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**Comparative analysis of two microfinance
institutions targeting women :
The NGO WAGES¹ in Togo and the NGO FDEA² in Senegal**

1° INTRODUCTION TO THE TWO INSTITUTIONS.

11 Commonalities of the two institutions.

The two microfinance “institutions”³ studied in this comparative analysis, share a number of characteristics:

- **They address women in rural and urban areas (FDEA), or urban areas and city outskirts (WAGES),** and are mostly directed at small businesses often linked to markets.
- **They base their concept of microfinance on small groups of women** and on the application of mutual guarantee.
- **They have developed their microfinance activities with the support of non-governmental financial backers in the North** (CARE for WAGES, NOVIB for FDEA).
- **They cannot attain the status of microfinance institution according to the terms of the law of IMEC⁴,** which only considers mutualist status (hence their name: “direct credit project”).
- **They have not completed their institutional development,** which is still the object of lengthy reflection. Their NGO status is provisional.
- **They are managed by native executives,** with no permanent technical assistance from abroad.

Although both institutions have strengths that will be analysed, particularly in terms of social ties, they also have their weaknesses (management information systems, computerisation, institutional plans).

1 WAGES: Women and Associations for Gain Both Economic and Social (Togo).

2 FDEA: Femme Développement Entreprise en Afrique (Senegal).

3 Institution is set in quotation marks, because of the fact that neither of the two has completed its institutionalisation, and NGO status is considered temporary.

4 IMEC: refers to the law common to the 9 member states of the WAEMU zone (West Africa Economic and Monetary Union), which sets out the regulatory framework and conditions for carrying out microfinance activities for the Mutualist Saving and Credit Institutions (Institutions Mutualistes d'Épargne et de Crédit).

12 WAGES Togo.

WAGES was founded in Togo on the initiative of CARE, to set up a microfinance project for women, following a feasibility study conducted by CARE in 1994. The first microfinance activities were launched in 1995. At the end of the three-year project, WAGES was formed in 1999, holding NGO status. They signed a framework agreement under the rule of law 95-014 on IMECs⁵, giving them legal permission to conduct microfinance operations.

13 FDEA Senegal.

FDEA was initially the initiative of a Senegalese woman, who is the current director of the NGO. FDEA is an older organisation and started its activities in 1987, but its microfinance activities for women really took off in 1991 with the backing of NOVIB. FDEA signed a framework agreement under the rule of law 95-03 on IMECs giving it legal permission to conduct microfinance operations.

2 Characteristics of the two institutions⁶.

21 Concept of microfinance.

This concept is described by way of a series of tables:

□ **The client groups.**

Identification of target client groups	
WAGES Togo	FDEA Senegal
Women with income-generating, productive and diversified activities for urban and suburban markets.	Underprivileged women Women with micro-enterprises Women with small enterprises Men (small number: 2 %)

□ **Size of the groups.**

Size of the groups of targeted clients	
WAGES Togo	FDEA Senegal
⁷ Associations with 10 to 35 members. (on average : 17 women). Solidarity groups of 12 members (a reduced number).	UNDERPRIVILEGED WOMEN (5 MEMBERS) Women with micro-enterprises (10) Women with small enterprises (10) Men (10). NB. Some women are also granted loans on an

5 Under the terms set out in the law on IMECs, WAGES & FDEA have not been founded under legal mutualist status and are not authorised as such. A special framework agreement system provided for by law and signed by the Minister of Finances sets out the specific conditions for conducting their operations. However, this framework agreement does not give them legal status, unlike the mutualist microfinance institutions licensed by law.

6 WAGES 1999 data, FDEA: 1999 data.

7 Some women's associations have chosen to structure themselves as internal solidarity groups.

	individual level (long-term reliable clients in greater need of credit).
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▢ Nature of the loans.

Nature of the loans	
WAGES Togo	FDEA Senegal
<p>⁸NATURE OF THE LOANS : PROGRESSIVE:</p> <ul style="list-style-type: none"> ▢ <u>COMMON LOAN</u>: THE MOST WIDESPREAD (6 TO 12 MONTH TERM). ▢ <u>Special loan</u>: for associations that have repaid several rounds of credit without fail. Can be granted on top of a common loan (maximum 3 month term). ▢ <u>Repayment</u>: monthly (6 month term initially, up to 12 months on the 8th round of credit) 	<p>Nature of the loans: progressive :</p> <ul style="list-style-type: none"> ▢ <u>Underprivileged women</u>: 2 to 5 months ▢ <u>Women with businesses</u>. 6 to 28 months ▢ <u>Individual women</u>. 6 to 28 months <p>Possibility to move from first to second category (cf. Appendix 3). <u>Repayment</u> : monthly (for an initial 6 month term up to 28 months on the 13th round of credit)</p>

▢ Size of loans.

Size of loans	
WAGES Togo	FDEA Senegal
<p>⁹SIZE OF LOANS:</p> <ul style="list-style-type: none"> ▢ <u>Average sum per loan</u>: 258,597 cfa. ▢ <u>Minimum loan</u>: 100,000 cfa (1st loan). ▢ <u>Maximum loan</u>: 1,000,000 cfa (8th loan). 	<p>Size of loans :</p> <p><u>Average sum per loan</u>: 420,560 cfa.</p> <ul style="list-style-type: none"> ▢ <u>Underprivileged women</u>: from 5000 cfa 1st loan to 25,000 4th loan. <u>Women with businesses</u>: from less than 300,000 cfa up to 5 million cfa depending on length of client history and evolution of the activity.

▢ Links between loans and savings.

Links between loans and savings	
WAGES Togo	FDEA Senegal
<ul style="list-style-type: none"> ▢ <u>First loan</u>: save for 4 months before accessing loan. ▢ <u>All loans</u>: have savings equal to 1/3 of the loan. ▢ <u>Sum of saving to keep untouched</u>: 2,000 cfa. 	<ul style="list-style-type: none"> ▢ <u>Obligatory saving</u>: 2 products: <ul style="list-style-type: none"> - Savings prior to loan access: 10 % of the sum of the loan - Unregulated saving as loan is paid off.

8 The associations / groups affiliated to WAGES also grant certain members an internal loan from their own resources; often emergency loans. Other associations create solidarity and mutual aid funds with similar objectives.

9 Cfa: Franc of the African Financial Community: 100 cfa = 1 French franc.

	<p>□ <u>Voluntary saving:</u></p> <ul style="list-style-type: none">- Solidarity-based saving (social problems, study visits and exchanges).- Provident savings on sight (reconstitute the working capital).
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▢ **Links between loans and savings (continued).**

Links between loans and savings (continued)	
WAGES Togo	FDEA Senegal
	<ul style="list-style-type: none"> ▢ <u>Voluntary saving</u> (continued): - Pilgrimage savings (to go to Mecca or Lourdes) - Saving to set up the financial institution (to create the “women’s bank”). - health savings (to create mutual health insurance companies).

▢ **Interest rate policy.**

Interest rate policy	
WAGES Togo	FDEA Senegal
<p>Loans:</p> <ul style="list-style-type: none"> ▢ <u>The association / group:</u> pays WAGES 1.5% per month. ▢ <u>Women with businesses:</u> pay the association / group 2% per month. ▢ <u>The difference in interest rates:</u> 0.5% is set aside to cover association running costs. <p>SAVINGS:</p> <ul style="list-style-type: none"> ▢ <u>Interest accrued:</u> 3% per year. 	<p>Loans:</p> <ul style="list-style-type: none"> ▢ <u>The group:</u> pays 27% a year to the FDEA. <p>Savings:</p> <ul style="list-style-type: none"> ▢ <u>Obligatory saving:</u> 4% a year. ▢ <u>Voluntary saving:</u> no interest accrued. ▢ <u>Other savings:</u> no interest accrued.

▢ **Governance style.**

Governance style	
WAGES Togo	FDEA Senegal
<p>WAGES Management:</p> <ul style="list-style-type: none"> ▢ <u>Co-ordinator:</u> long-standing member of WAGES staff and former project leader with CARE in Togo. ▢ <u>Management team:</u> some managers from previous CARE projects and some later hires. <p>Managers and beneficiaries:</p> <ul style="list-style-type: none"> ▢ <u>Managers strongly committed to teamwork.</u> Beneficiaries are committed and given responsibility within the associations and groups. 	<p>FDEA Management:</p> <ul style="list-style-type: none"> ▢ <u>Chairman:</u> founder and Managing Director of the FDEA: a woman with considerable charisma. ▢ <u>Management team:</u> come from the world of NGOs and the recruitment business. <p>Managers and beneficiaries:</p> <ul style="list-style-type: none"> ▢ <u>Managers have motivation and commitment to action</u> and do not wish to leave

	<p>the organisation in spite of salaries below market rates.</p> <ul style="list-style-type: none"> □ Beneficiaries: committed to women's groups.
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□ **Governance style (continued).**

Governance style (continued)	
WAGES Togo	FDEA Senegal
<p>Dialogue women/institution:</p> <ul style="list-style-type: none"> □ Variety of activities: <ul style="list-style-type: none"> - Regular meetings for discussion and consultation. - Training: <ul style="list-style-type: none"> Credit methods (members). Administration committee (monthly). Managers (monthly). IGA Management (members). Marketing (members) - Studies on the impact of the financial services on women 	<p>Dialogue women/institution:</p> <ul style="list-style-type: none"> □ Numerous activities: <ul style="list-style-type: none"> - Seminars for reflection and consultation (regional and national) on directions to take (products, institutionalisation, etc.) - Study trips at home (Senegal) and abroad on topics relating to markets and micro-enterprise management. - Training for women in the groups.

22 Results obtained.

The operating figures can be found in the tables in the appendix. Loan recovery rates when payment becomes due are good in both cases:

- **FEDEA Senegal:** 98% on time (1999).
- **WAGES Togo:** 97% on time (1999).

There are, however, considerable variations in the loan recovery rates of certain credit representatives' portfolios, but these are few in number and of least volume for the moment.

Both institutions aim to become permanent. In terms of balance of payments, the FDEA in Senegal covers 40% of its expenses through its products (1999) and will begin to make a profit in 3 years time. WAGES in Togo covers 90% of its expenses through its products and predicts a healthy balance of payments by the year 2001.

3 Analysis of social ties.

31 Categories of social ties identified

The typology that emerges from our observations is the following:

- **Pre-existing social ties within the associations and groups.**
- **Practice of solidarity, social ties between the women and the limitations.**

- **Women's ties to the microfinance institution.**
- **Relationship between social ties and the need to re-access credit.**
- **Relationship between social ties and services provided by the institutions.**
- **Size of groups / associations and creation of social ties.**
- **Ownership, institutionalisation: indicators of social ties.**

The features of each type are outlined below.

32 Nature of the social ties

□ **Pre-existing social ties within the associations and groups.**

In both cases (WAGES in Togo & FDEA in Senegal) there are two types of groups and associations, depending on whether ties already existed before financial services were acquired. In the case of WAGES in Togo, we must also add the chit funds arising from the associations.

We have observed no differences in the nature of the social ties between the two types, as there has been no specific analysis on this topic (lack of impact assessments by the FDEA in Senegal, no analysis in the impact model used by WAGES in Togo).

What does emerge in terms of social ties is the following:

- When the groups / associations of women precede the access to credit, internal cohesion is generally quite strong and includes social ties that the members have forged over a long period of time.
- But the groups and associations of women that were set up by the two credit institutions to provide access to credit also demonstrate good internal cohesion.
- The rare opportunities to gain access to formal credit often ignore the women's real social behaviour patterns: the need to access long-term credit is a precondition for repeated economic activity and sustained income and thus also for the link with the microfinance institutions.

□ **Practice of solidarity, social ties between the women and the limitations.**

The practice of solidarity and surety always raises the issue of the gap between theory and practice, and this is difficult to analyse. The perception of the influence of social ties is therefore difficult to establish.

What has been observed is that:

- Repayment can be made by the group / association if a woman finds herself in difficulties, in order not to endanger their access to new credit. But the woman acknowledges her debt to the group or association of women and must discharge it according to the terms that are negotiated.
- But inability to repay, if it is an issue for several members and if the sum of the debt is high, can become more and more problematic. This creates a cul-de-sac in which the institution is not repaid the loan because the ratio of healthy borrowers to delinquent borrowers is unfavourable.
- Older groups or associations that have long-term shared experience can more easily find solutions to their internal problems. Their solidarity and social ties are more developed.

□ **The women's links to the microfinance institution.**

The factors that give rise to ties between the beneficiaries and the institutions appear to be influenced by the fact that the women identify strongly with the two institutions. Several factors come into play here:

- The methods used by the institution:

The women are generally well versed in the institutions' methods. The methodological approaches taken by the two institutions leave considerable room for the women to take part in defining methods and procedures and accessing information and training. Knowledge and mastery of these methods and procedures are gradually acquired as their credit history develops.

- Adaptation of financial products to women's needs :

The definition of financial products is also closely correlated to their needs by the women themselves. The number of savings products offered by FDEA is evidence of this¹⁰. In the case of WAGES, the significance of saving is well understood and research is conducted into what makes up the associations' internal resources (in order to grant emergency loans, create a solidarity fund, etc).

The women's constantly repeated request to raise the credit limit is still resisted by the two institutions.

- The perception of belonging to the institution:

Both institutions secure the loyalty of their female clients by way of participatory management, but it should be pointed out that these two institutions are the only ones that provide women with long-term access to credit in a fairly non-competitive market (there are few microfinance institutions competing in the same places).

One important factor for both institutions is the credit ceiling, which in general is high in comparison to other institutions offering loans, and this is very important for securing client loyalty and creating strong links with the women.

- Perception of the idea of ownership of the institution:

One can observe a perception of ownership developing among the women in both microfinance institutions (see below).

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With its counter-effect of increasing management charges, this may present a risk that can potentially lead to a reduction in products at a later stage.

- The impact of loans.

The loans have a strong impact on the revenue generated from economic activities and direct social and economic effects on livelihoods (food, health, male/female social and domestic relations, informal debt relief and the self-reliance and freedom of women).

But the institutions do not value these aspects (no impact studies at FDEA and no promotion or development at WAGES).

□ **Relationship between social ties and the need to re-access credit.**

The need to re-access credit is a strong motivating factor for the women and fosters quite a strict mindset. They are more likely than men to abide by the administrative rules, in order to guarantee follow-up loans.

The women do not want to return to their previous circumstances (using moneylenders, itinerant bankers, supplier credit from traders, uncertain recourse to parents and friends, etc.)

Because of this, the women often develop:

- Their own strict requirements for internal management (respect for the credit rules, repayment arrangements, creation of internal solidarity funds to mitigate blows, and so on).
- This translates into the association or group having social control over the members, requiring that any outstanding payment of a loan by a woman in difficulties be covered (up to a certain limit if several members have outstanding debts).

It can be said that social ties are created between the associations or groups and the credit institutions.

□ **Relationship between social ties and services provided by the institutions.**

In both cases, WAGES Togo and FDEA Senegal, the services provided and the variety of activities aimed at the women are the factors that integrate and create social ties:

- FDEA Senegal:

FDEA is organised around two poles of complementary strategic actions - financial and non-financial services - each one with separate accounting. The women's demands are for both poles and they do not differentiate between the two. Their motivation for non-financial services is generally to receive advice on financial products and on the creation of the "women's bank" (regional and national seminars) or training and sharing of experiences in running a micro-enterprise (market research, marketing techniques, etc).

- WAGES Togo :

Because the women with WAGES are more urban and their economic activities take priority, they are less available to attend meetings organised by WAGES. But they are in constant search of new economic opportunities and always delegate an association member to go to the training sessions and meetings that WAGES organises.

One can see, then, that if the microfinance model integrates non-financial services as a support to the financial services, social ties are forged between the women and institution, thereby ensuring that the financial services are well managed.

□ **Size of the groups / associations and creation of social ties.**

One characteristic shared by WAGES Togo and FDEA Senegal is the small size of the groups / associations (an average of 17 women per association and 12 women per solidarity group for WAGES and an average of 5 in a group of impoverished women and 10 in other groups for FDEA).

The small size is an important factor for the emergence of values: social cohesion, solidarity, social ties, and so on. These values are expressed in a variety of ways that differ from one group to another.

□ **Ownership and institutionalisation: indicators of social ties.**

Both institutional models emerge as calling upon women to take part in management and have not chosen the mutualist model that involves ownership of the institutions by the beneficiaries. However, the women can be seen to be developing a perception of ownership of the institution.

FDEA Senegal:

In the case of FDEA Senegal, the women want to set up the "Women's Bank" and have created a specific saving - capitalisation product (1,000 cfa on opening the account, then 1,000 cfa a month for 24 months).

WAGES Togo:

With WAGES Togo, the women clearly express their sense of belonging to WAGES and show willingness to capitalise on a future management structure, even if this means contributing 20,000 cfa each. Some associations require a dividend on these shares.

The determining factor in the women's view of their ownership is the permanent nature of access to financial services, in particular loans.

4 The limitations of the social ties.

However, the presence of social ties among the women is not the panacea that can resolve every difficulty. Certain limitations do appear:

□ **Number and volume of outstanding debts in the group.**

Although solidarity within the associations or group works when it is a matter of a single member in difficulties, it quickly comes up against its own limitations if the number and volume of outstanding debts increase, leading to an end in access to credit.

□ **Absence of cash revenue made available by loans.**

A minority of loan beneficiaries do not manage to free up additional resources for a variety of reasons (economic activity has not been good, theft of stock, lengthy illness that leads women to use the loan to cover healthcare).

The institutions do not analyse or look for solutions to these circumstances that are not insured for by the groups or associations.

□ **The demands of economic activity limits participation in the microfinance institution's management activities.**

This is particularly true in the case of WAGES, where women say that they do not have a lot of time for meetings, and prefer to maximise the amount of time they spend on their commercial activities.

□ **Unequal distribution of credit within a group or association.**

The poor distribution of credit around the individual members of the association or group can sometimes be a source of internal tension and can even cause it to break up. Possible solutions that are being tried out are the solidarity groups in the case of WAGES Togo, or individual loans for certain women in the case of FDEA Senegal.

□ **Long distances, journey times and costs of getting to the institution's offices.**

Affiliation to an institution and the functioning of the groups and associations are both influenced by the distances and costs of getting to the offices (to withdraw or repay loans). In the case of FDEA, the distances generally range from 30 to 40 km, with one group at a distance of 150 km. These distances also have the effect of reducing the frequency with which the credit representatives provide follow-up and this leads to a relaxing of the internal management rules in groups and associations.

5 Conclusions.

The lessons that can be drawn can be classified as follows:

51 Size of the groups: a decisive factor.

The small size of the groups seems to be a decisive factor when encouraging the women's relationships with each other and a certain level of solidarity, both founded on existing social ties forged through daily management practices.

52 Shared activities bringing women together.

In both cases (WAGES Togo and FDEA Senegal), the formation of groups / associations on the basis of the nature of their activities (small businesses trading agricultural products, fish-sellers, arts and crafts sales, etc) creates / reinforces the social tie by means of conversation and dialogue on the shared activities.

53 Non-financial services: supporting financial services.

The women appreciate the non-financial services, in spite of the fact that they are sometimes not readily available (WAGES Togo), when these services meet their needs (marketing training, economic activity management, research into new markets).

The women are generally in constant search of new economic opportunities to use loans and sometimes rapidly restructure their activities. They need thoughts from which to develop new ideas.

54 Ownership of the institution: the women's wish to ensure permanent access to financial services.

The women are interested in becoming owners of the institutions in order to guarantee permanent access to credit, which will in turn determine the permanence of their economic activities and therefore their income.

It is, then, the impact of loans on income and the improvement of the women's livelihoods that determine their loyalty and ties to the microfinance institution.

In the case of WAGES Togo, the women go so far as to aim to distribute the dividends from their subscribed shares.

55 The physical and social proximity between the institution and the women.

The issue of distance and journey costs (see the case of FDEA Senegal), clearly demonstrates the importance of a relationship of geographical closeness between the women and the institution, a fundamental complement to the relationship of social proximity.

Appendix 1

FDEA Senegal

Evolution of microfinance activity indicators

Indicators	Loans		Clients		Volume (cfa)		Sum (cfa)	
	N°	Growth	N°	Growth	Amount	Growth	Average loan	Growth
Year 1989	13	0%	172	0%	3 673 375	0%	282 567	0%
Year 1990	20	54%	235	37%	11 200 000	205%	560 000	98%
Year 1991	73	265%	819	249%	24 820 000	122%	340 000	-39%
Year 1992	59	-78%	591	-28%	14 629 625	-41%	247 960	-27%
Year 1993	70	52%	914	55%	23 380 000	60%	334 000	35%
Year 1994	139	99%	902	-1%	33 090 000	42%	238 058	-29%
Year 1995	150	8%	1 333	48%	60 810 000	84%	405 400	70%
Year 1996	214	43%	1 744	31%	103 490 000	70%	483 598	19%
Year 1997	389	82%	3 295	89%	176 218 600	70%	453 004	-6%
Year 1998	723	86%	5 106	55%	252 147 000	43%	348 751	-23%
Year 1999	1 281	77%	9 671	89%	533 241 240	111%	416 270	19%
May 2000	731	-43%	5 685	-41%	387 504 000	-27%	530 101	27%
Total/average	3 862		30 467		1 624 203 840		420 560	

Source: IRAM – Setting up a microfinance institution. Mission statement. July 2000.

FDEA Senegal

Productivity of credit representatives

Regional office	Target as per Year 1 business plan	Actual productivity in Year 1
Kaolack regional office	70 credit files per credit	110

(3 credit representatives).	representative	files / 1 rep 88 file s / 1re p 187 files / 1 rep
Thiès-Louga regional office (3 credit representatives).	70 credit files per credit representative	70 file s / 1 rep 75 files / 1 rep 150 files / 1 rep
Dakar-Mbour regional office (2 credit representatives).	70 credit files per credit representative	122 files / 1 rep 180 files / 1 rep
Average	982 files total, an average of 123 / representative	

Source: IRAM – Setting up a microfinance institution. Mission statement. July 2000.

Appendix 2

WAGES Togo

Institutional development

ACTIVITIES	December 1998	December 1999	Progress made
ASSOCIATIONS - GROUPS -MEMBERS etc			
Number of associations	393	402	9
Number of solidarity groups	45	116	71
Number of members	6,686	7,445	759
Number of statutes	375	418	43
Number of internal regulations	395	500	105
Number of cooperation agreements signed	322	391	69
Number of general assemblies held	283	365	82
Number of impact surveys filled	769	960	191
Number of women trained	1,384	1,675	291
SAVINGS (cfa)			
- Total amount of savings	468,458,039	671,395,020	202,936,981
- Amount withdrawn from savings	223,388,675	355,488,365	132,099,690
- Net savings	245,069,364	315,906,655	70,837,291
CREDIT			
Total number of beneficiaries	15.301	20.259	4.958
Number of loans granted	1.554	2.152	598
Sum of loans granted (cfa)	2.339.306.55	3.339.889.80	1.000.583.25
Capital repayment (cfa)	9	9	0
Outstanding portfolio (cfa)	1.762.225.78	2.674.582.40	912.356.621
	4	5	87.204.829
	578.102.575	665.307.404	

Source: WAGES – Annual report of operations. 1999

WAGES Togo

Productivity of credit representatives in 1999

Number of associations & members	Number of active credit representatives
Associations 402	10
Members 7,445	10

Average : 744 members / credit representative

Average : 40 associations / credit representative

Source: WAGES – Reported data. 1999

Appendix 3

WAGES Togo

Target Groups¹¹

Category	Percentage	Occupations
Services	3 %	Hairdressers
	3 %	Seamstresses
	10 %	Restaurant owners
	16 %	Total services
Agriculture	3 %	Raising and sale of livestock
	19 %	Production & sale of fruits and vegetables
	22 %	Total Agriculture
Trade	11 %	Coal vendors
	8 %	Sale of cosmetics
	18 %	Sale of clothing
	2 %	Sale of medicinal plants
	1 %	Sale of haberdashery
	9 %	Manufactured products
	1 %	Ironmongery
	3,5 %	Household items
	8,5 %	Various
	62 %	Total Trade

Source: WAGES – Annual report of operations. 1999

FDEA Senegal

Activity financed

Category	Percentage
Trade	60 %
Crafts	20 %
Agriculture	8 %
Services	7 %

11 WAGES: Social categories: 84% of women from urban areas, 16% from rural areas (1999).

Microfinance	FDEA & WAGES	Social ties
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Fishing	5 %
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Source: IRAM – Setting up a microfinance institution. Mission statement. July 2000.

Appendix 4

WAGES Togo

Summary of impact results

Average age	38	
Ethnicity	46% Ewé 4.5% Kabye 1.5% Peda 31% Mina 3% Kotokoli 1% Other 10% Ouatchi 3% Fon	
Average number of people in charge	5	
Women's share in household expenses (percentage)	67%	
Division of household expenses by women	42% Food 16% Pocket money 7% Health 11% Transport 7% Coal/firewood 3% Domestic help wages	2% Rent 3% Water 2% Electricity/Gas 1% Petrol 3% Education 3% Children's health
	On average, they spend 40,940 F CFA	
Number of school-age children	2.96	
Number of children in school	2.56	
Percentage of school-age children attending school	86.5%	
Income-generating activities	Services:	3% Hairdressers 3% Seamstresses 10% Restaurant owners 16%
	Agriculture :	3% Raising & sale of livestock 19% Production/sale fruits vegetables 32 %
	Trade:	11% Coal vendors 8% Cosmetics 18% Clothing 2% Medicinal plants 1% Haberdashery 9% Manufactured products 1% Ironmongery 3.5% Household items 8.5% Various 62%
Average monthly profit	48,200 F CFA	
Percentage of women who keep the books	27%	
Use of loans	98.75% Occupations 1% Payment of debts 0.25% Investment	
Frequency of saving	1% Daily 41% Weekly	4% Bimonthly 54% Monthly
Use of profit	84% Food 3.5% Clothing 2.5% Health 1% Care of the children	2.5% School fees 1.5% Social expenses 1% Transport 4% Other
Percentage with access to tap water	48%	
Percentage with access to electricity	57%	

Literacy rate	59%
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Source: WAGES – Annual report of operations. 1999

Appendix 5

FDEA Senegal

Loan cycles and savings/loan ratio

¹² Sum of loan	Term of loan (months)	Savings required prior to loan	Monthly saving			Total savings	Ratio Savings / loan
			Sum saved per month	Payment deferral	Savings month/total		
300,000	6 months	30,000	10,000	1 month	50,000	70,000	31.5 %
600,000	8 months	60,000	15,000	1 month	105,000	165,000	27.5 %
750,000	10	75,000	15,000	1 month	135,000	210,000	28.0 %
900,000	11	90,000	20,000	1 month	200,000	290,000	32.2 %
1,000,000	12	100,000	20,000	1 month	220,000	320,000	32.0 %
1,200,000	13	120,000	25,000	1 month	300,000	420,000	35.0 %
1,800,000	15	180,000	25,000	1 month	350,000	530,000	29.4 %
2,000,000	16	200,000	25,000	1 month	375,000	575,000	28.8 %
2,500,000	18	250,000	25,000	1 month	425,000	675,000	27.0 %
3,000,000	20	300,000	25,000	1 month	475,000	775,000	25.8 %
3,500,000	22	350,000	25,000	1 month	525,000	875,000	25.0 %

¹² Indicates the progression of 13 loan cycles.

Microfinance	FDEA & WAGES	Social ties
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4,000,000	24	400,000	25,000	1 month	575,000	975,000	24.3%
5,000,000	28	500,000	25,000	1 month	675,000	1,175,000	23.5%

Source: FDEA data & calculations (2000).

Appendix 6

WAGES Togo

Progression of loan cycles

Loan cycle	Maximum sum per individual	Actual loan term	Maximum deferral
1	100,000 cfa	6 months	1 month
2	150,000 cfa	7 months	2
3	250,000 cfa	8 months	2
4	350,000 cfa	9 months	2
5	500,000 cfa	10 months	2
6	650,000 cfa	11 months	2
7	850,000 cfa	12 months	2
8	1,000,000 cfa	12 months	2

Source: WAGES – Annual report of operations. 1999

WAGES Togo

Brackets of loans granted by WAGES

In 1999

Bracket / amount	Number of women	Percentage
<180,000 cfa	2550	62.5 %
From 180,001 to 300,000 cfa	616	15.1 %
From 300,001 to 600,000 cfa	563	13.8 %
>600,000 cfa	351	8.6 %
Total	4080	100 %

Source: WAGES – Annual report of operations. 1999