



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board - Sixty-Fourth Session
Rome, 9-10 September 1998

REPORT AND RECOMMENDATION OF THE PRESIDENT

TO THE EXECUTIVE BOARD ON A PROPOSED

TECHNICAL ASSISTANCE GRANT

TO

AFRICAN REGIONAL AGRICULTURAL CREDIT ASSOCIATION (AFRACA)

FOR

**STRENGTHENING THE FRAMEWORK FOR THE PROVISION OF INVESTMENT
CAPITAL FOR THE RURAL POOR IN SUB-SAHARAN AFRICA**



TABLE OF CONTENTS

ABBREVIATIONS AND ACRONYMS	ii
TECHNICAL ASSISTANCE GRANT SUMMARY	iii
PART I INTRODUCTION AND IFAD STRATEGY	1
PART II SECTORAL CONTEXT	1
PART III RATIONALE	2
PART IV THE PROPOSED PROGRAMME	2
PART V IMPLEMENTATION ARRANGEMENTS	4
PART VI EXPECTED BENEFITS	5
PART VII RECOMMENDATION	5
APPENDIXES	
I. AFRACA AND ITS MEMBER INSTITUTIONS	1
II. PROGRAMME PLANNING MATRIX (PPM)	3
III. MATRIX OF ACTIVITIES TO BE UNDERTAKEN BY AFRACA	4
IV. PROGRAMME COSTS	5



ABBREVIATIONS AND ACRONYMS

AFRACA	African Regional Agricultural Credit Association
APRACA	Asia-Pacific Rural and Agricultural Credit Association
FAO	Food and Agriculture Organization of the United Nations
GTZ	Gesellschaft für Technische Zusammenarbeit (German Agency for Technical Cooperation)
LB	Linkage Banking
NENARACA	Near East-North Africa Regional Agricultural Credit Association
SHG	Self-Help Group
TA	Technical Assistance
TCDC	Technical Cooperation Among Developing Countries
ZOPP	Objectives-Oriented Planning



AFRICAN REGIONAL AGRICULTURAL CREDIT ASSOCIATION (AFRACA)

**STRENGTHENING THE FRAMEWORK FOR THE PROVISION OF INVESTMENT
CAPITAL FOR THE RURAL POOR IN SUB-SAHARAN AFRICA**

TECHNICAL ASSISTANCE GRANT SUMMARY

INITIATING INSTITUTION:	IFAD
EXECUTING AGENCY:	African Regional Agricultural Credit Association (AFRACA)
TOTAL PROGRAMME COST:	USD 2.53 million
AMOUNT OF IFAD TECHNICAL ASSISTANCE GRANT:	USD 1.20 million
COFINANCIERS:	German Agency for Technical Cooperation (GTZ) Food and Agriculture Organization of the United Nations (FAO)
AMOUNT OF COFINANCING:	USD 726 000 plus 61 months of technical assistance
CONTRIBUTION OF EXECUTING AGENCY:	USD 601 000
APPRAISING INSTITUTION:	IFAD



**REPORT AND RECOMMENDATION OF THE PRESIDENT OF IFAD
TO THE EXECUTIVE BOARD ON A PROPOSED TECHNICAL ASSISTANCE GRANT
TO
AFRICAN REGIONAL AGRICULTURAL CREDIT ASSOCIATION (AFRACA)
FOR
STRENGTHENING THE FRAMEWORK FOR THE PROVISION OF INVESTMENT
CAPITAL FOR THE RURAL POOR IN SUB-SAHARAN AFRICA**

I submit the following Report and Recommendation on a proposed technical assistance grant to the African Regional Agricultural Credit Association (AFRACA) in support of Strengthening the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa, in the amount of USD 1.2 million for a five-year period.

PART I - INTRODUCTION AND IFAD STRATEGY

1. Founded more than 30 years ago through an initiative of the Food and Agriculture Organization of the United Nations (FAO), AFRACA is a regional association with a membership comprising central banks, banks and informal financial institutions dealing with agricultural and rural credit. Appendix I provides background information on AFRACA and its membership.
2. The grant is to be used to build up local capacity, expand collaboration with the private financial sector, and promote policy initiatives for the poor. The development of an enabling policy framework for rural finance and support for the start-up of a knowledge network on rural finance are both in line with the provisions of IFAD's corporate strategy. One activity in support of IFAD's corporate strategy is the seminar on Innovations in Microfinance for the Rural Poor: Exchange of Knowledge and Implications for Policy, supported by IFAD and the German Foundation for International Development, which is to be held in Accra, Ghana, in November 1998. In line with this, the grant to AFRACA is seen as a field operation to promote linkages between grass-roots organizations and formal banking institutions at the national, subregional and regional levels that will, in turn, encourage formal institutions to use both donor funds and their own resources for extending rural credit.
3. In 1992, IFAD provided AFRACA with a grant of USD 500 000 to provide technical support to member institutions. Two other regional agricultural credit associations have benefited from IFAD grants: the Near East-North Africa Regional Agricultural Credit Association (NENARACA), which has received three grants for a total of USD 2.6 million: USD 941 000 in 1983, USD 1 090 000 in 1989, and USD 569 000 in 1996; and the Asia-Pacific Rural and Agricultural Credit Association (APRACA), which received a grant of USD 885 000 in 1996.

PART II - SECTORAL CONTEXT

4. The political and economic frameworks of many African countries have - to a greater or lesser degree - been transformed following the adoption of economic recovery programmes; and national economies are increasingly linked to the global economy. Inevitably, this has had an impact on the financial sectors of most African countries, and there has been a general retraction over the past decade as liberalization measures have led to the restructuring of State-owned and -operated financial



institutions. To fill the void created by the dissolution of publicly-operated agricultural banks/credit institutions, a wide variety of grass-roots financing organizations have emerged over the past decade. Most of these are small, local schemes with limited financing capacity that cannot be expected to provide the volume of capital required for the economic transformation of rural areas in Africa as their production activities are integrated into the global economy. Consequently, there is an increasing need for financing from commercial banks and other financial institutions in the rural areas. One way of promoting financial flows is to link up local credit and savings groups with banks. However, mechanisms for such links between the informal and formal financial institutions need to be developed. An appropriate policy framework is an obvious prerequisite for this, together with a suitable legal and regulatory framework. A majority of countries in sub-Saharan Africa have only recently started to address the problem of ensuring adequate financial flows to rural areas, and practical implementation measures will need to be conceptualized, developed, tested and disseminated.

PART III - RATIONALE

5. Modernization of agriculture in Africa's rural areas in the future will depend on the emergence of a stronger competitive position within those areas. Within this context, there will be a continuing need for credit financing, both through formal credit institutions and through small and/or microcredit schemes. Rural finance in sub-Saharan Africa will require various specific institutions be involved in providing a range of services to different sections of the population. A number of financial service issues fall outside the realm of microfinance, and AFRACA has the potential to contribute to the operational framework for complementing the emerging microfinance system.

6. IFAD has forged important partnerships with upstream agricultural banks that are members of AFRACA while supporting different microcredit approaches at the grass-roots level under its projects. The proposed technical assistance (TA) grant will support the regional and subregional activities undertaken by AFRACA to promote rural finance (appropriate policy framework and credit delivery mechanisms) in participating countries. These activities are linked to ongoing IFAD operations in Lesotho and Uganda, and will provide the framework for planned IFAD interventions in the United Republic of Tanzania, Zambia and Zimbabwe.

7. AFRACA will be strengthened to achieve the following: articulate regional interest in rural finance (beyond the boundaries of microfinance); promote exchanges of information on best practices in rural finance for both informal and formal institutions; develop relations with downstream financial institutions; sponsor thematically-targeted workshops; and facilitate the transfer of knowledge among the countries in the region on smallholder problem-solving approaches to obtaining credit.

8. **Grant preparation.** As a first step in the process of supporting an integrated approach for all AFRACA activities, in April 1998, the German Agency for Technical Cooperation (GTZ) financed an Objectives-Oriented Planning (ZOPP) Workshop in Nairobi, Kenya, which was attended by representatives of three central and one agricultural bank from three countries, and of GTZ, IFAD and the AFRACA Secretariat. The programme planning matrix and programme activities (see Appendices II and III) were developed to guide AFRACA in its future strategy and during the implementation of donor assistance.

PART IV - THE PROPOSED PROGRAMME

9. The Nairobi workshop established the overall objective and two sub-objectives of AFRACA, and developed five activities as the means to achieve them.



Objective The ability of rural populations to access, and financial institutions to provide, financial services in a sustainable manner is improved in member countries.

Sub-Objective AFRACA is internationally recognized as a leading regional apex organization in rural finance.

Sub-Objective AFRACA member institutions are better able to implement innovative and demand-oriented rural/microfinance programmes for the rural population.

10. **Strengthening of AFRACA.** The Secretariat of AFRACA will: (a) undertake participatory planning with subregional and national representatives; (b) provide policy guidance to member institutions; (c) give technical advice to members about best practices in rural finance and provide training modules and training; (d) develop a membership and funding mobilization strategy to enhance institutional sustainability; and (e) develop and implement an expansion strategy for linkage banking (LB) in an additional eight countries and for women's financial services in four countries. The Secretariat will be strengthened through the provision of local TA and staff training. GTZ will provide long-term backstopping TA in carrying out the above activities. AFRACA will continue to finance its own administrative costs.

11. **Promotion of rural finance.** This component will assist member banks to develop appropriate policies (regulatory and legal framework) for rural finance, and includes policy support, diffusion and exchange between members. Local and international TA will be provided to prepare policy papers on the topics selected by AFRACA member institutions, and the conclusions will be disseminated through regional, subregional and national workshops. The Technical Cooperation Among Developing Countries (TCDC) programme will encourage rural finance policy exchange and learning between African institutions. The Bank of Uganda and the Bank of The Gambia may act as "receiving institutions" in terms of providing training for personnel from other member institutions that are in the process of redefining their role for promoting rural finance. As a result of AFRACA support, at least six countries are expected to have defined a conducive rural finance policy based on market principles by the end of the programme.

12. **Institutionalizing linkage banking.** Coverage of LB activities will be expanded to another eight countries while mechanisms are promoted to institutionalize ongoing LB in three participating countries. Surveys will be undertaken in countries with good potential for LB, after which individual country implementation plans will be developed with the help of the AFRACA Secretariat. The introduction of LB will be supported by staff training in the participating formal financial institutions, key members of self-help groups (SHGs) and other microfinance schemes, and by on-the-job training visits to countries successfully implementing LB. Planning and evaluation workshops will be conducted to determine the effectiveness of the LB approach and to introduce any necessary modifications. The objective will be to increase the mobilization of savings by SHGs and other informal schemes by about 20% per annum, while reducing their arrears with participating formal institutions.

13. **Internal-external networking.** The Secretariat of AFRACA has prepared useful documentation, including training materials, studies, and specific material on LB and women's financial services, representing a wealth of locally-generated knowledge about rural finance and constraints faced in Africa. This information is provided upon request, but member institutions do not appear to be aware of the scope of the documentation available. As part of its redefined functions, the AFRACA Secretariat is required to make available to member institutions information on local consultants and training institutions that have quality programmes for both banking staff and



SHGs, and to promote exchanges of information on best practices in rural finance. In order to facilitate the exchange of information with its upstream members and encourage dialogue with micro/small credit schemes, the AFRACA Secretariat will develop an Internet presence over the next five years by arranging to have its own worldwide website where it will post documents and information about rural finance in Africa, and it will institutionalize this capacity in members. The Secretariat will, however, continue to publish hard copies of its documents.

14. **Women's financial services.** Experience under AFRACA's current LB programmes has shown that women prefer to obtain credit through their own local institutions (Burkina Faso and Uganda). Building on this experience, AFRACA aims to implement four special women's programmes by 2001. As a first step in this process, field research will be undertaken to select the countries; conduct national seminars to examine constraints on women's access to financial services; the strengthening of local women's organizations; and organize exchange visits between countries with successful ongoing programmes and newly-emerging interventions.

PART V - IMPLEMENTATION ARRANGEMENTS

15. **Grant implementation.** All programme components will be implemented by the AFRACA Secretariat, under the general guidance of the Executive Committee and the General Assembly. GTZ will provide long-term TA as technical backstopping for the entire range of activities undertaken by AFRACA together with guidance to professional staff of the Secretariat in the execution of their defined tasks. TA will be also provided under IFAD financing for selected tasks in the areas of policy support, networking and the development of a membership strategy.

16. **Costs and financing.** The total cost of the programme has been estimated at USD 2.53 million for implementation over a five-year period. The programme will be funded by an IFAD grant of USD 1.2 million (48%) and a GTZ grant of about USD 726 000 (29%), while AFRACA will provide the balance from its own resources. GTZ support will also include 61 months of TA, which has not been included in the programme costs as it will be financed directly. The contribution that member institutions make to AFRACA activities has not been costed, although most workshops are hosted at the expense of member institutions. Project costs by activity, by financier and by type of expenditure are given in Appendix IV.

17. **Procurement and disbursement.** Procurement will be undertaken in accordance with AFRACA's existing procedures. Disbursement to AFRACA will be net of the funds, estimated at USD 270 000, that will remain with IFAD for the recruitment of international TA. Following signature of the grant agreement between IFAD and AFRACA and the submission of the first two-year work programme, a deposit of USD 500 000 will be made into the AFRACA/IFAD account. Up to USD 150 000 of this initial amount may be deposited into a separate account as start-up capital for a fund to be established by AFRACA on conditions satisfactory to IFAD. Subsequently, IFAD will release funds on an annual basis, upon presentation of the next year's programme of work and presentation of a statement of expenditure for costs incurred during the previous year.

18. **Annual work programme and budget, and reporting.** Programme activities will be implemented on the basis of a two-year rolling programme of work and budget (corresponding to the frequency of meetings of the Executive Committee and the General Assembly). The Secretariat will prepare a consolidated annual work programme and budget based on the planning documents developed during the above-mentioned Nairobi workshop, to be submitted for the approval of GTZ and IFAD each year. The AFRACA Secretariat will provide IFAD and GTZ with annual progress reports on the implementation of the work programme.



19. **Accounts and audit.** AFRACA operates separate accounts for the monitoring of expenditures by source of funds, and this practice will be continued. At the end of the fiscal year (31 December), AFRACA will have its accounts audited. The accounts will be submitted to the Executive Committee and the General Assembly and subsequently forwarded to donors, including IFAD. AFRACA will finance the audit.

PART VI - EXPECTED BENEFITS

20. At the end of the programme period, AFRACA should be sufficiently strengthened to carry out activities in the area of rural finance. The amount of savings mobilized under the LB programme should have increased by about 20% per annum and the arrears ratio declined. About 11 countries should be practising LB by 2001. All member institutions should have launched rural finance programmes based on market-oriented principles. AFRACA should have also achieved institutional sustainability through modest increases in its membership and the mobilization of additional funding from a variety of sources.

PART VII - RECOMMENDATION

21. I recommend that the Executive Board approve the proposed technical assistance grant in terms of the following resolution:

RESOLVED: that the Fund, in order to finance, in part, the Strengthening of the Framework for the Provision of Investment Capital for the Rural Poor in Sub-Saharan Africa for five years, shall make a grant not exceeding one million two hundred thousand United States dollars (USD 1 200 000) to the African Regional Agricultural Credit Association (AFRACA) upon such terms and conditions as shall be substantially in accordance with the terms and conditions presented to the Executive Board in this Report and Recommendation of the President.

Fawzi H. Al-Sultan
President



AFRACA AND ITS MEMBER INSTITUTIONS

1. The mandate of AFRACA is to: (a) foster cooperation among government and financial institutions in the field of agricultural credit and banking; (b) improve the financial planning and management for rural financial development; and (c) maintain relationships with international organizations and donor agencies as a link between these organizations and AFRACA members. Membership in AFRACA is open to central banks and formal financial institutions; and associate membership is open to informal financial sector operators. A membership subscription of USD 3 000 per annum is paid by formal financial institutions; and associate members pay a subscription of USD 1 500 per year. Income from membership fees has ranged from about USD 90 000 to USD 120 000 over the past four years (1995-1998 inclusive).

2. **Structure and operations.** The member institutions of AFRACA meet every two-to-three years at their General Assembly. The first General Assembly establishing AFRACA was held in 1977. During the General Assembly, an Executive Committee, composed of representatives from each of the five sub-regional areas, is elected. The Executive Committee is responsible for the supervision and monitoring of all activities carried out by the Secretariat. A small Secretariat is located in Nairobi and staffed by a Secretary-General, a secretary, accountant and driver. Only individuals employed by members institutions may be considered for the position of Secretary-General, and the person selected is nominated for a two-year term, renewable twice (for a potential period of service of six years).

3. Membership has stabilized at around 30 members; six new members have joined in the past three years, and contacts have already been established with about five other potential members (a list of members follows). The current membership represents a core of institutions which have already undergone restructuring and are strongly committed to supporting AFRACA, which has three main areas of operations: facilitating the provision of training by providing information on relevant courses in both Africa and Europe, and training the staff of member institutions; supporting rural financial development through special studies; and promoting exchanges of rural finance information among African countries. The LB programme, which is mainly supported by GTZ and is one of AFRACA's most successful activities, links up informal sector financial operators with agricultural credit institutions and/or commercial banks. Thanks to AFRACA's activities, the formal financial institutions feel more assured that the credit they provide to entrepreneurs and farmers in rural areas will be repaid, and borrowers are helped to gain access to funds that they might not otherwise have been able to obtain.

4. **Lessons learned.** IFAD and GTZ have both undertaken reviews of their past assistance to AFRACA and have concluded that the Association has helped members to reorient their approach to reaching the rural poor. AFRACA's execution of planned activities has been satisfactory, but its own and donor-financed activities have been compartmentalized. The LB programme has been implemented successfully in two countries with GTZ support, and AFRACA has extended the programme to other countries. LB is easily understood and well-received by participating member institutions. The sustainability of AFRACA as an institution, and of the activities it has initiated and supported, will be reinforced by a strategic vision for the future and a consolidated approach for all activities regardless of the source of funding.



APPENDIX I

AFRACA MEMBER INSTITUTIONS

COUNTRY	INSTITUTION
Burkina Faso	Caisse nationale de crédit agricole (CNCA)
Cameroon	Nationale cooperative d'épargne de crédit rural
Congo (Kinshasa)	Crédit rural du Congo
Gambia, The	Central Bank of The Gambia
Ghana	Bank of Ghana Agricultural Bank, Ghana National Investment Bank Ghana Cooperative Bank
Kenya	Agricultural Finance Corporation Cooperative Bank of Kenya
Lesotho	Central Bank of Lesotho
Mali	Banque national de développement agricole (BNDA)
Nigeria	First Bank of Nigeria Central Bank of Nigeria Afribank Nigeria Nigeria Agricultural and Cooperative Bank National Board for Community Bank Family Economic Advancement Programme (FEAP) Bank of the North Union Bank of Nigeria PLC
Senegal	Caisse nationale de crédit agricole (CNCA)
Sierra Leone	Bank of Sierra Leone
South Africa	Agricultural Bank of North West Province
Tanzania, United Republic of	Cooperative and Rural Development Bank
Tunisia	Banque nationale agricole
Uganda	Bank of Uganda Uganda Cooperative Bank Uganda Commercial Bank Uganda Development Bank Uganda Women's Finance Trust Limited (Associate Member)
Zimbabwe	Agricultural Finance Corporation
France	Caisse nationale de crédit agricole (CNCA) (Associate Member)

PROGRAMME PLANNING MATRIX (PPM)

Project title: Linking Banks with Self-Help Groups by Member Institutions
Country: Nigeria, Uganda, Zimbabwe
Project no.: 91.2157.5-031.00

Estimated project period:
Prepared on:

August 1998 to July 2001

gtz

The German Agency for
 Technical Cooperation (GTZ)

Summary of objectives/activities	Indicators	Means of Verification	Assumptions
Overall goal: Ability of the rural population to access, and financial institutions to provide, financial services in a sustainable manner is improved in member countries			Enabling macroeconomic environment exists
Project purpose: 5-years: AFRACA is internationally recognized as a leading regional apex organization in rural finance 3-years: AFRACA member institutions implementing innovative and demand-oriented rural/microfinance programmes for the rural population	At least 11 countries practising linkage banking by Year 3 At least six countries will have a conducive rural finance policy in place by 08/2001	M&E system Rural finance policy documents	Appropriate conditions exist in the financial sector
Results / Outputs: 1. AFRACA's technical capacity to provide services is strengthened 2. Effective rural finance policy in member countries is encouraged 3. Linkage Banking approach is diversified, tested, institutionalized and replicated 4. Effective internal/external networking is established 5. Ability of rural women to access financial services is enhanced 6. Improved planning, coordination, monitoring and evaluation is achieved 7. The institutional sustainability of AFRACA is assured	1. Amount of savings mobilized related to LB increases by 20% annually 1. The arrears ratio at FI level for LB Programmes: Year 1 ≤ 15% Year 2 ≤ 10% Year 3 ≤ 5% 1. EDP-based information system on training facilities and courses and experts is established by end of Year 1 and continually updated 2. All member institutions in countries have launched rural finance programmes based on market-oriented principles by 2001 3. 11 countries practising LB by 6/2001 4. Monthly dissemination of AFRACA news 5. Four women's programmes being implemented 6. Introduction of LB in the new countries is preceded by a documented plan 7. AFRACA is able to continue promoting its programmes at the end of this phase 7. AFRACA increases membership by nine and donors by three at the end of third year	LB returns LB returns AFRACA Secretariat's database Institutional reports LB returns Dispatch records AFRACA Secretariat's records Planning document AFRACA Secretariat's reports Payment fees records Letters of commitment	2. Member countries committed to implement effective rural financial policies 3. Pilot project is viable for replication in all member countries 4. Members have means of accessing website
Activities:	Specification of inputs:		



MATRIX OF ACTIVITIES TO BE UNDERTAKEN BY AFRACA

Outputs	1. AFRACA'S technical capacity to provide services is strengthened	2. Effective rural finance policy in member countries is encouraged	3. Linkage Banking approach is diversified, tested, institutionalized and replicated	4. Effective internal/ external networking is established	5. Ability of rural women to access financial services is enhanced	6. Improved planning, coordination , monitoring and evaluation is achieved	7. The institutional sustainability of AFRACA is assured.
Activities	1.1 Make training modules available for member institutions and other actors	2.1 Set up a policy advisor group	3.1 Identify countries and institutions through workshops and seminars held by AFRACA Secretariat and lead member institutions	4.1 Prepare information strategy document	5.1 Collect existing informal work and documentation in AFRACA Secretariat on women's credit activities.	6.1 Implement existing monitoring and evaluation procedures for linkage banking programmes	7.1 Embark on membership drive 7.1.1 Draw up a membership drive strategy document
	1.2 Provide a consultancy reference list, for example, field workers	2.2 Establish dialogue with other RACA on rural finance policy	3.2 Survey to determine viability of linkage banking and its marketability in non-participating member countries	4.2 Continue production of newsletters	5.2 Initiate, organize and coordinate seminars/ workshops on various aspects of women's access to financial services	6.2 Undertake participatory planning procedures for AFRACA's activities and for national programme	7.2 AFRACA embarks on membership drive
	1.3 Identify training institutions and programmes	2.3 Make policy discussion papers on rural financing available	3.3 Evaluate impact and ways in which performance may be enhanced in practising countries	4.3 Dissemination of research findings	5.3 Two field research activities, one each in francophone and anglophone Africa, to be determined in consultation with members.	6.3 Design self-evaluation procedures	7.3 Prepare suitable documents to access additional donor funding
	1.4 Set up a pool of experts (consultants, trainers' facilities)	2.4 Conduct workshops seminars for policy makers (e.g., on regulatory framework, women's access to credit...)	3.4 Workshops and dialogue with policy makers for institutionalization of linkage banking	4.4 Establish website for posting AFRACA and member institutions' information, plus email	5.4 Follow up on strengthening specific women's organizations for the provision of financial services	6.4 Coordinate activities	7.4 Introduce performance-oriented self-management to improve service delivery
	1.5 Arrange exposure training programmes under TCDC		3.5 Prepare implementation strategy and guidelines for implementing institutions	4.5 Regular reports to AFRACA Secretariat on member country activities and response from AFRACA Secretariat	5.5 Exchange visits between countries with ongoing successful programmes and newly-emerging programmes	6.5 Establish regular contact with member institutions and with key national representatives.	7.5 Undertake annual consolidated task-oriented budgetary planning, while continuing current separate accounting practices
	1.6 Hire a technical advisor to AFRACA Secretariat			4.6 Seminars and workshops			
	1.7 Prepare guidelines for SHG / IFI development						



PROGRAMME COSTS

**Table 1: Summary Programme Costs
(USD)**

Component	PY1	PY2	PY3	PY4	PY5	Total
AFRACA operations	128 250	108 250	128 250	108 250	128 250	601 250
Strengthening AFRACA	126 560	138 560	151 560	52 100	62 100	530 880
Promoting rural finance	102 000	163 000	189 000	124 000	89 000	667 000
Institutionalizing linkage banking	108 000	132 500	122 500	22 500	22 500	408 000
Internal/external networking	31 000	41 000	31 000	10 000	10 000	123 000
Women's financial services	0	54 000	58 750	41 500	45 000	199 250
Total	495 810	637 310	681 060	358 350	356 850	2 529 380

**Table 2: Programme Costs by Financier
(USD)**

Component	AFRACA	GTZ*	IFAD	Total
AFRACA operations	601 250	0	0	601 250
Strengthening AFRACA	0	242 880	288 000	530 880
Promoting rural finance	0	94 000	573 000	667 000
Institutionalizing Linkage Banking	0	363 000	45 000	408 000
Internal/external networking	0	0	123 000	123 000
Women's financial services	0	26 000	173 250	199 250
Total	601 250	725 880	1 202 250	2 529 380
<i>Percentage share</i>	24%	29%	48%	100%

*not including 61 months of TA

Table 3: Programme Costs, Category of Expenditure by Financier

Category	AFRACA	GTZ	IFAD	Grand Total
Equipment	0	45 000	53 000	98 000
O&M	306 250	60 000	102 000	468 250
Salaries	295 000	0	0	295 000
Training	0	255 000	133 500	388 500
Travel	0	58 000	204 750	262 750
Workshop	0	116 000	319 000	435 000
Int'l TA	0	0	270 000	270 000
Local TA	0	191 880	120 000	311 880
Grand Total	601 250	725 880	1 202 250	2 529 380