



Reporting Agency: UN Capital Development Fund (UNCDF)  
Country: Sierra Leone

**STANDARD PROGRESS REPORT**

No. and title: SIERRA LEONE MICROFINANCE SECTOR DEVELOPMENT (MITAF II)

**Interim Period**

Reporting period: May 2012-December 2013

## **I. BACKGROUND AND PURPOSE**

### **1. Introduction**

Since 2010, The Government of Lichtenstein granted UNCDF \$245000 for development investment in Sierra Leone. UNCDF sought to invest these funds via MiTAF Phase II (The Microfinance Investment and Technical Assistance Facility), a multi-donor facility established in mid-2009, which sought to develop a national competitive, sustainable and inclusive financial sector that provides access to financial services to low income people. MiTAF's sponsors (KfW, UNCDF<sup>1</sup>, UNDP and CORDAID) proposed to work in partnership with the Bank of Sierra Leone (BSL) and the Ministry of Finance and Economic Development (MoFED).

As in phase I, the BSL and the partnering sponsors had agreed to delegate the tasks and responsibilities associated with the establishment and management of MiTAF II to an independent International Technical Service Provider (TSP). The approval of the selected International Technical Services Provider (ITSP) was subject to KfW signing a "Financial Agreement" with the Government of Sierra Leone and a "Governance Agreement" with the Bank of Sierra Leone. Unfortunately, after several discussions, KfW and the Bank of Sierra Leone determined, in April 2012, that a common basis could not be found for the implementation of MiTAF II, and decided to inform their respective Governments that they could not proceed with the submitted agreements. As consequence, KfW and Cordaid withdrew from MiTAF II.

Jointly with UNDP, UNCDF decided to enter into discussions with the Government of Sierra Leone in order to implement the program. UNCDF awaited for Lichtenstein resources to reach a critical mass in order to design an initiative which would result in high impact outcomes. The arrival of Lichtenstein 2013's now permits this investment.

As a result of a several months of consultations, UNCDF reengaged UNDP and together these UN agencies approached the BSL seeking joint programming options. The result is in 2014 UNDP, UNCDF, and the BSL will co-invest to a.) Increase the sector capacity by strengthening the BoSL capacity to supervise and regulate and b.) Support women and youth entrepreneurs by strengthening their capacities of establish and manage business and c.) Compliment these activities with programming designed to teach these target groups how to launch and run community managed saving and lending associations.

UNCDF is confident that the proposed way forward will result in high impact programming which will strengthen target groups resilience to economic shocks and community level social cohesion.

Finally once UNCDF's (Lichenstein) funds are expensed, UNCDF will conclude the MiTAF program, estimated during the second quarter of 2014.

### **Program Objectives**

The objectives of the abovementioned program are aligned with MiTAF's objectives:

The program aims to contribute to the MDGs, specifically the goal of cutting absolute poverty by half by 2015, through improvements in livelihood (MDG 1) and promote gender equality and empower women (MDG 3) through employment creation and improvement of livelihoods.

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<sup>1</sup> In 2012, Liechtenstein had provided non-core resources to complete UNCDF core resources

### **Programme Strategy**

UN partners (UNCDF and UNDP) will work in synergy with the Bank of Sierra Leone to achieve the following outputs:

- *Output 1: At the National level: Coordination of the sector, and the microfinance regulatory and supervisory framework are strengthened*
- *Output 2: At Meso level: The business development capacity and financial literacy of target groups are supported to benefit youth and women*
- *Output 3: the Micro level: The financial literacy and capacity of target populations is strengthened to manage Village Saving and Lending Associations*

The UNCDF and UNDP will co-invest in strengthening the capacity of the central bank to regulate and supervise the microfinance sector. Likewise the UN agencies will co-invest at the meso and micro levels to support community level development.

### **3. Partners**

The revised program is funded by UNCDF (\$345,000), UNDP (\$YYYY) and the Bank of Sierra Leone (in kind). UNCDF is participating in the joint investments under the auspices of the MiTAF II, and will conclude the program after the second quarter of 2014.

## **II. RESULTS**

To achieve the above agreement, activities were undertaken which can be summarized as follows:

- UNCDF recruited a Chief Technical Advisor in March 2013 to manage the Sierra Leone portfolio of activities
- UNCDF re-engagement of UNDP and BoSL to design program of investment
- UNCDF conducted market assessment and program design activities to maximize investment impact potential portfolio quality improvement

### **1. UNCDF recruited a Chief Technical Advisor (CTA) in March 2013 to manage the Sierra Leone portfolio of activities**

Once MiTAF donors and the BSL decided to withdraw the project, UNCDF moved to recruit a CTA to oversee UNCDF's portfolio of activities. In an effort to save costs the CTA managed for both Sierra Leone and Liberia operations and was based in Monrovia. UNCDF's team (CTA in collaboration with the Regional Office) accomplished the following:

- The repayment agreement of a significant delinquent loan to a prominent MFI was agreed upon; consequently UNCDF is in the process of recovering \$700K USD. This result was anticipated under MiTAF II.
- Relations with UNDP Sierra Leone were resuscitated and the two agencies will now jointly move forward and implement key segments of the MiTAF proposal.
- Relations with the Bank of Sierra Leone were normalized; UNCDF will now actively invest in strengthening the bank's capacities in collaboration with UNDP.

In summary, in 2013 UNCDF focused on revitalizing relations with key stakeholders to order to successfully plan 2014 investments.

## **Challenges**

As stated in UNCDF's prior report (2012), the approval of the selected International Technical Services Provider (ITSP) was subject to KfW signing a "Financial Agreement" with the Government of Sierra Leone and a "Governance Agreement" with the Bank of Sierra Leone. Unfortunately, after several discussions, KfW and the Bank of Sierra Leone determined that a common basis could not be found for the implementation of MITAF II, and decided to inform their respective Governments that they could not proceed with the submitted agreements.

In 2013 UNCDF worked to re-establish relations with the BoSL so as to achieve key MiTAF results. UNCDF worked with UNDP and the BoSL to design program which will benefit key target groups, notably youth and women.

## **III. RESOURCES**

See Table 1: 2014 Annual Workplan

## **IV. FUTURE WORKPLAN**

The planned activities for Q1 & Q2 (January-June 2014) are:

1. Approve the 2014 Annual Work Plan
2. Establish an informal project oversight committee with UNDP, UNFPA and potentially BoSL representatives
3. Contract implementing partners for the VSLA program component
4. Monitor program advancement and document lessons learnt
5. Provide technical support as necessary
6. Conclude the MiTAF II Program

**Annual Work Plan & Budget: January – December 2014**

**UNCDF Fund: XXXX | UNDP Fund: xxxxxx**

**Program Budget**

**Outcome of the Joint Program:** contribute to the development of 1) an inclusive financial sector that provides access to financial services to micro, small and medium enterprises (MSMEs), particularly in rural areas and 2) a greater access to market opportunities and information for MSMEs in rural areas.

Annual objectives of the UN Body	Activities	SCHEDULE				IPs	BUDGET ESTIMATES			
		Q1	Q2	Q3	Q4		Source	Activity description	Code	Amount
Output 1- At Macro level: Coordination of the sector, and the microfinance regulatory and supervisory framework are strengthened										
1.1. The supervisory and monitoring capacity of the BOSL is enhanced	1.1.1. Management Training & Advisory Services	X	X			BoSL	UNDP UNCDF	Training and or advisory services to support the supervisory capacity of the BoSL	72200	\$XXX,XXX \$70,000
	UNDP Sub-Total									XXXX
	UNCDF Sub-Total									XXXX
	Budgeted Sub-Total									XXXXX

Annual objectives of the UN Body	Activities	SCHEDULE				IPs	BUDGET ESTIMATES			
		Q1	Q2	Q3	Q4		Source	Activity description	Code	Amount
Outcome 2-At Meso level: The business development capacity and financial literacy of target groups are supported to benefit youth and women										
2. Increase youth employment through career advice, internship programs and business development services	2.1. Operationalize 5 existing Business Development Services centers	X	X			Local IPs (Implementing Partners)	UNCDF	Capital and asset investments to upgrade BDS centers	72600	\$60,000
	Budgeted Sub Total (UNCDF)									\$60,000
Outcome 2 Sub Total										\$60,000

Annual objectives of the UN Body	Activities	SCHEDULE				IPs	BUDGET ESTIMATES			
		Q1	Q2	Q3	Q4		Source	Activity description	Code	Amount
Outcome 3- at the Micro level: The financial literacy and capacity of target populations is strengthened to manage Village Saving and Lending Associations										
3.1. Increase financial literacy and technical know-how of target populations in establishing and maintaining VSLAs	3.1.1. Produce Radio drama series and VSLA technical talk shows	X	X			POPULATION MEDIA CENTER	UNCDF	Outreach to 10,561 new & unbanked clients ♦ radio production ♦ M&E ♦ field visits ♦ training of Village Agents	72600	\$205,000
	3.1.2. provide technical backstopping to target populations						UNDP		72600	\$2000
	3.1.3. facilitate the supply of VSLA kits in local markets									
Outcome 3 Sub Total										\$207,000
UNCDF Mission										\$10,000
Budget Total										\$347,000

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## Investment Narrative

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### I. CONTEXT/SITUATION ANALYSIS

Since its emergence from a decade of civil war in 2002, Sierra Leone has experienced substantial economic growth. However, poverty and unemployment remain major challenges, and the country's infrastructure continues to suffer the consequences of years of mismanagement and neglect. Sierra Leone's Human Development Index value for 2012 positioned the country at 177 out of 187 countries. More than 80 percent of the population lives below the poverty line, earning less than US\$1 per day. Of the estimated 3.2million adults (aged 18+) in Sierra Leone, only 470,000 are served by the formal financial sector, resulting in elevated levels of financial exclusion. Likewise based on the findings of the World Bank and others, it is probable that a distinct majority of those financially excluded are women. The Government of Sierra Leone appreciates that access to financial services is an important contributor to economic development. Consequently, it is anxious to see a rapid decrease in the numbers of people financially excluded and especially the numbers of women.

While financial services are a key component to rebuilding the country, low income Sierra Leoneans have limited access to basic credit or savings. To address this situation, international donors and the Government of Sierra Leone are working together to find ways to rapidly increase the availability of financial services to the poor. The diffusion of community managed savings and loan schemes which imbed financial literacy are an appropriate channel to serve low income earners.

Likewise Government has placed youth employment as a core outcome of the national economic development strategy. In particular, the "Agenda for Prosperity" prioritizes agriculture, infrastructure, energy/transport energy and human development as a strategic sector for growth and employment creation.

In addition to supporting the Bank of Sierra Leone's capacity to regulate and supervise the financial sector UNDP and UNCDF seek to respond to national mandates and support program designed to address business development and access to financial services targeting youth and women.

### II. PROGRAM DESCRIPTION

#### **Outcome 1: Coordination of the sector, and the microfinance regulatory and supervisory framework are strengthened**

There is a need to strengthen the surveillance of the sector, quantitatively as well as qualitatively, in view of its rapid growth in terms of assets and the number of MFIs and other financial sector actors, with all the risks it entails. Activities planned will ensure ownership of the content of regulations and its implications for modalities of operation and management. These activities will be supported through strengthening of management information systems especially designed for the microfinance, and the strengthening of supervision. These provisions will be complemented by potential networking planned under the other BoSL programs.

#### **Outcome 2: The business development capacity and financial literacy of target groups are supported to benefit youth and women**

In order to support this venture, the United Nations Development Programme ("UNDP") through the Recovery for Development (R4D) unit is supporting financially and technically five (5) Non-Governmental organizations to implement the Business Development Service (BDS) project activity with a strategy to improve the entrepreneurial skills of youth as means to improve and strengthen micro, small and medium enterprises, and livelihood activities.

#### *BDS objectives*

- Promotion of entrepreneurial culture in the country
- Boost job creation opportunities country wide through the provision of training in business entrepreneurial
- Provide post training support to business entrepreneurs
- Provide mentorship, coaching ,business advisory services and business outreach education information

The Business Development Services (BDS) activities are being implemented by five agencies with centre Locations County wide as follows:

No	Implementing partners	Centre locations
1	African Foundation for Development (AFFORD) –Sierra Leone	National Youth Commission (NAYCOM) office Makeni .Back of Wusum hotel
2	Advocacy Initiative for Development(AID) –Sierra Leone- Freetown	National Youth Commission (NAYCOM) Stadium swimming pool Siaka Steven stadium
3	Community Empowerment for Peace and Agricultural Development (CEPAD) –Sierra Leone –Kenema	National Youth Commission (NAYCOM) Office 5 Turay street Reservation road Kenema, Sierra Leone
4	Hand Empowering the Less Privilege (HELP)- Sierra Leone- Bo	National Youth Commission (NAYCOM) Office 46 Fofanah street -Bo
5	Restless Development(RD)- Sierra Leone- Newton Waterloo	Obasanjo Centre Waterloo ,Newton

#### *BDS Features*

- Business development services (BDS) are central to the development and growth of private enterprises, from small firms to global corporations.
- They cover a range of services that firms require across their value chain, and for which they look externally to third party providers.

#### *Achievements*

- Provided business entrepreneurial training to 2665 youths (Male 1,208,Female 1,447) including 10 disabled
- 791 youth enterprises - from which 487 female led - have been expanded as a result of the BDS activity through the provision of the post training support which has increase the income and savings levels of the youth and lead to business growth
- The BDS centers are also currently serving as a hub for potential client's recruitment for financial service providers since the grandaunts have been equipped with various managerial business skills in enterprise operation they are considered as refined business suitors.

- Created self-reliant jobs for the youth in the agricultural and business sector 192 (Male 110. Female 82) youths who were engaged in different job related activities
- In order to instill cooperate responsibility and legal business culture amongst youths, about 108 business enterprises established by youths have been registered with government authorities and NASSIT which have improve the legal environment in terms of business startup and on-going activity through sensitization
- More than 2000 business operators have benefited from business mentorship, advisory and coaching and business outreach education information provided by the BBDS activity
- 3000 bushels of husk rice produce from 425 bushels issued to 150 youths under the Inland Valley Swamp component of the BDS activity
- Recently the BDS provided training to 45 students from Njala university College who were on a 3 months practical internship courses on sustainable agricultural practices, gardening, agro machinery, processing, poultry, piggery and agro-management during the process the BDS centre at Obasnjo was requested to offer the business plan course so at the end of the course each student was able to development a business plan
- Recent achievement also involve an implementing partner( AID-SL) contracted and signed an MOU with Brussels Organization (Brussels Airline, School of Aviation, and business studies and Kenya air ways) to provide Information Communication and Technology (ICT) and business trainings to staff of their Brussels Airline.

### **Outcome 3: The financial literacy and capacity of target populations is strengthened to manage Village Saving and Lending Associations**

In collaboration with UNFPA and the Population Media Center (PMC), the Program seeks to pilot an innovative media based approach to increase financial literacy and VSLA technical knowhow in Sierra Leone. The pilot is scheduled to run from September 2013-April 2014 and is part of a 208-episode radio serial drama in Krio which has been broadcast since April 2012. Via this radio drama, PMC is currently reaching between 35% and 50% of the adult population (representing 700,000 to one million listeners) in Sierra Leone. The pilot aims to increase financial literacy and “teach” VSLA via the radio

#### **VSLA Strategy: Radio Dramas + Technical Talk Shows and Technical Backstopping**

- **Radio Dramas** (15 minutes each, twice weekly; Timeline September 2013-April 2014): a dramatic representation diffused on national radio which depicts the lives of a VSLA Member and her family. The objective is to demonstrate that good financial behavior results in positive impacts. By presenting characters which have similar characteristics to listeners (similar age demographic, geographic location, socio-economic background, language, etc.), listeners are more likely to emulate behavior depicted on the radio drama.
- **Technical Talk Show** (45 minutes each, at least five times during 6 months, following the Radio Dramas): A moderated discussion which provides instruction on each VSLA module. The moderator is a professionally trained and very experienced VSLA facilitator. Panelists will also be invited who are current/mature VSLA members and/or new VSLA members so as to provide

pertinent queries, insights, user experience and impact stories. Listeners will be able to call into the Technical Talk Show to ask questions and provide comments.

- **Technical Backstopping:** The project will provide listeners access to technical backstopping provided by endorsed LNGOs, mature VSLAs, Franchisees and/or Village Agents. The endorsed technical backstopping options will be diffused on regional radio stations so listeners receive contextualized technical support (e.g., technical back stoppers who are located close to listener major towns). The project will seek to encourage a market based approach to technical backstopping such as the promotion of Village Agents. Listeners who contact technical back stoppers will pay out of pocket for any acquired service.

The pilot will conduct a baseline, and end line survey which assesses the relevance of the channel (radio), the content (radio drama + technical talk shows) and the technical backstopping. The pilot will seek to compare the effectiveness of technical backstopping provided by LNGOs versus Village Agents.

**VSLA Toolkits:** The contents of VSLA toolkits will be shared with local entrepreneurs, Village Agents and franchisees. These entrepreneurs will supply the entire kit, including the passbook, to VSLA members. The cost of the VSLA kit will be borne by the VSLAs.

Accessing VSLA Kits Forming VSLAs will require inputs (record books, calculator, iron box, locks, etc.) to effectively manage their operations. UNCDF in collaboration with PMC will contact local entrepreneurs will be contacted to provide sample VSLA Kits to the project. The best among these (to promote competition and keep prices down) will be promoted on the radio. Several enterprises will be selected and promoted per district/region. VSLA Kits may be sold assembled or VSLA members may choose to purchase specific items. The selected kit providers will be responsible for reproducing the VSLA recommended record books/ledgers and/or passbooks. The cost of the VSLA kits will be borne by the forming VSLAs.

The Village Savings and Loan (VS&L) model is a savings-based approach that has proven on a very large scale that it can substantially fill the financial services gap (CARE 2009) while providing primary financial literacy experiential training. By intermediating small local pools of capital to satisfy household cash-management needs it facilitates immediately sustainable and profitable savings, insurance and credit services to people who live in places where banks and MFIs do not have a presence.

### **Financial Exclusion in Sierra Leone: A VSLA Expansion Response Strategy**

This initiative proposes to diffuse financial literacy and teach the VSLA methodology via a mass media platform: the radio. The Program seeks to work with PMC, a US based firm with operations in Sierra Leone to produce and diffuse radio dramas designed to encourage behavior changes vis a vis personal finances. Currently UNFPA funds PMC to produce and broadcast radio programming surrounding family planning among other issues, however there is a funding shortfall; The Program would insert additional material on Financial Literacy and VSLA and provide the funds to close the financing gap. The pilot program would run from January 2014-April 2014.

### **Responsible Party for VSLA component: The Population Media Center Population Media Center (PMC)**

PMC is a nonprofit, locally registered international nongovernmental organization working worldwide to promote use of effective communication strategies for promoting positive behavior change around social and health issues. Since its inception in 1998, PMC has produced or collaborated on programs which have aired in 47 countries worldwide. Its dramas have produced behavior change on a wide range

of issues such as family planning, violence against women, hygiene, child trafficking, obstructed labor and fistula, and HIV avoidance.

In Sierra Leone, PMC is utilizing its effective behavior change strategy to improve sexual and reproductive health with a focus on Millennium Development Goal #5 – improving maternal health. The scenario, a 208-episode radio serial drama in Krio, called Saliwansai (Puppet on a String) also focuses on increasing uptake of modern contraceptives to prevent unwanted pregnancies in addition to a range of interrelated issues in four key thematic areas: 1) Reproductive health and family planning, including adolescent reproductive health (19 and under) and unwanted pregnancies; 2) gender-based violence (GBV); 3) HIV/AIDS including voluntary counseling and testing (VCT) and stigma and; 4) obstetric fistula, also known as vesico-vaginal fistula(VVF), including delaying marriage, prevention of delayed obstetric care and promotion of antenatal care.

On request of The Program, PMC proposes to include financial literacy issues in this scenario. A family's economic situation and financial prospects are of daily relevance and interest to listeners. The issues that a radio drama series can address within this topic include spreading awareness about and promoting the use of available financial services including microfinance, encouraging entrepreneurship especially among women, promoting the practice and benefits of regularly budgeting and saving money, highlighting the symptoms and dangers of over-indebtedness, and role modeling the benefits and use of formal bank accounts.

A combination of commercial and community radio stations is being utilized to broadcast Saliwansai, which is being written, produced, and acted by local radio and drama professionals in Sierra Leone with oversight from a highly qualified Country Representative hired by PMC who is from Sierra Leone. Additionally, an Advisory Committee comprised of stakeholders from Sierra Leone has been established to provide guidance to the program team. Staff members based at PMC's headquarters in Shelburne, Vermont, and in Cape Town, South Africa, provide technical guidance throughout the 3- year project. Likewise the scenario will benefit from UNDP/UNCDF's technical support and oversight.

#### ***a. What is Entertainment Education?***

Entertainment Education (EE) is “the process of purposely designing and implementing a media message both to entertain and educate, in order to increase audience members' knowledge about an educational issue, create favorable attitudes, and change overt behavior” (Singhal 1999).

When implemented correctly, EE has the potential to change the lives of its consumers for the better, and has done so in many contexts all over the world. The concept of EE utilizes the ubiquitous nature of popular media in order to reach the maximum number of audience members, to spur thought and discussions on a variety of topics, and induce social change.

EE is most frequently used in relation to spreading public health information, and has been widespread in campaigns related to sexual health in particular. However, a smaller group of EE initiatives have taken place in relation to the important field of financial literacy, an essential concept but challenging hurdle facing many communities all over the world.

#### ***b. Entertainment Education & Financial Literacy***

Though the list of entertainment-education (EE) initiatives related to financial literacy is considerably shorter than that of those dealing with public health issues, the field has expanded significantly in recent years. These behavior-change communications initiatives have taken many forms, from reality shows, to

soap operas, to comic books, on radio, television and in print. Various financial literacy EE programs around the globe have proven to be successful in different ways: ☐ Tanzania: RukaJuu (“Jump Up”) with 3.4 million viewers (Sekei 2011) ☐ South Africa: Kwanda with an average of 1.4 million viewers per episode (Wilhelm 2011) ☐ South Africa: Scandal!, a popular, long running soap opera which introduced a financial literacy storyline ☐ Kenya: Makutano Junction with an average of 6.5 million viewers (Mediae.org) ☐ United States: Nuestro Barrio, the first Spanish-language show distributed on English speaking networks in the U.S. (UNC CCC Report: “The Bold and the Bankable”).

All of these efforts incorporate EE that addressed financial literacy topics to varying degrees, though these issues were not always the main purpose of the show. While financial literacy has been discussed and showcased in various ways to improve financial literacy and promote entrepreneurial spirit, it has yet to be used as a stand-alone piece to “teach” a specific method such as Village Savings and Loan Associations (VSLAs) to a wide audience.

### **Problem Statement**

The challenges that confront Sierra Leone demand the use of strong communication strategies that are in accordance with the values of the society and enhance the well-being of its people by prioritizing improved knowledge and behavior change around various development objectives. In order to improve the health and well-being of the people of Sierra Leone, the adolescent and adult populations must be educated about how to plan their financial futures. The government of Sierra Leone recognizes the need for broader knowledge of finance, and points to the fact that most people are not aware of, or have little understanding of, basic financial concepts, and little knowledge of the products and services being offered by the financial sector.

The Bank of Sierra Leone recently hosted a two-day regional conference on financial inclusion and literacy. In his keynote statement, Minister of Finance and Economic Development, Dr Kaifala Marah, said that financial inclusion and literacy would empower individuals to be more confident in participating in the formal financial sector. He stated that people should be able to have access to credit facilities to better their lives, adding that protection and education of consumers should be at the heart of all financial institutions.

### **Content of VLSA initiative**

The Saliwansai radio drama has been in production and broadcast since April 2012; the Sabido5 methodology of behavior change communications requires that the scripts are written only approximately thirty episodes prior to their airdate, rather than all at once at the beginning. At this point in the broadcast period (July 2013), there remain approximately fifty (50) episodes to be written for the program. Within the existing storylines, the creative team is now planning to insert elements pertaining to financial literacy and savings promotion.

In addition to the drama (which is broadcast for 15 minutes, twice per week), PMC also produces “technical talk shows” (panel discussions) following some episodes. The panel discussions are 45 minutes in length. The Program would like to investigate whether using the combination of drama + panel discussion can “teach” VSLA through the radio.

PMC will broadcast the drama (Saliwansai) + “technical talk shows” + epilogues that tell people where they can go for more help in order to establish Village Savings and Loan Associations. In the pilot area (Kambia), epilogues will direct listeners to village agents, who can assist them to establish VSLAs. In the control zones (the rest of the country), listeners will be directed via epilogues to contact endorsed

LNGOs, mature VSLAs and/or Village Agents). Thus, the program is designed to test whether it is necessary to have access to advice and guidance from LNGOs and/or mature VSLAs, or if interested community members can establish VSLAs with guidance from Village Agents only. The program will also investigate what “value added” is provided by the LNGOs during establishment of new VSLAs. The program will seek to not only learn if VSLA can be taught on the radio, but in regards to technical backstopping, it will test how LNGOs versus Village Agents support group formation.

### ***Management arrangements***

UNCDF’s Technical Advisor (Regional and or Country) will work closely with program partners (BoSL, UNDP, UNFA, etc.) to oversee the management of the program.

### ***Monitoring and Evaluation***

M&E will be assured by program partners, notably UNDP and UNCDF. UN agencies will work with implementing partners to monitor results.

### ***Learning Agenda on VSLA Pilot***

As the VSLA component is an innovative pilot initiative UN partners have designed the M&E function with a learning agenda: Can you teach VSLA via the radio?

Project stakeholders will learn to inform current and future programs designed to strengthen economic development programming. Thus in regards to the VSLA component, PMC will outsource key M&E functions by to provide for objective evaluation of the pilot program, in an effort to reinforce the validity of results.

Quantitative Evaluation | Baseline Survey. PMC will contract a research institution to work in conjunction with PMC’s Director of Research to conduct a baseline survey in the treatment and control areas in order to measure prevailing attitudes and behaviors with regard to adoption of VSLAs. The principal focus of the baseline survey is to measure, describe, and analyze demographic characteristics, as well as knowledge, attitudes, and practices among members of the target audience regarding key VSLA indicators. The purpose of the baseline survey is to generate information that can be used as a benchmark to measure the overall impact at the end of the project period and importantly to determine differences between treatment and control groups.

Approximate Length of Task: 6-8 weeks Timing: August 1 - September (Before broadcast of VSLA-specific content) Sample: Statistically representative random sample with 95% confidence level Responsible Party: PMC

Activity 2: Quantitative Evaluation | Endline Survey. Conducted post-broadcast to evaluate the effects of the project on VSLA adoption and differences in attitudes and behaviors. VSLA adoption rates between treatment and control areas and between listeners and non-listeners of the program will be documented.

Approximate Length of Task: 6-10 weeks Timing: Post-broadcast (February 2014) Sample: Statistically representative random sample with 95% confidence Responsible Party: PMC

Activity 3: Qualitative Focus Groups. Focus group discussions will be conducted post-broadcast in the control area to determine what problems people might have encountered in setting up the VSLAs on their own (without Technical Backstopping, for those who opted not to or were unable to source it).

Approximate Length of Task: 3 weeks Timing: Post-broadcast (February 2014) Sample: For control area (8 male groups, 8 female groups) divided by age 18-25, 26-50.

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