Senegal

Progress Report
January to June 2011

Netherlands Trust Fund II
Introduction

Error! Reference source not found. below presents a brief overview of key information on the Senegal NTF II project.

<table>
<thead>
<tr>
<th>Project name</th>
<th>Value</th>
<th>Key stakeholder(s)</th>
<th>Project outputs</th>
<th>Major milestones</th>
<th>Status</th>
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<tbody>
<tr>
<td>NTF II Senegal</td>
<td>US$ 1.1mil</td>
<td>ASEPEX (lead TSI), Ministry of Commerce, Senegal, CFAHS</td>
<td>Output 1.1: The emancipation of the mango industry in the Cooperative Federation of Actors Horticulture Senegal (CFAHS) is encouraged and the contribution of CFAHS is evaluated. Output 2.1: Strengthen the skills of TSIs private sector in coordination with the CFAH in the areas of technical and export, quality, packaging and export financing to support all the actors in the value chain of the mango industry to improve export competitiveness. Output2.2: ASEPEX and private sector TSIs are more equipped in information, marketing and promotion tools to provide support services to mango exporters to the European market.</td>
<td>1. Project document ready to be signed. 2. Work plan for next six month agreed and ready to be implemented.</td>
<td>Ongoing</td>
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Overview of Project Implementation

Results achieved:
The last programming mission established a road map between ASEPEX, ITC and CBI to coordinate implementation of NTFII and BSOD programmes. It was agreed that 6 months work plans for BSOD and NTF II are agreed, and then will be reviewed at the end of each period to measure progress and agree the next steps. It is expected that the project document will be signed...
in June/July 2011. Implementation has been initiated in close cooperation with ITC technical section and ASEPEX.

- The project document was finalized and submitted to partners in Senegal, CBI and ITC-PQAG for comments/feedback. Comments from PQAG were received and will be integrated. The project approach was readjusted based on the new developments that had taken place in the horticulture sector, and the limited remaining time available to implement the project. The project scope is narrowed and focuses more specifically on constraints faced by the mango sector in Senegal in terms of export to new markets. Inputs and comments from the various technical sections enabled the NTF II team to improve the quality of the document and to define a specific RBM Framework.

- A work planning session was organized in Dakar from 6 to 8 April 2011 to detail and agree the activities and the implementation timeframe for the next period of 6 months. Detailed discussions on the implementation approach, the timing and cost sharing took place with ASEPEX and CFAHS. Meetings with CIDA (Canada), US AID and UNDP helped identify possible synergies between NTF II and other development projects being implemented in Senegal. For instance, with the Canadian cooperation programme “PADEN” on horticulture in the Niayes region, complementarities have been discussed and it was agreed that regular consultations will be organised so that synergies are built as we move forward with implementation. A detailed 6 month work plan was agreed with ASEPEX and CFAHS.

- The terms of reference of the field coordinator were finalized in coordination with ASEPEX and the recruitment process launched recently. Implementation will start with two detailed analyses which will serve as a basis to further refine future interventions. First, a market opportunity study is to be conducted in selected target European markets to present a detailed analysis of market potential (particularly for export diversification) and market requirements. The second is to update and complete analytical information on the mango value chain in the Niayes region in Senegal. The two studies will enable ITC and partners in Senegal to identify the gaps and the areas that need to be improved to ensure increased export competitiveness. TORs for national and international consultants are finalized and both studies are to be launched in June. Activities related to other project components are also being initiated with preliminary desk research and analysis of existing information.

**Linkages and coordination:**

USAID is progressively withdrawing from the mango sector in Senegal. The Canadian programme PADEN in the Niayes region will address supply side constraints (the production end of the value chain). Concrete talks took place during the last work planning mission with PADEN/CIDA. It was agreed that regular consultations will be organised so that synergies are built as we forward with implementation.

**Resources:**

Expenditures by end of May 2011 reached US $ 45,300.

**Financing arrangements:**

No changes in financial arrangements. Expenditures will pick up as implementation moves faster to reach cruising speed.

**Cross-cutting issues:**

Sector selection (mango) took cross-cutting issues into account: women and families are the main mango growers and potential exporters that will certainly benefit from the intervention.
**Key quality and sustainability issues:**
Even though the current atmosphere is optimistic and promising, close follow up of the lead TSI and coordinating partner ASEPEX should be undertaken by the Ministry of Commerce, ITC and CBI once implementation starts in order to assure effective project deployment according to agreed work plans. The sustainability of the new cooperative CFAHS remains uncertain and will be closely overseen.

**Project adjustments**
Budgets have been cut significantly across the NTF II programme. The current budget for NTF II Senegal is US$ 1133'500. This was communicated to and accepted by the partners on the field.

**Problems and their solutions:**
ASEPEX has shown a growing involvement, commitment and initiative in project implementation, which reduces previous problems in terms of weak commitment and low responsiveness. Project management keeps a regular dialogue with the Ministry of Commerce to ensure that ASEPEX remain under reasonable and healthy pressure to deliver what it has committed to.

**Changing circumstances:**
From NTF II standpoint the creation and progressive development of CFAHS is good news for the mango sector’s and its stakeholders. Still NTF II will closely oversee the CFAHS’s developments and evaluate how reliable it becomes as a TSI to work with as the project is being implemented.

**Risk analysis:**

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<th>Nature of risk</th>
<th>Likelihood</th>
<th>Consequences</th>
<th>Mitigation</th>
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<td>CFAHS is not operational as hoped.</td>
<td>Medium</td>
<td>The CFAHS’s reliability and sustainability remains uncertain. Delays; incomplete implementation, lower know-how transfer effects; lower impact on umbrella institution level.</td>
<td>NTF II will closely oversee the CFAHS’s developments and evaluate how reliable it becomes as a TSI to work with as the project is being implemented. If the CFAHS is confirmed not enough operational, interventions should be redirected towards existing and operational TSIs in the Niayes region.</td>
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<td>The Niayes region and its stakeholders do not fully benefit from project activities</td>
<td>Low</td>
<td>The targeted Niayes region remains beneficiary only marginally and knowledge transfer effects remain concentrated in Dakar with ASEPEX and the CFAHS secretariat (if operational).</td>
<td>Careful monitoring will be required directly and via the field coordinator so that concerned TSIs and SMEs in the Niayes region (members of the CFAHS) absorb the assistance provided.</td>
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**Adaptation of Logical Framework:**

Minor changes in the numbering only were undertaken, as follows:
Outcome 1: Strengthened capacity of TSIs in the private sector to provide effective support services to facilitate the development of mango exports.

Output 1.1: The emancipation of the mango industry in the Cooperative Federation of Actors Horticulture Senegal (CFAH) is encouraged and the contribution of CFAH is evaluated.

Outcome 2: Improved operations, financing and marketing of the mango industry through ASEPEX and private sector TSIs in order to comply with requirements of European markets.

Output 2.1: Strengthen the skills of TSIs private sector in coordination with the CFAH in the areas of technical and export, quality, packaging and export financing to support all the actors in the value chain of the mango industry to improve export competitiveness.

Output 2.2: ASEPEX and private sector TSIs are more equipped in information, marketing and promotion tools to provide support services to mango exporters to the European market.