



## **African Rural and Agricultural Credit Association (AFRACA)**

### **Proceedings of the Inception Workshop for the DANIDA Project**

22<sup>nd</sup> to 24<sup>th</sup> April, 2008

Dream Valley Lodge, Lusaka, ZAMBIA

## List of Acronyms and Abbreviations

AfDB	African Development Bank
AFRACA	African Rural and Agricultural Credit Association
AIDS	Acquired Immune Deficiency Syndrome
ASCAs	Accumulative Savings and Credit Associations
ASP	Agricultural Support Programme
AU	African Union
BMC	Boliba Multipurpose Cooperative
CIDR	Centre for International Research and Development
COMESA	Common Market for East and Southern Africa
DANIDA	Danish Development Agency
FA	Financial Association
GDP	Gross Domestic product
HIV	Human Immune Virus
IGAs	Income Generating Activities
INAFI	International Network of Alternative Financial Institutions
KWFT	Kenya Women Finance Trust
MACO	Ministry of Agriculture and Cooperatives
MCDSS	Ministry of Community Development and Social Services
MCIA	Microfinance Consortium of Institutions in Africa
MDGs	Millennium Development Goals
MBT	Micro Bankers Trust
MFI	Microfinance Institution
MOU	Memorandum of Understanding
PRIDE	Promotion of Rural initiative and Development Enterprise
PTZ	PRIDE Tanzania
ROSCAs	Rotating Savings and Credit Associations
SACCOs	Savings and Credit Cooperatives
SMMEs	Small Micro and Medium Scale Enterprises
ToT	Training of Trainers

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## **Background and Introduction**

A consortium of Microfinance Institutions led by the African Rural and Agricultural Credit Association (AFRACA) and some of its members namely: the International Network of Alternative Financial Institutions (INAFI), Micro Bankers' Trust (MBT) of Zambia, Pride Tanzania, Kenya Women Finance Trust (KWFT) and FDM of Mozambique applied for funding from the Danish Development Agency (DANIDA).

The proposal for funding, which was submitted in the year 2007, was meant to implement a project for economic empowerment of rural African women in Kenya, Mozambique, Tanzania and Zambia. The other target of the project (also referred to as the DANIDA Project) is members of staff in each of the four participating MFIs in order to ensure better delivery of capacity building initiatives aimed at economic empowerment of women.

The objectives of the DANIDA Project are:

1. To enable rural women in target areas in the four countries to make appropriate use of accessed financial Services (both savings and credit facilities to improve their income security)
2. To develop skills of staff in selected implementing institutions for them to work better with grassroots communities in East and Southern Africa; Mozambique, Zambia, Tanzania and Kenya.

The DANIDA Project will be implemented in the four countries over a two year period running from 2008 to 2009 and the total budget is US \$500,000.

The project will be managed by AFRACA together with INAFI while the four MFIs will implement in their own countries and sites.

Following the approval of the proposal by DANIDA, an Inception workshop was organized by AFRACA to:

1. Build a common understanding around the project concept, its implementation and monitoring and evaluation as well as the roles and responsibilities of participating organisations
2. Review the various approaches used by participating organisations in the training of their clients particularly women

This report documents the proceedings of the three day Inception workshop which was held at Dream Valley Lodge in Lusaka, Zambia between the 22<sup>nd</sup> and 24<sup>th</sup> April, 2008.

## **Session 1: Getting Started**

### **1.1 Expectations from participants**

The following were the expectations from workshop participants:

1. To chart a way forward for implementing the project
2. Learn about preparations among partners for project implementation
3. The best way to build the capacity of women on the ground
4. To share ideas
5. Learn how the logframe will assist in measuring results and impact of the logframe
6. gain a clear understanding about what needs to be done in order to ensure good implementation and justify further funding

### **1.2 Opening Remarks from Mary Nandazi—General Secretary of AFRACA**

Mary expressed happiness to have the project finally starting. She emphasized the challenge brought about by implementing projects in partnership arrangements and asked participants to ensure they understood the roles and responsibilities of each other and everyone else.

Mary also encouraged participants to continue learning from other organisations and projects that were implementing similar initiatives. She gave an example of the Agricultural Support Programme (ASP) which was represented by Margaret Mwenya in the workshop. She also informed the workshop participants that although ASP was not among the partners in the project, there was a lot to learn from the 14 year experience they had gathered.

The General Secretary of AFRACA also reminded participants about the competitive nature of the bid for the project. She therefore concluded that for DANIDA to award the grant to the consortium there was something they saw in its presentation. She urged participating institutions to live up to the challenge.

## Session 2: Introduction to the Project

### 2.1 DANIDA Project perspectives

Two participants (Namaya Lewanika of MBT and George Kinyanjui of KWFT) that also attended a regional workshop for promoting gender equality organized by DANIDA in Arusha, Tanzania between 26<sup>th</sup> and 29<sup>th</sup> June 2007 were asked to make presentations focusing on DANIDA's perception of women empowerment. The following were the key points raised by the two presenters:

The focus of the Africa Strategy for the Danish Government was twofold:

- a. Promotion of gender equality which has three pillars: women rights, political influence and access to resources
- b. Enhance regional cooperation among organization promoting gender equality in Africa

The reasoning behind supporting women empowerment programmes was that:

- a. Women use additional incomes on family
- a. Women entrepreneurs tend to employ fellow women
- b. Gender equality will eventually result in improved children's lives and improved economic prospects hence better health care, better schools, additional assets etc

Also discussed was the unsuccessful partnership between DANIDA and African Governments especially in poverty reduction initiatives. The lack of success in this area was mainly attributed to:

- a. Duplication of efforts
- b. Poor accountability
- c. Lack of ownership of the vision
- d. Wastage of resources

In view of these challenges, the Danish Government decided to disseminate its funds through civil society and networks. But the networks needed to be regional and should be working in more than one country.

Project to be supported needed to be innovative and funding would be between US\$250,000 and US\$500,000 implemented over a period of between 2-4 years for it to be sustainable.

There was also emphasis to work through African regional bodies e.g. AU, EAC, COMESA, SADC etc as much as possible.

### 2.2 Justification for the microfinance consortium

This presentation was made by Darius Njenga who pointed out the justification for consortiums as follows:

1. Time to achieve the MDGs is shortened through participation of networks as a result of synergies created by reaching a wider constituency.
2. DANIDA mapping in 2006 identified need to work with networks in promoting gender equality.
3. Through the consortium a convergence of strategies are achieved:
  - a. Training and Capacity Building
  - b. Policy briefs
  - c. Advocacy
  - d. Integrated approach with regional organizations; AU, AfDB, COMESA etc
  - e. Linkage with UN-MC Africa
4. A stronger voice for African in global cooperation.
5. The common platform of Microfinance Stakeholders in addressing poverty.
6. Stronger regional integration

### **2.3 The Project Document**

Dorothy Nduku, the Programme Coordinator at AFRACA led the discussion on the project document. The following is a summary of her presentation:

*Programme mission:* To build the capacity of the economically active rural women to save and make full use of credit accessed to build better lives free from chronic hunger and ravaging poverty

The Project will build capacities of rural women in target areas and of staff of implementing MFIs and will be co-managed by AFRACA & INAFI Africa over a 2 year period with a total budget of US\$ 500,000.

The implementing institutions include: MBT of Zambia, KWFT of Kenya, Pride Tanzania and FDM of Mozambique.

The target group for the project is 1,000 women in selected rural areas, 25 staff members and 5 institutions. Staff will undergo Training of Trainers (ToT).

*Justification:* To help rural women by improving their businesses with gains obtained from training to empower them to uplift their standard of living

*Vision:* A targeted rural woman accessing appropriate financial services easily to earn an income in the four areas, one in each selected country

*Project impact:* The Project will help the MFIs involved to gain significant progress in achieving gender empowerment. Empowered women will start earning some income and will be more involved in decision making at household level. In addition, women will easily be able to feed their families

The economic status of women will be improved as they grow their business and begin to make profits. Women will be able to feed their families, educate their children. Results from women activities will benefit the whole household i.e. 1,000 women.... 6,000

*Overall Objective:* Improve the capacity and economic base for the targeted rural women who have no credit facilities in the selected rural areas of Zambia, Tanzania, Mozambique and Kenya

*Specific objective 1:* To increase and improve capacity of targeted rural women micro entrepreneurs entering funded business for the first time in rural areas of Kenya, Zambia and Tanzania.

Target group is poor women involved in some form of business as well as those women who have the potential to start and run a business successfully

*Output:* 1000 rural women training in entrepreneurship, able to run businesses, receiving financial intermediation and 6,000 members of household benefiting from the scheme

*Specific objective 2:* Build MFI Institutional capacity to implement project activities

*Output:* Credit officers training on facilitation skills involving participatory methodologies, communication skills, business development services, customer service in participating institutions in the project period. Six persons from participating institutions trained on M&E. Acceptance of project promoters with personnel

*Project activities:*

#### Community level

- a. Community sensitization
- b. Group formation
- c. Group trainings
- d. Savings
- e. Appraisal
- f. Loan disbursement & Recovery

#### Institutional level

- a. Inception workshop
- b. Online discussion forum
- c. Trainings (one main training workshop on Team work and M&E)

#### Monitoring and Evaluation

- a. M&E will be an ongoing process

- b. Baseline survey will be carried out before first loan and re-administered after subsequent loan cycles
- c. Monthly meetings will be conducted by each MFI
- d. Quarterly visits to project sites will be conducted
- e. Quarterly reports will be submitted to AFRACA by each participating MFI
- f. Research on "Impact of training on effectiveness of rural group mechanisms" will be conducted.

*Project organization:*

- a. All project partners will be expected to work together
- b. Project manager – AFRACA
- c. Implementing institutions – MBT, KWFT, Pride Tanzania, FDM of Mozambique and INAFI Africa

*Risk factors:*

- a. Poor infrastructure e.g. road networks, telecommunication
- b. Political environment e.g. interference of interest rates at the local level.
- c. Failure of funding by the donor
- d. Overcoming Sustainability milestones
- e. Overstating the capacity of clients

*Assumptions:*

- a. Women are already there and in need of capacity building.
- b. Men at respective households are going to cooperate
- c. Get support from the local authorities in implementing this project.
- d. Working in groups is an acceptable leveraging factor for the targeted communities
- e. Indicators of financial access exist in national studies or through government bureaus of Statistics.

*The logical Framework:*

Led by the Facilitator, participants discussed the project logframe including all the indicators. Participants suggested additional indicators which were included. The final logframe is appended as Annex 4.

*The Project Budget:*

Mary Nandazi led the discussion of the budget with participants. The Budget is appended as Annex 5.

## **2.4 Networking**

Mary Nandazi to fill this short section

<b>Session 3: Roles and Responsibilities</b>
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Roles and responsibilities of each partner were discussed in relation to each of the activities in the global workplan for the project. The global workplan indication the roles of each partner is appended in annex 6.

#### **Session 4: Presentations from participating Microfinance Institutions (MFIs)**

Each of the three participating MFIs represented in the workshop delivered presentations about preparations they had done for the implementation of the project. Presentations focused on project area, target group, justification for the project, objectives, outputs, activities and monitoring and evaluation plans.

The following are summaries of the presentations made by the three participating MFIs. Detailed presentations are appended as Annex 7.

##### **4.1 Kenya Women Finance Trust (KWFT)**

###### *Background:*

- Kenya women finance trust is a microfinance institution offering financial services to women
- Currently KWFT has 170,000 members and 104 branches.
- The outstanding portfolio is around \$77million

###### *Challenges:*

- Lack of resources has hampered the coverage of some areas
- Poor infrastructure has contributed to inaccessibility of some areas.
- Lack of collateral and literacy levels has made the women in the area not to access financial services
- Cultural rigidities have made it difficult for women to own collateral

###### *Opportunity:*

- The institution has identified Turkana district as the project area and base the office in Lodwar.
- Currently the institution is not operating in the area.
- The women from the area has on several times called our offices requesting for our services
- An initial investigation from the district social services officer has established that there are over 300 registered groups in the district
- There is only one financial institution serving the area hence a demand for other players in the market.
- The distance from our nearest branch to the project site is around 200km.
- The distance from our head office to the project site is 700km

###### *Products:*

- KWFT will offer financial and non financial services in the area
- Business loans
- Individual loans
- School fees loans
- Consumer loans
- Afya card – health insurance loans
- Start up loans- youth & women enterprise fund

*Project description:*

- KWFT will open a unit office in Lodwar.
- A staff from the area (Turkana) has been identified
- Induction (coaching) of the staff will be done in other branches
- The implementation of the project will initially kickoff in Lodwar town
- An opinion leaders meeting will be called by the district commissioner and minuted in the DDC in order to secure buy in
- This will involve all the stakeholders .e.g. ministry of gender, DANIDA
- An outreach and promotion campaign will be conducted
- The training of the groups will take a minimum of eight weeks (training manual)
- The group to constitute 20 members of 4 subgroups (watanos)
- We plan to build the unit to be a profit centre in two years.
- The objective is to recruit a minimum of 300 clients and access credit to them in two year.(control group )
- The vision is to have a branch with around 2000 clients in four years

*Monitoring and evaluation:*

- Monitoring will be carried out on a monthly basis.
- A quarterly meeting shall be held after every three months at the regional level .
- The parameters to address are :
  - recruitment
  - repayment
  - drop-out rate
  - cost of lending
  - sustainability
  - number of businesses.
- An impact assessment will be carried out at the end of the project

## **4.2 Micro Bankers' Trust**

*Background:*

- Established in 1996 as a wholesale microfinance institution
- In 2001 it reoriented to providing retail loans (working directly with the communities)
- The settler of the Trust is Ministry of Community Development and Social Services (MCDSS)
- It is overseen by a Board of Trustees
- Day to day management is carried out by Chief Executive Officer, who reports to Board of Trustees

*Outreach:*

- Over 16,000 members have been reached since inception
- Currently over 7,000 active clients (borrowers) have been reached since inception
- Since inception over 10,000 loans have been disbursed
- 69% of both members and active borrowers are women
- MBT is present in 8 out of Zambia's 9 Provinces (in 25 districts)

*Products and services:*

- Financial
- Non- Financial

*Financial products:*

- A. Agricultural Loans
  - i. Irrigation Equipment Loans
  - ii. Farm Power Mechanization Equipment Loans
  - iii. Seed Loans
  - iv. Small Livestock/Diary Loans
- A. Cash or Business Loans
- C. Savings Promotion – 'Village Bank Concept'

*Non Financial Products:*

- A. Training  
Training is provided in methodology, credit management, and entrepreneurship as well as in demand driven financial management topics.
- B. Advisory and Counseling Services  
These services are rendered as part of the various credit management and entrepreneurship activities.

*Agricultural Loans:*

- i. Irrigation Equipment
- ii. Farm Power Mechanization (FPM) Equipment Loans
- iii. Seed Loans
- iv. Small Livestock/ Dairy Loans

*Cash or Business Loans:*

- MBT provides cash loans to cater for clients in the following sectors:
  - Commerce & Trade
  - Agriculture
  - Simple Manufacturing and
  - Service Provision
- These are short term loans of up to six months

*Savings promotion:*

- MBT promotes voluntary savings using the 'village bank concept'
- Through the facilitation of community based groups:
  - ASCAs
  - FAs

*DANIDA Project area:*

- Central Province, Zambia
  - Fiwila (Mkushi District)
  - Kabwe Rural

*Target group:*

- 300 Rural Women
  - with little or no education
  - Normally left out of the formal financial sector
  - Maybe involved in some form of business

*Objective:*

To increase and improve the capacity of targeted rural women micro entrepreneurs in central Zambia

*Output:*

- 300 rural women trained in entrepreneurship
- 300 women empowered and confident to run micro businesses with the chance of accessing loans
- Capacity built in 300 targeted women receiving financial intermediation
- 1,300 members of household benefiting from the scheme

*Activities:*

- Community Sensitization
- Baseline Survey/ Follow Ups
- Group Formation
- Group Training
- Loan Appraisal
- Loan Disbursement
- Loan Recoveries
- Monitoring and Evaluation

*Monitoring and evaluation:*

- Monthly Monitoring – Credit Officers
- Quarterly Monitoring – Coordinators
- Annual Monitoring – AFRACA/INAFI
- Reporting to DANIDA on quarterly basis

### **4.3 Pride Tanzania (PTZ)**

*Background:*

PRIDE Tanzania (PTZ) was Incorporated in May 1993 as a company limited by guarantee without share capital (not-for-profit). Pride Tanzania started operations in 1994.

*Mission:*

To create a sustainable financial and information services network for small and micro entrepreneurs in order to stimulate business growth, enhance income and create employment in Tanzania.

*Funding:*

Initially donor funded but from 2001 PRIDE Tanzania was able to sustain its operational costs using its internally generated funds using commercial or quasi- commercial sources of funds for expanding its operations

*Challenges of microfinance in Tanzania:*

- Available statistics shows that the combined outreach of all microfinance service providers reach only urban centres in Tanzania
- Close to 80% of the active population live in the rural areas, which are grossly underserved.

*Responses to the challenges:*

PTZ has decided to broaden and deepen access to financial services in rural areas by doing the following:

- Transform subsistence farmers into becoming entrepreneur farmers through agribusiness value chain financing and linkages aimed at changing the lives of the rural communities.
- This will be achieved through the creation of the RURAL FINANCE WINDOW department

*Pride Tanzania Rural Finance Window:*

PRIDE Tanzania's rural (RFW) intervention started in 2003 in collaboration with the Centre for International Research and Development (CIDR) in Iringa.

The CIDR handed over the project to PRIDE Tanzania in January 2007 and since then it has been under direct management of PRIDE Tanzania.

The intervention involves two main products:

- Agribusiness value chain financing for onion, paprika, rice, sunflower growers etc.
- Conventional micro enterprise financing i.e Irrigation, farm, business loans

*Pride Tanzania's Capacity Building of Women Entrepreneurs*

*Project Area:*

The Capacity building for women entrepreneurs will be implemented by PRIDE in Iringa region covering the two districts of Kilolo and Iringa rural where the rural financing activities are operated.

*Target group:*

The target clientele is the rural population particularly women farmers practicing market oriented production of staple and business crops.

*Justification for the project:*

- In Tanzania, the rate of poverty is very high. It is extremely worse in rural areas where the population lack financial boost, economic activities are left dealt out by women and family care is particularly assumed by women.
- It is also aggravated by the lack of infrastructure necessary to change socio-economic life
- There is no clean water, improved food, education, inadequate health care, clothing and housing.
- Women are leading hard family livings as they face the following problems;
  - Rural women lack access to financial support as rural life is dominated by men economically, socially, materially etc.
  - However, demand for microfinance in rural areas is as equally higher in the villages than it is assumed. And the situation reveals that there is great opportunity of untouched potential of micro financing in Tanzania
  - The result of this marginalization of rural women is chronic family hunger, malnutrition, ill health and illiteracy.
- Therefore the intervention of PRIDE Tanzania to empower rural women aims at tapping the fountain of rural life development (taking into consideration that women are the key producers and pillars for family care )

*Objective:*

Designing/implementing financial products and services adapted to rural life styles with the possibility of starting with existing women clients in pilot- then to others

*Output:*

Through empowering of rural women, PRIDE expects the following:

- Creating confidence within rural women in decision making concerning socio-economic life.
- The impact of educated women will benefit more family members
- Implementation of the program through involvement of the population to carry out the operations through self selected leadership.
- Enabling credit delivery and repayment mechanisms adapted to group organizations

*Activities:*

To enhance the capacity building of rural women entrepreneurs, PRIDE Tanzania will perform the following activities:

- Conduct baseline surveys of community and products,
- Undertaking community sensitization in order to create awareness ,
- Formation and training of groups
- Financing
- Monitoring and evaluation on the activity progress

*Monitoring, evaluation and reporting:*

Monitoring of the program groups will be effected through:

- Group formation—voluntary membership, use of group internal rules (on member registration and sub-group formation),
- Group leadership—self selected group leadership, formation of group committees for loans / discipline).
- Collaboration with government and local authorities,
- Groups to have written constitutions
- Direct supervision from responsible credit officer
- Implementation through activity plan,
- Regular group follow ups and meetings

*Evaluation and reporting:*

Group evaluation and follow up and reporting will be conducted as follows:

- Monthly—at initial periods before loan disbursement.
- After every repayment installment
- After repayment of the last installment.
- Visiting of individual member’s business.
- Also, sub-group/group leaders and the responsible credit officer to hold occasional and planned meetings to evaluate the progress of the group

To make it successful, PRIDE intends to implement the project as additional product to the list of the existing products. PTZ will also assign specific officers to coordinate and supervise the implementation of the program

*Conclusion:*

PRIDE is committed to implement Micro finance services to rural community to address the financial needs of the rural farmers who lack financial intermediation to enable them expand their production via design of responsive products to the rural needs.

**Session 5: Effective Community Group Training for Women**

The importance of training in this capacity building project cannot be over emphasized. According to the design, the project will require credit officers and others delivering training to women in their groups.

During this session, participants were asked to break into two groups and discuss the following:

- a. Factors contributing to effective community group training for financial services
- b. The process or outline of training programmes delivered by participating organizations and
- c. Potential challenges for training of women and suggested solutions

The following were the responses;

### **5.1 Factors contributing to effective group training**

- Must demand driven
- Must address group/individual needs
- Must be appropriate for the trainees
- Must be participatory
- Must understand language & culture (clear medium of instruction)
- Must be to the point (micro)
- Must be cost effective
- Must be timely
- Must have conducive venue
- Trainer must believe in what they are doing (Be a missionary & visionary)
- Trainer must be a motivator
- Trainer must be knowledgeable
- Use a variety of resource materials i.e. visual aids
- Language
- Skills
- Content of training
- Literacy/educational background
- Environment
- Infrastructure
- Culture
- Religion
- Materials for training e.g. use of visual aids
- Type of group i.e. homogeneity of group

### **5.2 Process or outline**

#### *Preliminary work*

- Needs assessment through baseline studies (understanding the viability of area)
- Familiarization of target area
- Community sensitization (general sensitization across genders)
- Mobilization (target women)

- Group formation

### *Training*

- Introduction
  - About organization
  - Group composition
  - Good group qualities
  - Group management
  - ROSCA/
- Recording Keeping and Leadership
  - Election of officials
  - Transparency & Good governance
- Group constitution & registration
  - Group to come up with by laws
  - Members should sign the constitution
  - Facilitate registration of group
- Verification of Individual members/assets/businesses/guarantors
  - Members visit each other and bring report to the group
- AFFIDAVIT (Legal binding document)
- Savings and loan management

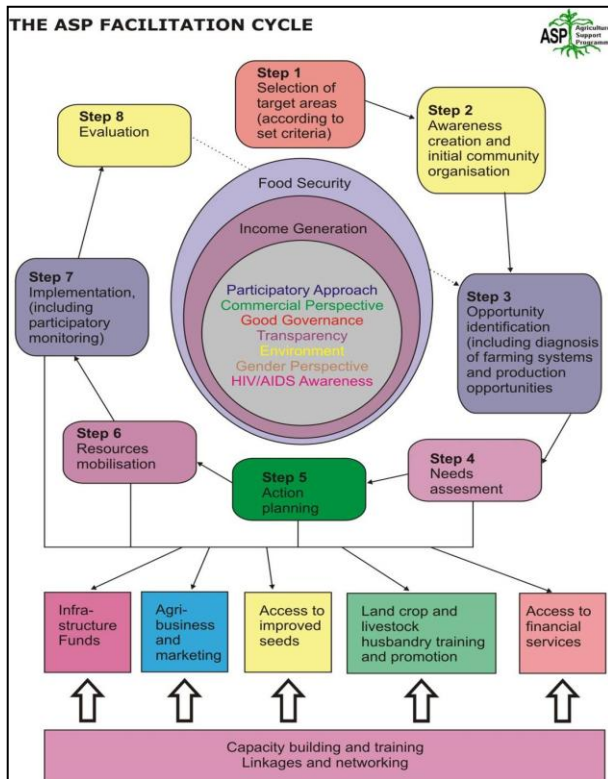
## **5.3 Challenges and solutions**

- Absenteeism
  - Introduce penalties for late coming and absenteeism
- No cooperation by the rest of the household
  - Use household approach
- Rigid customs and traditions
- Limited business opportunities in some rural areas
- Diversion of investment
- Time constraints (distance, workload)
  - Time management
- Language
  - Use of local community language.
- Low concentration span
  - Keep it short and simple (KISS)
- Low literacy levels
  - Use of role plays, visual aids and basic training methods (participatory)
- Costs
  - Cost sharing between MFI and community, fundraising from donors

## **5.4 Insights in dealing with women in rural area – the case of the Agricultural Support Programme (ASP)**

### Background:

ASP is a commercialization programme implemented through the Ministry of Agriculture and Cooperatives (MACO) funded by SIDA. ASP has been working with 44,000 households in 21 districts of Zambia in 4 provinces. The programme has two immediate objectives: increased food security and increased incomes through sale of agricultural products and services



### The Facilitation Process:

The approach has been guided by the facilitation cycle based on the "farming as a business" concept. The cycle has 8 steps:

1. Selecting the target area
2. Creating awareness and community mobilization.
3. Opportunity identification (groups, households and individuals understand that opportunities have to be identified before they can be exploited)
4. Assessing training needs (when opportunities have been identified gaps that would hinder full exploitation are identified and addressed)
5. Action planning (households, groups or individuals make a business plan which will assist exploit the

opportunities)

6. Mobilising resources (the entrepreneur has to be assisted to see the resources they have)
7. Implementation of the plan
8. Evaluation of the plan and lessons learnt for the next plan.

### How ASP has commercialized women:

At stage two of the cycle, community mobilization stage, the community will have agreed on the resource map, discuss the concept of farming as a business and the characteristics of a successful business, analyzed the gender constraints to economic development and formed interest groups.

### Interest groups:

- These groups can be women clubs, savings groups, cooperatives etc. but they should have a common interest.
- They form a platform for sharing experiences in the area of their business opportunity.
- This group sets a common group vision which guides them, it arises from the visions they have as individuals.
- All trainings are done at this level depending on what the group demands.
- Marketing can be done together as a group. The group reviews their action plans every time they meet.
- Cost sharing of services provided especially in trainings could be introduced at this stage.
- These women are members of a household so you can not entirely separate them from that unit

*The household approach:*

The main elements of the household approach are:

- Regular, consistent and semi intensive individual household visits are undertaken by facilitator.
- All adult members (husband, wife and older children) participate in setting household vision and plan how to achieve together
- With the guidance of the facilitator the household prepares a business plan together.
- The household mobilizes resources together for the implementation of the plan.
- Progress with the plan is reviewed together; and the benefits in terms of increased skills and knowledge, increased food security and increased incomes) are shared together.

This process which takes over a period of 3 seasons has had a tremendous impact in terms of commercializing women as part of a household (taken as a single economic unit.)

*Some activities of the programme:*

- Business development trainings: The ILO business programme of 3 sets (Generate your business idea, start your business and improve your business)
- Linkages with service providers,
- Savings development as a sustainable source of funds, investments, credit management, insurance of businesses.
- Action planning and market research.
- Women entrepreneurship workshops.
- Out-grower management training.
- Productivity trainings in commodities that have potential and markets

*Some outcomes:*

- 40% of small Out-grower schemes are owned and managed by women. The sizes of these business range from (K1, 000,000 to K15,000,000 in a year).
- More women joined seed growing, cooperatives, and even middlemen.
- Women are able to keep records of their business.

- Women are able to continue running businesses even when the spouse is out of the home.
- 20 % of camp agricultural committees are chaired by women.
- More than 50% of members of savings and credit associations are women. A person who can save is a better candidate for financial assistance
- The household approach has empowered women to make decisions in their own households with regards to assets and investments.
- The ILO trainers have trained business mentors that are providing business mentorship in their own localities.

*Challenges:*

- Business requires keeping records; this is more difficult due to low literacy levels in most rural areas.
- The process requires change of deep rooted attitudes not only of beneficiaries but for facilitators as well.
- The concept of self reliance is usually disturbed by programmes that promote free handouts.
- Some policies discourage businesses where markets are interfered with dumping and price controls

*Conclusion:*

The most appreciated process by farmers has been the ability to make business plans and follow them and see themselves achieving things they never did before. Women groups should be able to evolve into a business support entity themselves helping the community at large e.g. outgrowing. For all the above to happen facilitators have to be convinced that facilitation works

## Session 6: Monitoring and Evaluation

Another important aspect of the DANIDA project is monitoring and Evaluation. Namaya Lewanika from MBT shared some ideas about M&E. A summary of her presentation is given below:

### 6.1 Definitions

*Monitoring* means to systematically observe the implementation of a project, its effects and frame conditions on the basis of the project's plans and to document relevant information and data

It is the systematic and continuous collection, analysis and use of information for the purpose of management and decision making

*Evaluation* is a periodic assessment of the efficiency, effectiveness, impact, sustainability and relevance of a project in the context of the stated objectives. It is usually undertaken as an independent examination of the background, objectives, results, activities and means deployed, with a view to drawing lessons that may guide future decision making

*M&E requires:*

- The on-going, structured comparison of the planned and actual status of the project; and
- The on-going assessment of deviations from planned targets based on which decisions on how to steer the project to improve project implementation and performance can be made.
- Both Monitoring and Evaluation must - most often - be carried out simultaneously
- In case of any severe deviation and **before** plans are periodically updated, project plans need to be critically assessed as to whether they still adequately respond to the implementation experience of the project, the frame conditions and the felt needs of the target group

### 6.2 Project Cycle Management

Project cycle management consists of the following major elements:

- Project planning
- Project design
- Project planning matrix/Log frame
- Work plans

Planning is the basis for M&E. M&E is the basis for reporting, internal evaluation, external evaluation, reflective thinking, project steering i.e. re-planning, re-designing or even discontinuation of a project

### 6.3 Project Planning Matrix (PPM) or Logframe

A PPM is a matrix in which a project's intervention logic, objectively verifiable indicators, sources of verification and assumptions are presented. The Logical Framework was developed in the 1970s and is now used by a large number of different agencies. This should reflect the causal relationships between the different levels of objectives, to indicate how to check whether these objectives have been achieved and to establish what assumptions outside the control of the project/programme may influence its success

The Logical Framework thus becomes the tool for managing each phase of the project cycle and a "**MASTER TOOL**" for creating other tools such as:

- the detailed budget
- the breakdown of responsibilities
- the implementation schedule
- the monitoring plan

*Indicators:*

A good OVI should be **SMART**:

- Specific: measure what its supposed to measure
- Measurable
- Available at acceptable cost
- Relevant with regard to the objective concerned
- Time bound

*Requirements of an indicator:*

- Valid—measure what it's supposed to measure
- Reliable (objectively verifiable)
- Sensitive to changing circumstances
- Specific to the objective
- Cost effective
- Factual

It is not always possible to have an indicator which meets all the requirements

### 6.4 M&E Matrix

An M&E matrix outlines all the M&E activities that will be undertaken by a project/programme. It is a plan of major M&E activities. It spells out the following:

- The purpose of the M&E activity
- Who it is being done for

*M&E Plan:*

A Plan is:

- A schedule of activities to be done in the future
- Logical sequence of doing things in the future

The following are critical features of an M&E plan:

- The M&E Matrix
- M&E Plan of operation/work plans
- Assessment of indicators
- M&E Reporting Form/List of Indicators

*Outline of an M&E Plan:*

- The Log Frame
- The Monitoring System
- The Evaluation system

*Data Collection:*

Common methods of collecting data include:

- Project visits
- Case studies
- Spot checks
- Observation
- Literature review

*M&E System maintenance:*

The cost of running an M&E system can be considerable. The cost should be carefully considered and included in the project budget

The costs include: The cost of designing the system. This includes staff time, workshops, training, external consultants

*Reporting:*

Reporting is giving written or verbal account of what was planned against what was achieved. It includes a detailed analysis of deviation between planned and achieved giving the explanations for the observed deviation. It also explains the context in which the project was operating and any changes to that context during the reporting period

## **6.5 Reporting format/outline**

Cover page

Table of contents

Executive summary

Introduction

- project title, duration, funding
- background to project (why & how)
- project objectives
- Management and coordination

Presentation of M&E information – planned vs actual and explanation of variances, trends, thematic issues, assumptions

Lessons learnt

Conclusion and way forward

## Session 7: Reporting requirements

Participants debated reporting requirements for the project in plenary and agreed on the format below which is guided by the indicators in the logframe.

### 7.1 Quarterly Reporting Format/Outline

- Cover page
- Table of contents
- Executive summary

#### 1.0 Introduction

- Project title, duration, funding
- Background to project (why & how)
- Project objectives

#### 2.0 Management and coordination

#### 3.0 Presentation of M&E information – planned vs actual and explanation of variances, trends, thematic issues, assumptions

#### 4.0 Lessons learnt

#### 5.0 Conclusion and way forward

### 7.2 Monitoring & Evaluation Reporting

#### *Overall Objective:*

To build capacity in targeted rural women to enable them create wealth and reduce poverty in selected areas in Mozambique, Zambia, Tanzania and Kenya.

#### *Outcomes:*

##### Verifiable Indicator:

- % of clients having increased contribution to family income
- % increment in assets at the household
- No. of household benefiting from the project

#### *Output:*

- More than 6,000 household members of the women clients benefiting from the project.

NB: We need to differentiate the household from the individual client.

	Verifiable Indicators	Planned	Actual	Remarks/Comments
<b>Specific Project Objectives</b>				
<ul style="list-style-type: none"> <li>To strengthen the capacity of rural women to improve their entrepreneurship skills</li> <li>To build institutional capacity in implementing and participating organizations to improve their service delivery</li> </ul>	<ul style="list-style-type: none"> <li>No. of women running profitable businesses</li> <li>No. of institution staff trained</li> </ul>	<ul style="list-style-type: none"> <li>950 women running profitable businesses.</li> <li>25 staff trained</li> </ul>		
<b>Activities</b>				
<ul style="list-style-type: none"> <li>Provide training for potential beneficiaries</li> <li>Loan and savings activities <ul style="list-style-type: none"> <li>Loan disbursement</li> <li>Loan recovery</li> <li>Saving mobilization</li> </ul> </li> <li>Linkages with other agencies such as insurance companies, agricultural extension officers etc.</li> <li>Hold training for staff at implementing institution</li> </ul>	<ul style="list-style-type: none"> <li>No. of clients trained</li> <li>No. of women clients on repeat loans</li> <li>No. of women clients on repayment</li> <li>Amounts of voluntary savings per client</li> <li>Amounts of mandatory savings per client</li> <li>No. of businesses running/operating</li> <li>Number of clients trained on entrepreneurial skills, group dynamics</li> <li>No. staff trained at implementing institution</li> <li>No. of linkages created by type</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>1,000 clients trained</li> <li>95% of targeted 1,000 rural women clients have shown increased contribution to family income</li> <li>80% of 1,000 women clients come for a repeat loan</li> <li>Attain 90% repayment rate among the groups</li> <li>1,000 women trained in entrepreneurial skills, group dynamics, reproductive health etc.</li> <li>A number of institutional officers trained in participatory methodologies communication skills, business development and customer services in monitoring and evaluation skills.</li> </ul>		

## **Session 8: Global action plan**

Having discussed the various aspects of the project, participants debated the global action plan in view of changes in the timelines for each activity. The agreed workplan is appended as annex 6.

## **Session 9: Implementation arrangements**

Apart from the arrangements already discussed during other sessions, the following were agreed:

- a. Funds for the project will be disbursed to implementing MFIs within a period of a week as follows:
  - Funds for training activities will be transferred by AFRACA as soon as the concerned officers returned to their officers
  - Participating MFIs were requested to submit budgets for their respective baseline study exercises upon which AFRACA will base the transfer of funds for the activity

## **Session 10: Workshop Evaluation**

Each participant was asked to answer the following question.

1. Score on a scale of 1 to 5 (high) for relevance & appropriateness of the following sessions:
  - a. DANIDA project perspectives
  - b. The Microfinance consortium
  - c. The project document
  - d. The logframe
  - e. The budget
  - f. Networking
  - g. Roles of partner institutions
  - h. Effective group training
  - i. Monitoring & Evaluation
  - j. Harmonization of workplans
2. Which session did you find most useful?
3. Which session would you want repeated?
4. Comment of the logistical arrangements of the workshop
5. Give any general comment about the workshop

The responses are shown in annex 8.

## **Session 11: Closing**

In closing the workshop, Grace Nkhuwa of Micro Bankers' Trust thanked participants for coming and encouraged them to work hard and justify the case for rural women in the four countries.

**Annex 1**  
**Workshop Programme**

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**Annex 2**  
**List of Workshop Participants**

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<b>No.</b>	<b>Names</b>	<b>Position</b>	<b>Organisation</b>
1.	Namaya Lewanika	Financial Services Coordinator	MBT
2.	Darius Njenga	Programme Officer	INAFI
3.	Herman Lukwesa	Agricultural Projects Coordinator	MBT
4.	Andrew Shija	Rural Finance Officer	PTZ
5.	Margaret Mwenya	Facilitation Team Leader	ASP
6.	John M. Marwa	Agribusiness Officer	PTZ
7.	Dorothy Nduku	Programme Coordinator	AFRACA
8.	Mary Nandazi	Secretary General	AFRACA
9.	Grace Nkhuwa	Chief Executive Officer	MBT
10.	Cecilia Chishimba	Administrative Assistant	MBT

**Annex 3**  
**Project document**

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**Annex 4**

**Logical Framework for the Project**

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**Annex 5**

**Budget for the Project**

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**Annex 6**

**Global workplan for the project**

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**Annex 7**

**Presentations from Participating MFIs**

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- 1. KWFT**
- 2. MBT**
- 3. PTZ**

## Annex 8

### Workshop Evaluation

1. Scores for relevance and appropriateness of the sessions:

Session	P1	P2	P3	P4	P5	P6	P7	P8	avg
a.DANIDA Perspectives	4	3	4	4	4	5	5	4	4.1
b.The MFI consortium	4	3	4	4	2	5	5	4	3.9
c.The project document	4	3	5	4	5	5	4	4	4.3
d.The logical framework	4	2	4	4	5	5	5	4	4.1
e.The Budget	3	3	5	4	4	5	5	4	4.1
f.Networking	4	4	3	5	4	5	5	4	4.3
g.Roles & responsibilities	4	4	3	5	5	5	5	4	4.4
h.Effective group training	5	3	3	5	4	5	5	4	4.3
i.M & E	4	3	4	5	4	5	5	4	4.3
j. Workplans harmony	4	3	3	5	5	5	5	4	4.3

2. The most useful session

Session	Tally	Score
DANIDA Perspectives	11	2
The MFI consortium	1	1
The project document	11	2
The logical framework	11	2
The Budget	11	2
Networking	1	1
Roles & responsibilities	111	3
Effective group training	1111	4
M & E	11	2
Harmonisation workplans	1	1

3. session to be repeated

Session	Tally	Score
DANIDA Perspectives		NIL
The MFI consortium		NIL
The project document		NIL
The logical framework	1	1
The Budget	11	2
Networking		NIL
Roles & responsibilities		NIL
Effective group training	1	1
M & E	1	1
Harmonisation workplans	1	1

4. Logistical arrangements for the workshop

- Very good
- Good

- Fairly well planned, good environment and thumbs up to MBT
- OK
- Good
- Good
- OK
- Fine

5. General comments on the workshop

- We need to concentrate when dealing with rural women
- The workshop has extremely prepared MFIs for the implementation
- Facilitation was fairly good
- It was ok. Objectives were achieved
- Brief and concise and only involved relevant people with tangible outputs
- The workshop was good, well facilitated and interactive
- Expect to have another workshop to share more ideas