



Global Fund for Muslim Women



Microcredit in Senegal

Six-Month Report for the period of
March 1, 2011 – August 31, 2011

Submitted by Tostan on
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1. Key Project Staff

Molly Melching	Executive Director
Jennifer Hedrick	Director of Operations
Gannon Gillespie	Director of External Relations
Khalidou Sy	National Coordinator, Tostan Senegal
Cheikh Diouf	CMC Development Manager
Samba Sy	CMC Development Supervisor, Kaolack

2. Tostan Terms and Acronyms

CBO	Community-based Organization
CEP	Community Empowerment Program: Tostan’s holistic three-year community development program combining classroom learning and community social mobilization.
CMC	Community Management Committee: The cornerstone of Tostan’s program, these 17-member groups are selected through a democratic process and are responsible for leading the development process by reinforcing class activities, organizing community meetings and social mobilization events, and leading microcredit activities.
FGC	Female genital cutting
IGA	Income-generating Activity

3. Introduction

For the past 20 years, implementation of Tostan's Community Empowerment Program (CEP) has been highly successful in bringing about sustainable community-led development in eight African countries. Offered to rural communities in their own languages, the CEP is a comprehensive 30-month nonformal education program led by Tostan-trained facilitators. Using culturally-relevant visual tools alongside traditional communication methods—including song, dance, poetry and storytelling—these facilitators lead participatory class sessions on democracy, human rights, problem-solving, hygiene, health, literacy, math and project management. These sessions have been carefully designed and tested to encourage reflection and dialogue about the assumptions and beliefs that uphold harmful social norms or practices. The CEP introduces guiding principles for community development that empower participants to build consensus around new social norms. By simultaneously training newly-formed Community Management Committees (CMCs) in each village, Tostan ensures strong leadership for sustainable socio-economic development.

Tostan's program invests heavily in women by promoting respect for women's rights and providing new opportunities for women's social and economic leadership. By engaging whole communities and their wider social networks to reach a consensus on the importance of equal treatment and opportunities for women and girls, the program has led to higher school enrolment, a decline in domestic violence and support for women entrepreneurs. External evaluations of Tostan's program have revealed positive results in empowering women and girls, improving maternal and child health and supporting the voluntary abandonment of female genital cutting (FGC) and child/forced marriage.

In 2001, Tostan introduced the CEP into Wolof and Fulani communities in the Kaolack Region of Senegal. Four of these villages—Gapack, Fass Toucouleur, Latmingué, and Koupedj Sérère—have been particularly active since the end of this program, reaching out to more than 500 women, men and adolescents to share information about human rights and responsibilities. Each community's CMC has shown dynamic leadership in organizing community clean-ups, setting up small traditional savings groups and starting small collective businesses with these savings. They have all received official civil society organization status from the government of Senegal.

In January 2011, Tostan requested a grant from the Global Fund for Muslim Women (GFMW) to support these four CMCs through a microcredit program involving training on how to run a rotating credit fund, conduct feasibility studies, set up income-generating activities (IGAs) and engage in basic marketing. This partnership between Tostan and the GFMW was formalized in February 2011. The following report provides a brief midterm update on the activities and achievements of the microcredit program thus far.

4. Project Summary

The goal of this project is to strengthen the capacity of four CMCs: Gapack, Fass Toucouleur, Latmingué and Koupedj Sérère.

This goal is being achieved through the following:

- 1) Introducing sessions on conducting a feasibility study and starting and managing an income-generating activity to encourage the sustainability of CEP outcomes, reinforce knowledge gained in the basic education sessions, and propel the CMCs to become active Community Based Organizations (CBOs);
- 2) Providing each qualifying CMC with \$700 to start an income-generating activity in their community. Each CMC will decide if they want to do a collective project or divide the money between the women, who will then repay with a small participation fee that goes into the communal fund.

5. Activities Accomplished (March – August 2011)

The four CMCs that were originally proposed to the GFMW for the receipt of microcredit funds were selected based on their strong record of community-led activities promoting health, education, civil society engagement, economic development and the abandonment of harmful traditional practices. Tostan is pleased to report that its earlier assessment of the CMCs in the communities of Gapack, Fass Toucouleur, Latmingué and Koupedj Sérère was confirmed several months later, and that these same CMCs were considered eligible to receive the microcredit funds.

Following an internal delay in commencing project activities, Tostan staff carried out a comprehensive training on microcredit and microenterprise for the members of these four CMCs on June 4-7, 2011.

This training included an overview of different types of microcredit programs offered by banks and microcredit institutions, and presented the structure and objectives of Tostan's microcredit program. As each of the CMCs has completed Tostan's nonformal education program, the microcredit program provides an opportunity to put into practice the knowledge and skills gained in their classes by developing new IGAs that support the socio-economic wellbeing of themselves and their community.

During the training, participants became familiar with a draft agreement defining the responsibilities of both Tostan and each CMC in order to ensure the smooth running of the microcredit program. This agreement includes the period of loan cycles, interest

rates, acceptable use of funds and potential IGAs, reinvestment of profits, and the conditions under which a participant could be cut off from the program. They discussed the 6-month meetings that will evaluate each loan cycle and its successes. Tostan's expectations were clearly presented, along with plans for monitoring and evaluating the project.

Following these initial discussions, Tostan staff led sessions on how to conduct a feasibility study, different types of microenterprises, how to select the most viable project opportunity, and project management. The CMCs had gained skills in each of these areas during the CEP, but it was important to reinforce their knowledge and skills so that they could make the best use of this microcredit opportunity. Several of the communities were well-equipped in the area of project management, as they had previously started small IGAs using CMC savings funds. The village of Gapakh, for instance, had already started a collective community garden. With microcredit support from the GFMW, they will now have the opportunity to begin marketing their produce surplus.



Gapakh CMC members in their community garden

At the conclusion of the training, Tostan staff distributed the microloans to each of the CMCs, along with a simplified ledger for project accounting. The CMCs committed to using these microloans to support a variety of economic activities, and to use any resulting profits to either reinvest in the fund or for CMC-managed initiatives to improve the community's development, health and wellbeing.

The date of the first repayment and collection of funds has been set as December 15, 2011. The monitoring and supervision will be managed by Mr. Samba Sy, who is in charge of overseeing CMC's development activities in the Kaolack region.

Village of Gapakh

- The microcredit funds were distributed on June 7, 2011 to 26 participants, including 23 women and 3 men.
- Each participant received a loan of 13,400 CFA, which left 1,600 CFA remaining in the till. The loans have an interest of 3,000 CFA which will amount to 78,000 CFA in total.
- The loans will mature in six months (June 7 – December 7, 2011), during which time the recipients aim to turn a profit through their selected IGAs.

Participant Portrait: Coumba Ndappa

Coumba Ndappa is 47 years old and a mother of seven. She was married at the age of 16, and while she had completed primary school by this time, was forced to leave school when she got married. Coumba attended the Tostan program in her village, and learned about human rights, health, literacy, math and project management. She now knows how to read and write in her national language, Wolof. Coumba is the treasurer of both the Gapakh CMC and the Rural Council, and is also a member of the “Returning to Agriculture Group” in her village. Coumba received a microloan of 13,400 CFA, which she will use to carry out an IGA of her choice.

Village of Koupedj Sérère

- The microcredit funds were distributed on June 7, 2011 to 46 participants, including 39 women and 7 men.
- Each participant received a loan of 7,500 CFA, leaving 5,000 CFA with the CMC. The loans have an interest rate of 23%, which will amount to 79,350 CFA in total.
- The first loan period lasts from June 7 to December 7, 2011.

Participant Portrait: Kéwé Faye

Kéwé Faye is 32 year old and has four children. She has been divorced for three years. Kéwé completed six years of primary school, but had to abandon her studies when she got married. Since participating in the Tostan program, she is now literate in Wolof. Kéwé is the vice president of the Koupedj Sérère CMC. She used her loan of 7,500 CFA to buy a large quantity of powdered soap and began re-selling it in small bags at a price of 500 CFA each. If she continues to sell 24 bags a month over the six-month loan period, she will make a profit of 75,000 CFA.

Village of Fass Toucouleur

- The microcredit funds were distributed on June 10, 2011 to 10 participants, all women.
- Each participant received a loan of 35,000 CFA. The loans have an interest rate of 20%, which will amount to 70,000 CFA in total.
- The first loan cycle lasts six months (June 10 – December 10, 2011).

Participant Portrait: Adam Ndaw

Adam Ndaw is 20 years old, and is the mother of 2 children. She was married at the age of 17 and was forced to abandon her high school studies. When the Tostan program began in Adam's village, she enrolled and completed each of the program modules. Adam is the secretary of the Fass Toucouleur CMC, and aside from this responsibility, her daily activities include housework, cooking and looking after her children. She received a loan of 35,000 CFA, with which she plans to engage in small business activities. So far, Adam has spent 25,000 CFA to purchase wholesale quantities of tea, sugar, powdered soap, clothes and shoes, which she will sell at retail prices to turn a profit.

Latmingué

- The microcredit funds were distributed on June 7, 2011 to 31 participants, all women.
- 30 of the participants received a loan of 10,000 CFA, and one received a loan of 15,000 CFA, leaving 35,000 CFA with the CMC.
- The loans will mature in six months (June 10 – December 10, 2011), during which time the recipients aim to turn a profit through their selected IGAs.

Participant Portrait: Fatou Mané

Fatou Mané is 29 years old and has three children. She got married when she was 22, and which point she dropped her high school studies. Fatou also completed the entire CEP and she is the secretary of her village's CMC. Fatou received a microloan of 10,000 CFA, of which she has spent 5,000 CFA to purchase fruit at wholesale prices. She is selling the fruit at retail prices for a profit.

Microcredit funds distribution (in local currency and USD)

Village	Amount Received	Number of recipients			Loan size	Amount of interest	Total interest(to be reinvested in the community)
		Female	Male	Total			
Gapakh	350,000 CFA (\$771.60)	23	3	26	13,400 CFA (\$30)	3,000 CFA (\$6.50)	78,000 CFA (\$172)
Koupedj Sérère	350,000 CFA (\$771.60)	39	7	46	7,500 CFA (\$16.50)	1,725 CFA (\$3.80)	79,350 CFA (\$174.90)
Fass Toucouleur	350,000 CFA (\$771.60)	10	0	10	35,000 CFA (\$77)	7,000 CFA (\$15.40)	70,000 CFA (\$154.30)
Latmingué	350,000 CFA (\$771.60)	31	0	31	30: 10,000 CFA(\$22) 1: 15,000 CFA (\$33)	-	-
TOTAL/ AVERAGE	1,400,000 CFA (\$3,086.60)	103	10	113	\$26.50 (AVERAGE)	\$6.11 (AVERAGE)	\$501

6. Monitoring and Evaluation

The four CMCs have been trained on the use of a simplified ledger that will help them track all expenses related to their income-generating activities. Tostan will carry out visits to monitor the CMC's management of projects and to provide any necessary guidance. Tostan supervisors will verify the correct use of the ledger and other project management tools, and collect qualitative and quantitative information to track project success. During the final month of project implementation, Tostan will conduct an internal evaluation in the four communities, and will share the results with the GFMW.

7. Challenges

One challenge that the Tostan team faced was due to the fact that the project villages had finished the CEP several years ago, and at different times. For example, Fass Toucouleur completed the Tostan program in 2003, Koupedj Sérère in 2006, and Latmingué in 2008. Over this time period, Tostan had slightly revised several aspects of its training on project management. In fact, some of the villages were participating in this module during its very early trial stages. The project team overcame the differences by going to visit each CMC to assess how it functioned and to explain the aims of the project. After these meetings, the team was able to create a training program that suited both the previous knowledge of the participants and the aims of the project.

8. Conclusion

Successful income-generating activities can empower individual community members and ultimately finance collective projects that improve the living conditions and wellbeing of the community. This could include building a school, health hut or latrines; improving village infrastructure or setting up an irrigation system; purchasing a grain mill or agricultural tools; or promoting health and hygiene through awareness-raising campaigns.

While the first microcredit cycle will reveal the short-term impact of these loans, the project has already been successful in that it has given women an opportunity apply the skills and knowledge that they gained through the Tostan program. Simply having access to a microloan and being able to engage in their own IGAs is a unique opportunity that many of the participating women have not had before. Many women were pulled out of school for marriage before completing their education, and have not had the level of autonomy that they might have had with a full high school education. From their proposed use of these funds, it is clear that they are making the most of this opportunity with the local resources available to them. They are applying the training they have received to plan their own IGAs. In this way, the project is allowing women to claim their right to economic independence by becoming fully productive economic agents in their community.



Faoura Djigo, Fass Toucouleur CMC Coordinator