

**ACDI/VOCA-AFRICARE Co-Sponsored
West and Central Africa Monetization Workshop
Hotel Wangara
Accra, Ghana
July 12-15, 1999**

Workshop Participants

ACDI/VOCA

Iven Ose, Cape Verde Office
Colette Powers, Washington, D.C. Office
Bernie Runnebaum, Uganda Office
Suzanne Schwoebel, Cape Verde Office

ADRA

C.T. Quarcoo, Ghana Office

AFRICARE

Judy Bryson, Washington, D.C. Office
Michelle Iseminger, Guinea Office
Shamita Johnson, Chad Office
Marc Maxi, Mali Office
Robert Rhodes, Burkina Faso Office
Mark Smith, Washington, D.C. Office
Lee Thompson, Washington, D.C. Office

CATHOLIC RELIEF SERVICES

Jenny Aker, Ghana Office
Comfort Brownell, Liberia Office
Simon Cole, Gambia Office
Shirley Dady, Burkina Faso Office
Debra Edwards-Skene, Liberia Office
E.Y.G. Kumodzie, Ghana Office

FOOD AID MANAGEMENT

Jessica Graef, Washington, D.C.

OIC INTERNATIONAL

Tilahun Giday, Ethiopia Office
Victor Pinga, Ghana Office
Ellen Wertheimer, Philadelphia Office

TECHOSERVE

Sam Akyianu, Ghana Office
Laura Heyman, Ghana Office
Henry Panlibuton, Ghana Office

USAID

Nancy Estes, USAID/Bamako

CONSULTANT

Edmund “Ned” Pendleton, USA

Workshop Schedule of Events
West and Central Africa Monetization Workshop
Hotel Wangara
Accra, Ghana

Monday, July 12, 1999

08:30 - 9:45 am

Welcome to Workshop by Africare and ACDI/VOCA Representatives

9:45 - 10:45 am

The USAID/Food for Peace Perspective on Monetization Trends

Nancy Estes

Regional Food for Peace Officer

USAID Mission/Bamako

10:45 - 11:00 am

Morning Break

11:00 - 12:00 pm

Perspectives on Food Aid and Monetization: Past, Present and Future

Judy Bryson

Director, Food for Development

Africare/Washington, D.C.

12:00 - 1:00 pm

Lunch Break

1:00 - 5:00 pm*

Contract Writing and Tenders

Edmund "Ned" Pendleton

Commodity Attorney

McLean, Virginia

*3:00 - 3:15

Afternoon Break

Tuesday, July 13, 1999

9:00 - 12:00 pm*

Contract Writing and Tenders

Edmund "Ned" Pendleton

Commodity Attorney
McLean, Virginia

ACDI/VOCA's Tender Experience in Uganda
Bernie Runnebaum
Regional Monetization Manager
ACDI/VOCA/Uganda Office

Auctions
Edmund "Ned" Pendleton
Commodity Attorney
McLean, Virginia

*10:45 - 11:00 am
Morning Break

12:00 - 1:00 pm
Lunch Break

1:00 - 5:00 pm*
Individual Country Consultations
Edmund "Ned" Pendleton
Commodity Attorney
McLean, Virginia

*3:00 - 3:15
Afternoon Break

Wednesday, July 14, 1999

9:00 - 10:30 am
The Bellmon Analysis
Jenny Aker
Food Security and Monetization Advisor
West Africa Region
Catholic Relief Services/Ghana Office

10:30 - 10:45 am
Morning Break

10:45 - 11:45 am
Joint Monetization Agreements
Lee Thompson
Commodity/Monetization Manager, Food for Development

Africare/Washington, D.C.

11:45 - 1:00 pm

Lunch Break

1:00 - 2:30 pm

Cooperating Sponsors Monetization Manual
Introduction of Training Modules and the Manual
Jessica Graef
Technical Information Specialist
Food Aid Management/Washington, D.C.

Panel Discussion of the Manual

Moderator: Iven Ose
Monetization Manager
ACDI/VOCA/Cape Verde Office

2:30 - 2:45

Afternoon Break

2:45 - 5:00 pm

Best Practices and Lessons Learned:

2:45 - 3:30 pm

Burkina Faso
Shirley Dady
Country Representative
Catholic Relief Services/Burkina Faso Office

3:30 - 4:15 pm

Cape Verde
Iven Ose
Monetization Manager
ACDI/VOCA/Cape Verde Office

4:15 - 5:00 pm

Chad
Shamita Johnson
Monetization/Administrative Assistant
Africare/Chad Office

6:00 - 7:00 pm

Reception

Thursday, July 15, 1999

9:00 - 12:00 pm

Best Practices and Lessons Learned:

9:00 - 9:45 am

Guinea

Michelle Iseminger

Monetization/Administrative Assistant

Africare/Guinea Office

9:45 - 10:30 am

The Gambia

Simon Cole

Head of Operations

CRS/The Gambia Office

10:30 - 10:45 am

Morning Break

10:45 - 11:30 am

Togo

Tilahun Giday

Vice-President, Food Security Programs

OIC Central Office

11:30 - 1:00 pm

Lunch Break

1:00 - 2:00 pm

Ghana Consortium: ADRA/CRS/OICI/Technoserve

Jenny Aker

Food Security and Monetization Advisor

West Africa Region

Catholic Relief Services/Ghana Office

2:00 - 2:15 pm

Afternoon Break

2:15 - 3:30 pm

Wrap-Up and Final Thoughts

Africare and ACDI/VOCA

End of Workshop

Workshop Summary
West and Central Africa Monetization Workshop
July 12-15, 1999
Hotel Wangara
Accra, Ghana

Monday, July 12, 1999

In the introductory session, **Lee Thompson** of Africare presented the context for the workshop and outlined the role of the FAM Monetization Working Group in organizing these workshops. In addition, Lee solicited from the participants a list of issues and topics that should be included during the course of this workshop. Those expectations included:

- update on current issues within the Title II program;
- USAID new monetization guidelines;
- conducting analyses such as market and Bellmon;
- contracts and sales agreements;
- loss reports; and,
- endowments.

Following these introductory remarks, **Nancy Estes**, the **Regional Food for Peace Officer** based in Bamako, presented an overview of the role and organization of Food for Peace in West Africa. In her comments regarding monetization trends in West Africa, she remarked on the priority shift away from a regional monetization emphasis to in-country monetization. Pointing to the increase in monetization in the region, she cited an increase from approximately 9.6% monetization of all food aid in West Africa to 20% in 1994, to 36% in 1999. The Ghana and Cape Verde programs account for 80% of all monetization in West Africa. Ms. Estes raised the question, “What is the appropriate level of monetization for West Africa?”

Nancy presented an overview of the highlights of the April food security workshop held in Bamako, Mali. She observed that the Bamako workshop recommendations seemed to be in the opposite direction from the new supplemental monetization guidance from USAID. Bamako participant recommendations included:

Cost Recovery - Are there cases which would support the monetization of value-added commodities but would not meet the cost recovery benchmark?

Price Parity - Could this be a more useful tool than the 80% requirement?

Waivers - Should these be considered and granted with more frequency than has been done to date by Food for Peace?

1. Increased dialogue with the private sector.
2. Information sharing on Bellmons and market analyses across PVOs.
3. Better communication between USAID and USDA.
4. Thinking about West Africa as a regional grouping (and thus preparing a regional Bellmon and other analyses). What is the role of CILSS in this?
5. monies for monetization analyses.

She indicated that Food for Peace is considering a follow-on meeting in Bamako next year concerning drought and emergency planning, and inquired whether the PVOs were interested in participating. Nancy then outlined the regional office organization chart and the division of roles and responsibilities within the office. The regional office monitors 14 countries with \$100M in food aid and also liaises with FEWS and CILSS. USAID is developing a West Africa regional strategy and has already approved the concept paper.

Judy Bryson of **Africare** then presented some perspectives on food aid and monetization trends. She pointed out that the increase in monetization has been influenced by several factors, including the need by PVOs for cash to increase the impact of their programs coupled with the shrinking availability of other funding sources such as DA funds and limited 202(e) resources. She sketched the legislative history of monetization and discussed some of the changes in mandates over the years.

Judy's view is that monetization is the future. She believes monetization is very effective as it allows for durable results, promotes increased efficiency and development impacts, contributes to market development, and helps countries become efficient *participants* in markets. She also briefly discussed the debate concerning the utility of Cash for Work versus Food for Work programs. She sparked a discussion with the participants about whether a return to Food for Work programs would constitute a regression, particularly since laborers may prefer cash wages rather than being paid with food, particularly when workers are constrained from disposing of their wages as they see fit. Further, for Food for Work programs to be implemented, they must have cash resources for equipment, supplies and technical input.

Ned Pendleton, a commodity attorney who has conducted monetization consulting work for various PVOs, led the afternoon session focusing on contract writing and tenders. He emphasized that the contracts should include the name of the commodity, the quantity, price, quality, and the shipment date and place. Ned handed out examples of old contracts and had participants review the contracts in small groups, and then did a "report-out" in the larger group. To demonstrate some of the issues involved in a negotiated sale, he related in detail the steps involved in his work with E.Y.G. Kumodzie of CRS/Ghana in negotiating a recent sale of rice in Ghana. Ned commented that generally speaking, it seems as if PVOs do not understand the terms of their charter party.

He suggested that PVOs have a local attorney COMMENT on their template sales contract, but not revise or rewrite it. They should review it with respect to local law which could have an impact on the terms of the contract. He also discouraged including a delivery date in the sales agreement, but stated that if you have a clause that allows a buyer discount for late delivery in the contract, this protects you against the declaration of force majeure in case the ship is late or incurs heavy losses (and the buyer may want to back out of a deal). If the discount is included, the contractual trade-off is that the buyer cannot declare *force majeure* - this should be stipulated in the contract.

Other points to be considered when selling commodities:

- identify all potential buyers
- have potential buyers ever purchased US commodities before, and have they ever purchased Title II or Food for Progress commodities?
- identify the regular schedule of imports
- identify the standard/typical means of payment and types of sales methods
- identify sound financial institutions/banks
- obtain a list of exact commodity specifications
- confirm willingness to put up a bid deposit
- establish system of screening buyers; obtain physical address of buyer
- interview prospective buyers' banks
- clearly state that the PVO has the right to accept or reject any or all bids and/or to negotiate with any bidders
- include the same information in the sales agreement as was included in the call for bids so as to maintain consistency in information

Further information on screening buyers included:

- physical verification of their business operation to confirm that they have a “going concern”
- verification from intermediate buyers in the market of the reliability of your buyer
- references (ask for them)
- membership in associations
- buyer background check with U.S. Embassy, USAID, USDA, WFP, to identify if any credit concerns, outstanding debts, etc.

Tuesday, July 13, 1999

Ned Pendleton also led the morning session of day two, turning the discussion to tender bid sales. He asked **Bernie Runnebaum** to present **ACDI/VOCA**'s experiences in their sealed tender bid vegetable oil monetization in **Uganda**. Bernie discussed the importance of running the monetization program like a business. Their monetization program is designed to meet the needs of both large and small buyers. ACDI/VOCA views the buyers as customers and emphasizes the importance of building local skills to help build a private sector. ACDI/VOCA/Uganda requires a bank draft and they do not deal with credit. They do not establish a minimum price for bidding because they have found that the bids come in too low. He emphasized the need for strict adherence to deadlines and regimented timelines for repayment. In addition, he stressed the need for transparency, making use of witnesses throughout the process and disclosing bid results on a bulletin board. Bernie does not think the sealed bid process is the easiest possible means of conducting the monetization, but their experience has shown that this is the best way to conduct the sale because they get the most money from this structure.

Ned Pendleton then turned the discussion to auctions. He was involved in an ACDI/VOCA auction of wheat flour in Kyrgyzstan. According to an informal poll at the workshop, the Kyrgyzstan auction is the only known auction among the PVOs, and this was done under Food for Progress rather than Title II, and initially took place when a negotiated sale was not transacted. To advertise the Kyrgyzstan auction, ACDI/VOCA put up posters and posted ads in the newspapers. A mock auction workshop was held

ahead of time to allow the participants to become familiar with the rules and structure of an auction. Ned stressed the need to have samples of the commodities available at the auction.

On the day of the actual auction, participants registered and paid a small fee to enter. Each participant was required to post a bid bond. The rules were clearly posted, along with a copy of a standard contract form. The organizers agreed upon a starting bid ahead of time. They hired a local person to serve as the auctioneer. The winner of a particular bid was required to sign the contract at the site. All transactions were rendered in cash. The bid winner had to post another bid bond prior to bidding on any additional lots. This program continues today as a Food for Progress program. Ned recommended auctions as a means for monetizing small lots.

During the afternoon workshop session, Ned held consultation appointments with interested individual country programs. PVO representatives signed up for blocks of time to meet with him to discuss their monetization issues and to review sales agreements.

Wednesday, July 14, 1999

Jenny Aker of **CRS/Ghana** provided a presentation on Bellmon Analyses. She based the presentation on a set of draft guidelines for conducting monetization Market Analysis in West Africa that she recently developed. Thus purpose of these guidelines is to provide a standard format for conducting a market analysis.

Lee Thompson of **Africare** then facilitated a discussion on joint agreements. With the input of the participants, she generated a list of advantages and disadvantages of joint monetizations. Among other benefits, Lee pointed out that a joint monetization agreement can allow for some economies through joint Bellmon and other analyses. She pointed out the example of the Mozambique consortium that has worked together to produce a wide range of analyses of the food security impact of the monetization of Title II commodities. Utilizing the Monetization Field Manual guidelines, Lee recommended that organizations entering into joint agreements should establish a committee that would be made up of the members of the consortium, that the committee meet regularly and “minute” their proceedings and decisions, and rotate administrative responsibilities. Since there are various models for distribution of proceeds, each consortium will have to decide which model best fits their situation. PVOs were reminded that the joint monetization agreement is between Cooperating Sponsors, not between the Cooperating Sponsors and USAID; the DAP serves as the agreement with AID, and the joint monetization agreement describes the roles and responsibilities of the lead agent and the other Cooperating Sponsors. Further, although USAID strongly encourages joint monetization, due to various strategies and uses for monetization, this may not be in the best interest of all PVOs.

In the afternoon, **Jessica Graef** of **Food Aid Management (FAM)** delivered a presentation regarding the FAM website, and the Food Security Resource Center (FSRC). Jessica also distributed an annotated bibliography that she had prepared for the workshop participants to inform them of the monetization documents that are available through the

FSRC. She then presented some introductory remarks concerning the PVO monetization manual (purpose, timeline and sequence of events, and next steps). After Jessica's presentation, Iven Ose led a session to obtain comments on the manual. He pointed out some of his comments on the manual and encouraged the workshop participants to provide their input.

Based on the limited comments from those who had read it thoroughly, it did not appear that there were any substantial changes to be made. To make certain that field staff have had ample opportunity to comment on the manual, the participants were asked to read through the manual (if they had not already) and to forward all comments to Jessica Graef by August 1. Although each Monetization Working Group member was requested to forward the draft of the manual to the appropriate field staff several months ago, Jessica Graef also passed out hard copies and diskettes with electronic versions of the manual at the Workshop. In addition, she provided the participants with the FAM web page address where the manual files could be downloaded.

The remainder of the afternoon marked the start of individual country program presentations of their monetization activities. Each presenter was asked to outline his/her monetization best practices and lessons learned. **Shirley Dady (CRS/Burkina Faso)** discussed her organization's monetization of rice. CRS has worked in Burkina since 1960 and monetizing commodities since 1987. CRS began monetizing rice in 1997 when the rice market was liberalized. She mentioned the country program's experience with one FY99 call forward that arrived in three different shipments. She also cited a problem with a very high spot price quoted by Food for Peace (FFP) that made it impossible for them to sell their commodity. CRS/Burkina Faso appealed to FFP to give them a new spot price, but FFP would not accommodate the request. This highlighted the complex nature of obtaining FAS price quotes from Food for Peace and inflexibility in receiving new quotes, despite world market price changes. CRS has conducted cooking demonstrations of US rice for buyers. Par-boiled has gained acceptance and buyers have recognized that they can sell it at a premium.

Iven Ose of the **ACDI/VOCA-Cape Verde** office described their monetization of bulk corn and wheat. With local food production meeting only 10% of the citizens' needs, Cape Verde is particularly food deficit. ACDI/VOCA has been selling their commodities to a parastatal that then sells the commodities at fixed prices to the public. Now that the parastatal has undergone a privatization process, they are selling to a private milling company. He mentioned that they have had some difficulty in the past being a reliable supplier when USAID did not have corn available on the commodity list or the approval of a call forward was delayed. He cited that low US commodity prices had resulted in a shortfall in program revenues and thus the program requested additional commodities to make up the differential. Ivan posed the question of how to expedite AER amendments to accommodate market changes.

Shamita Johnson of **Africare's** program in **Chad** discussed their regional monetization program. Under this program, Africare monetizes wheat flour in Chad and makes use of the proceeds in Chad, Burkina Faso, and Mali. She focused her discussion on their efforts to reduce commodity losses. Africare posted staff on duty to supervise the

offloading and transport of the flour from the Douala, Cameroon port up through to the end of the rail line at Ngoundere, Cameroon, where it was then loaded onto trucks and driven north to Chad. As a result of their supervision of the process, Africare experienced negligible losses with each shipment. Africare has been able to penetrate the oligopoly market in Chad and regularly obtains sales prices exceeding the benchmark.

Thursday, July 15, 1999

Michelle Iseminger started off the morning with an overview of **Africare/Guinea's** vegetable oil monetization program. Under a closed tender bid sale system, the commodity is delivered directly from the port to the buyer. All sales are backed by a bank guarantee. The program has not had any problems meeting the benchmark. When first selling the oil, Africare/Guinea had to combat the tendency of the consumers to view the commodities as free goods since they previously received them as such via distribution programs. Africare/Guinea conducted a public awareness campaign to help address this issue. This campaign included the development of t-shirts with pictures of the vegetable oil tins with a slogan on the bottom that stated that if a consumer buys this oil, he/she will be contributing to the development of their country. They have been able to overcome the barrier of the introduction of new packaging in the local market. The previously unknown 20 litre blue pails now have their own market value.

To cut down on port losses, Africare/Guinea conducted a similar effort to that of Africare/Chad by sending Africare staff in to the Conakry port area to supervise the offloading of the commodities. Michelle recruited staff and security personnel to assist in the process. She assigned everyone jobs and supplied them hard hats and t-shirts that corresponded to their particular roles so it would be clear where everyone was and who belonged in which area of the port. In the last shipment, Africare/Guinea experienced the loss of only one tin at the port.

When outlining **CRS/The Gambia's** monetization program, **Simon Cole** stated that they recently received only two bids, both of which were below cost recovery. They discovered a cartel in operation in the region. To address the issue, CRS changed the structure of the monetization from a sealed tender bid sale to a negotiated tender process. Through the negotiation process, they were able to convince the buyer to increase the price to a point above the benchmark. CRS/The Gambia will continue with this negotiation structure for their monetization program.

Tilahun Giday then provided an overview of the **OIC International** program in **Togo**. OIC International monetizes wheat via negotiated sale with one buyer in Togo. He related lessons learned from several mistakes that became apparent in the first monetization effort (e.g., lack of guards, losses at port and during inland transport, poor reporting). OIC International currently has a mentoring agreement with CRS. Tilahun also described OIC International's development policies in some detail.

The Ghana monetization consortium (consisting of **ADRA**, **CRS**, **OIC International**, and **TechnoServe**) has recently been involved in the monetization of wheat. As there is no domestic wheat production within Ghana, the nation is dependent on imports of wheat. Since there were 4 existing PVOs operating Title II programs in-country who

already collaborated informally, they decided to form a more official consortium. This joint monetization arrangement is new in Ghana as well as West Africa. Among other advantages, they have found the joint monetization structure to be useful because they do not have to compete for the same buyers and they have been able to reduce their costs through the centralized operation. Each consortium member's AERs are individually approved and each go through the call forward process. All of the commodities are consigned to one PVO so they are shipped on one vessel. All of the consortium members participate in the negotiations. CRS acts as the lead agent.

To close out the workshop, **Colette Powers** of **ACDI/VOCA** acted as a facilitator to develop a list of recommendations based on the issues raised during the workshop. Although some were PVO-specific suggested actions, most items were recommendations for consideration by the Office of Food for Peace concerning issues that need to be improved or addressed.

Recommendations:

- Expediting call forward process. Can the timeline be tightened?
- Signing of sales contract before call forward will be processed. Too long to tie up money for the buyer. Can this be addressed?
- Respecting of calls forward when pipeline might be high in order to keep faith in the market.
- System for samples - must improve ability to get samples, particularly for new programs. Sample commodities can expedite procurement. Ask USDA/KCCO for assistance.
- Better system of obtaining prices from FFP for FAS quote - and those prices need to be more "real world".
- Trend is towards increase splitting up of cargo - this makes receipt and delivery of commodity to buyer more difficult and costly.
- Marking/labeling system, including expiration date on commodities.

Regional Food for Peace Officer, Nancy Estes indicated that she would be preparing a cable to her Food for Peace colleagues regarding the recommendations made at this workshop. (cable attached)

UNCLASSIFIED
AID 8/13/99
DIR:JHRADSKY JH
FFP:NESTES NE
1.DDIR:PTUEBNER PT
AID

AMEMBASSY BAMAKO
SECSTATE WASHDC
INFO AMEMBASSY ACCRA

AIDAC

FOR: USAID/BHR/FFP FOR NELSON,GETTIER,BRAUSE,JLEE
USAID/ACCRA FOR SANDS AND ATIEKU

E.O. 12958: N/A

SUBJECT: PVO MONETIZATION WORKSHOP, ACCRA GHANA, JULY 12-15

1. KUDOS IS DUE TO ORGANIZERS FROM AFRICARE AND ACDI, AND TO PARTICIPANTS (FROM ACDI, ADRA, AFRICARE, CRS, FAM, OIC, AND TECHNOSERVE) FOR STAGING A WELL-ORGANIZED, INFORMATIVE, AND HIGHLY PARTICIPATIVE WORKSHOP ON CURRENT AND TECHNICAL MONETIZATION ISSUES. RFFPO BAMAKO AND FFP REP FROM USAID GHANA ATTENDED. FOLLOWING IS A SUMMARY OF MAJOR TOPICS DISCUSSED, AND RECOMMENDATIONS.

2. THE WORKSHOP BEGAN WITH A DISCUSSION OF MONETIZATION TRENDS IN WEST AFRICA. CURRENTLY, TWO MONETIZATION PROGRAMS (GHANA AND CAPE VERDE) ACCOUNT FOR 80% OF THE MONETIZATION TONNAGE IN WEST AFRICA. SINCE 1990, THE PERCENT OF FOOD AID MONETIZED IN THE REGION HAS INCREASED FROM ROUGHLY 10% TO 35%. ALTHOUGH THIS MIRRORS WORLDWIDE TRENDS, AND SHOWS THE EFFECT OF DIMINISHED DEVELOPMENT ASSISTANCE FUNDING, IT IS ALSO REFLECTIVE OF THE IMPORTANCE ATTACHED TO THE CILSS (COMITE INTER-ETATS DE LUTTE CONTRE LA SECHERESSE AU SAHEL) FOOD AID CHARTER, WHICH COVERS NINE COUNTRIES IN WEST AFRICA. THIS CODE OF CONDUCT STATES THAT FOOD AID SHOULD BE TREATED AS AN ACTIVE COMPONENT OF OVERALL DEVELOPMENT AID EFFORTS AIMING TO CREATE AN ABILITY TO PROVIDE ADEQUATE FOOD SUPPLIES, EITHER THROUGH PRODUCTION OR IMPORTS. REGIONAL OFFICIALS RECOGNIZING THE FRAGILE FOOD ECONOMY OF THE SAHEL REGION HAVE BEEN WARY OF BECOMING CHRONICALLY DEPENDENT ON FOOD AID HANDOUTS. ACTIVITIES THAT PROMOTE AGRICULTURAL PRODUCTION ARE GREATLY FAVORED. (NOTE THAT

DURING THE APRIL 1999 BAMAKO WORKSHOP THAT INCLUDED A DISCUSSION OF MONETIZATION, REGIONAL OFFICIALS STRONGLY FAVORED MONETIZATION ACTIVITIES THAT SUPPORTED AGRICULTURE.) THREE CURRENT DAPS UNDER CONSIDERATION FOR WEST AFRICA ARE IN LINE WITH THIS THEME. ALSO DISCUSSED, WAS THE ISSUE OF REGIONAL MONETIZATION, SPECIFICALLY IN THE WEST AFRICAN CONTEXT. IN WEST AFRICA, COUNTRIES THAT MAY MOST NEED THE FOOD AID RESOURCE, MAY ALSO BE POOR MONETIZATION CANDIDATES DUE TO SMALL AND FRAGILE NATIONAL MARKETS. THERE MAY BE A CASE TO BE MADE FOR DOING A REGIONAL BELLMON FOR THE SAHEL. AFRICARE'S JUDY BRYSON SUGGESTED THE INCREASING INTEREST IN MONETIZATION IS A NATURAL PROGRESSION OF DEVELOPMENT AND THAT IT IS A RESOURCE THAT CAN HELP PROMOTE DURABLE RESULTS, AND IMPROVE MARKET PERFORMANCE. THERE WAS ALSO DISCUSSION ON COST RECOVERY. CURRENT REQUIREMENTS, RATHER THAN A PRICE PARITY CRITERION, MAY THWART POSSIBILITIES TO MONETIZE VALUE-ADDED COMMODITIES. RFFPO LAID OUT THE RECENT SUPPLEMENTARY MONETIZATION GUIDELINES THAT GIVE PRIORITY TO DIRECT DISTRIBUTION AND IN-COUNTRY MONETIZATION, AND THERE WAS DISCUSSION OF THE IMPORTANT RAMIFICATIONS OF THESE FOR WEST AFRICA.

3. EDMUND PENDLETON, COMMODITY ATTORNEY AND KEYNOTE SPEAKER, PRESENTED A DETAILED AND EXTREMELY USEFUL SESSION ON HOW TO WRITE MONETIZATION SALES AGREEMENTS. HE URGED PVOS TO INCLUDE IN THE AGREEMENTS A STATEMENT THAT SPECIFIES AT WHAT SPECIFIC POINT TITLE AND RISK PASS TO THE BUYER; TO EXERCISE CARE ABOUT SPECIFYING DATES OF COMMODITY ARRIVAL IN COUNTRY (DUE TO INEXACT SHIPPING SCHEDULES), AND TO CHECK THE CONTRACT WITH A LOCAL IN-COUNTRY COUNSEL. DISCUSSION ALSO INCLUDED VARIOUS TYPES OF SALES PROCESSES WITH AN EMPHASIS ON THE RECENT GHANA RICE PROCESS, WHICH WAS A COMBINATION TENDER AND NEGOTIATION.

4. PERHAPS THE HIGHLIGHT OF THE WORKSHOP WAS THE COLLEGIAL ATMOSPHERE OF DISCUSSION ISSUING FROM INDIVIDUAL PRESENTATIONS BY MONETIZATION MANAGERS OF EACH PVO. EACH DESCRIBED HIS/HER MONETIZATION PROGRAM, INCLUDING DETAILED INFORMATION ON THE SALES PROCESS AND LESSONS LEARNED. THE WORKSHOP WAS ENHANCED BY THE PARTICIPATION OF ACDI UGANDA REP BERNIE RUNNEBAUM WHO PRESENTED THE UGANDA MONETIZATION MODEL. IN ADDITION, THE NEW PVO MONETIZATION MANUAL WAS DISCUSSED AND DISTRIBUTED. THOROUGH TECHNICAL DISCUSSIONS WERE HELD ON BELLMON ANALYSES AND THE BENEFITS OF COLLABORATION THROUGH JOINT MONETIZATION PROGRAMS. (WITH REGARD TO THE LATTER, AFRICARE AND CRS HELD DISCUSSIONS ON A POSSIBLE JOINT MONETIZATION IN BURKINA FASO.)

5. PVOS BROUGHT UP SEVERAL ISSUES FOR FFP/POD, AND WILL FORMULATE THEM AS RECOMMENDATIONS OF THE WORKSHOP:

A. SAMPLES. PVOS DESPERATELY WANT TO OBTAIN COMMODITY SAMPLES TO SHOW TO PROSPECTIVE BUYERS. JUST TO NAME ONE EXAMPLE, ACDI CAPE VERDE THINKS IT MAY BE ABLE TO SELL PAR-BOILED RICE AND VEG OIL, BUT IT NEEDS SAMPLES. FOR POD: WE KNOW THAT OBTAINING SAMPLES IS A LONGSTANDING ISSUE, BUT ALSO UNDERSTAND PVOS SOMETIMES SUCCEED IN GETTING THEM FROM USDA. CAN POD SUGGEST A PROCESS WHEREBY PVOS MIGHT OBTAIN SAMPLES MORE READILY?

B. CALLS FORWARD. PVOS SAY THAT EVEN THOUGH THEY HAVE THEIR CALL FORWARD IN BY THE DEADLINE EACH MONTH, IT MAY NOT BE PROCESSED UNTIL THE FOLLOWING MONTH. EVEN IF THE PVO HAS A HEALTHY PIPELINE, IT STILL MAY NEED THE FOOD TO ENABLE IT TO BE A RELIABLE SUPPLIER, AND SHIFTING BACK A MONTH MAY CAUSE PROBLEMS IN THE FIELD. PVOS ASKED FOR CLARIFICATION ON THE CALL FORWARD PROCESS.

C. DELIVERY TIMES. PVOS MUST SIGN A CONTRACT WITH A BUYER BEFORE MAKING THE CALL FORWARD, AND THEN MAY EXPERIENCE COMMODITY DELIVERY TIMEFRAMES OF UP TO SIX MONTHS. THIS IS VERY LONG FOR A BUYER TO WAIT, AND IS CAUSING SERIOUS PROBLEMS IN THE REGION WHEN THE PRICE DECLINES IN THE INTERVENING MONTHS. PVOS ASKED WHETHER THIS PROCESS COULD BE REVIEWED TO SEE IF THE SYSTEM COULD BE TIGHTENED.

D. FAS QUOTES. PVOS REQUESTED QUICKER AND MORE ACCURATE FAS PRICES. THE MONETIZATION FIELD MANUAL SPECIFIES A QUOTE BE GIVEN IN THREE WORKING DAYS.

E. CONSOLIDATING SHIPMENTS. SEVERAL WEST AFRICA PVOS SAY THAT RECENT SHIPMENTS HAVE ARRIVED ON DIFFERENT SHIPS. THIS COMPLICATES TRANSPORT, DISTRIBUTION AND SALES PROCESSES. PVOS REQUESTED THIS SITUATION BE IMPROVED.

F. EXPIRATION DATES. PVOS REQUESTED THAT COMMODITY EXPIRATION DATES BE PRINTED ON CONTAINERS TO AVOID SUSPICION BY BUYERS THAT THEY ARE GETTING AGING COMMODITIES.

F: ACTION REQUEST POD: PLEASE CLARIFY SITUATION AND/OR

SUGGEST POSSIBLE REMEDIES FOR ABOVE ISSUES. PORTER##

Final Evaluation
West and Central Africa Monetization Workshop
July 12-15, 1999
Hotel Wangara
Accra, Ghana

At the conclusion of the workshop, each participant was asked to complete an evaluation of the four-day long program. Below is a summary of the final evaluation for the West and Central Africa Monetization Workshop.

Total Number of Survey is 16

(The tally for each question may not add up to 16 due to a variety reasons, including participant did not stay at the hotel or did not attend that particular portion of the workshop.)

1(a) What was your assessment of the accommodations?

Responses and Comments:

Great Somewhat Great 10 Somewhat Poor 2 Poor

1 (b) What was your assessment of the meals?

Great 1 Somewhat Great 7 Somewhat Poor 2 Poor 1

Average

2) Were the presentations on Monday morning useful in providing a context for the following sessions?

Very Useful 5 Useful 8 Somewhat Useful 3 Not Useful

Yes, these sessions were useful and set the context.

It would have been nice to have copies of the schedule for the entire week.

3) What is your overall rating of the practical sessions held on Monday afternoon and all day Tuesday?

Very Useful 8 Useful 5 Somewhat Useful 3 Not Useful

As these topics were covered in the previous workshop with Ned, they were a bit redundant and perhaps less useful than some of the other sessions.

Being able to hear other PVO's experience was useful; the issues discussed regarding the contracts was especially helpful. We didn't participate in Ned's one-on-one sessions (since CRS is actual lead agency) but I think it's a great idea to have his review of our specific contracts.

I would have wanted to see more interactive sessions.

Working groups would be helpful for practical use (i.e. groups presenting a typical sale (tender bid, negotiation and auction)

More time for review and discussion of monetization manual would have been helpful.

Annual joint workshop to follow up on recommendations for FFP and others.

4) What is your assessment of the Bellmon Analysis Presentation on Wednesday morning?

Very Useful 12 Useful 3 Somewhat Useful Not Useful

This was useful as we all need to become more qualified in this regard.

Very informative, well presented.

5) What is your assessment of the presentation on Joint Agreements?

Very Useful 6 Useful 6 Somewhat Useful 3 Not Useful

Since FFP is moving in this direction this topic should be more exhaustively dealt with in respect of the agreements.

Some concrete examples would have been helpful to inspire participants moving in this direction.

6) What is your assessment of the presentation and discussion on the Cooperating Sponsors Monetization Manual?

Very Useful 3 Useful 7 Somewhat Useful 5 Not Useful 1

I suggest that the Reg. 11 should be an attachment since the regulations control monetization.

Participant would have needed the manual in advance for this to have been very useful.

Very quick but helpful.

Now that copies have been distributed, CS must review them and then collect for a two

day conference for finalization.

Continue to circulate suggestions and inputs given before finalized.

7) Did you find the presentations of the various country programs useful?

Very Useful 5 Useful 8 Somewhat Useful 3 Not Useful

To avoid presenters deviating in the future, a guideline should be given out.

Presenters should have had more advance notice - still they were all well done and interesting. It might be interesting to do them earlier in the workshop.

If the presenters could be more practical than theoretical.

Make sure each presenter knows exactly what information to present.

While the agenda was sent out ahead of time, it might have been useful to forewarn presenters that they would be presenting. Some individual presenters didn't receive the agenda until the week before, and hadn't had time to look over the agenda before arriving, so they weren't aware that they were presenting.

Please request such presentation well ahead from program.

8) What is your overall assessment of the workshop?

Very Useful 8 Useful 6 Somewhat Useful 1 Not Useful

Unfortunately, I was unable to participate as actively as I would have liked but overall the topics were ones that are relevant for all of us to know.

I think the presence of Joe Gettier, as our collective FFPO, would have been nice, but then again, he may have been unfairly bombarded by our concerns and issues.

It pulled together quite well, though I think topics could have been more pointed/focused to control important issues. Then maybe a panel discussion would be appropriate to capture country experiences. Small group discussions would have also been better.

Please have them more often, i.e. (2) twice a year. Expectations were fully met.

Excellent operational workshop - very useful in the technical details discussed.

Could compress it to 3 days. Or if, kept at 4 days, go deeper into individual CS's development activities. This could focus on a selected sample of activities in order to save time.

A schedule be forwarded well in advance to participants. Many thanks for the

opportunity.

Workshop was very well organized and executed. “Hands-on” criteria of workshop and examples of experiences was very useful. Future workshops should maintain emphasis on practical aspects/issues in design and implementation of monetization activities. Also, 1 on 1 time with Ned was very helpful/informative. Individual sessions should continue to be programmed.