results show that Reseau Marp has done its job and produced groups of an acceptable quality and at the requisite scale. They have done so through the organisational structure illustrated on the following page.

The structure is appropriate for a VSL programme but supervisory caseloads are high, with each Animateur carrying a caseload of 89.7 groups in Tougouri and 81.2 in Boulsa. The quality issues that have been highlighted here arise from insufficient supervision, which is unsurprising when caseloads are taken into account. What is worth deeper consideration, however, is how these exceptional results (amounting to about 2,000 VSLA members per Animateur in 18 months – 1,300± per year) were achieved and what this tells us may be possible for the future.

Traditionally Programmes have used Animateurs to create enough groups to create a critical mass that attracts other potential groups to the methodology. From these groups, which are usually scattered far apart, each Animateur selects about 6-8 people to become Animateurs indigènes. The Animateurs indigènes, in turn, create between 3 and 5 groups per years each, for a total per year under each Animateur of about 30 groups – or 500-750 members. Over the subsequent year the Animateur ceases to train his/her own groups and transfers this responsibility to the Animateurs indigènes and becomes, in effect, a

supervisor of *Animateurs indigènes*, until such time as they are able to operate independently.



Reseau Marp Burkina Faso has operated differently. Over the lifetime of the project, and after *Animateurs* were expert as group trainers, the recruited *Animateurs indigènes* have been used to supervise a cluster of groups, after the *Animateur* has completed the basic curriculum. This leaves *Animateurs* free to concentrate on group creation and training, and *Animateurs indigènes* to operate at a lower level of skill as people who ensure that procedures are followed and passbooks kept properly. The result is caseloads that exceed 1,300 per *Animateur* per year, which is at least double best practice standards. The downside is that only a few *Animateurs indigènes* end up actually training groups (especially when there are no kits available). It is reasonable to propose that in any expanded project this process is continued, but with *Animateurs* cutting back on their caseloads somewhat more in favour of facilitating the *Animateurs indigènes* as fully fledged trainers. This is certainly appropriate in areas where literacy levels are high and there is significant demand for new group training. Where literacy levels are lower, the current model may be better suited, since it leave *Animateurs indigènes* with a long-term role of assisting groups in records maintenance.

The present system and caseloads have been driven by donor demands to spend a lot of money very quickly, but future programme growth perhaps should lay rather more emphasis on making sure that over time *Animateurs indigènes* develop optimal caseloads of between 3-5 new groups per year and are provided with the material means (kits) to do so.

Reseau Marp's own analysis of strengths and weaknesses is summarised below:

- VA capacity varies. Greater rigour is needed in VA selection, training and certification (which has not yet taken place). While social acceptance of VAs is important this cannot be allowed to displace quality
- Payment of *Animateurs indigènes* is essential to avoid excessive drop-out (with attendant high replacement costs): to attract better quality *Animateurs indigènes*
- No real close-out process was defined and leaves some communities and *Animateurs indigènes* hanging

5.5 How to preserve the gains already made

The most important thing for planners in Plan Burkina to do is to take stock of where they are and where they want to go, rather than just scrambling to maintain momentum. It is more important reflect upon the gains that have been made and to consolidate them by putting in place a strategy that emphasises strong growth and high Animateur efficiency. It should also:

- strike a better balance between productivity and Animateur indigène capacity building
- emphasise a high standard quality for Animateurs indigènes and sets up a policy and technical approach that allows for formal certification
- reduce the number of Animateurs indigènes and retain those who are working effectively.
- agree on a market-based remuneration strategy for Animateurs indigènes. This will reduce Animateur workloads (because the smaller number of highly motivated Animateurs indigènes will not need so frequent replacement, nor such close long-term supervision – and fewer will drop out and need replacement
- finalising changes to the loan record-keeping system
- create a policy for the payment for kits, with Animateurs indigènes possibly receiving sales commissions

In the interim, and with PU funding, maintenance should focus on the following:

- re-training Animateurs in the future loan record-keeping system, re-training Animateurs and Animateurs indigènes and retro-fitting this system to existing groups. This is laborious work, but will prepare the ground for a larger-scale programme whose technical systems are the same as those used by existing groups. It is not an option to continue with the current passbook system and will be a disservice to groups if the current system is left in place
- researching a range of returns to agricultural labour as a proxy for Animateur indigène visit fees and determine what that will be on an area by area basis.
- identifying a higher-quality supplier of rubber stamps, or looking into the practicality and acceptability of simply using pencil erasers: train Animateurs indigènes and Animateurs in the sparing use of ink (this sounds foolishly detailed, but it's relevant, since so much of what is done depends on aural and visual symbols, and making sure they are clear and tidy is important).

Province of Namentenga, Burkina Faso

