EMPOWERING POOR FAMILIES IN SENEGAL THROUGH EDUCATION, TRAINING AND ISLAMIC MICROFINANCE
The women’s oil producers’ cooperative in Ndindi, proud to be able to efficiently produce high-quality groundnut oil as never before, for home use and for sale.
Among the many difficulties facing Senegal, low literacy rates are a major restriction in many people’s lives. For example, poor literacy leaves people without the skills they need to run their own small businesses: tasks such as keeping accounts require at least a basic understanding of how to read, write and count. Low literacy affects rural areas in particular, contributing to another pervasive issue in the country: rural poverty. This in turns leaves too few opportunities for youth and women in these areas to become economically active, forcing many to move to the growing towns and cities.

To tackle these problems, the Islamic Solidarity Fund for Development of the Islamic Development Bank (ISFD-IsDB) supported the Vocational Literacy Program for Poverty Reduction (VOLIP). A major cause of low literacy is limited school enrolment. At the outset of the project in 2008, primary school enrolment was just 70 per cent in rural areas, and the school completion rate was 56 per cent – both below average for sub-Saharan Africa.

VOLIP uses an innovative approach to treat the causes of the problems as well as the symptoms, breaking the vicious circle of poverty and illiteracy. The programme fights rural poverty by strengthening human capital, especially among vulnerable groups such as youth and women. It combines vocational literacy education, technical skills training, and access to microfinance. It also promotes self-development by creating and expanding new enterprises and jobs.

Since beginning in 2009, VOLIP has been hugely successful. More than 20,000 children, youth and women have received vocational literacy and skills training, while thousands of apprenticeships and hundreds of enterprises have been created. But these simple figures hide many other achievements: the legions of new trainers trained, the partnerships built and the lessons learnt.

New schools built as part of the VOLIP have given many children new opportunities, especially young girls who had never been to school before.
VOLIP’s components and aims

VOLIP’s pilot phase (2009–2016) cost US$14.55 million, with ISFD-IsDB providing US$11.75 million, with the Government of Senegal providing the rest. It was designed and implemented with an ambitious longer-term programme in mind. “It was a pilot, an experiment,” says Madame Mbacke, the Director, “but we involved everyone and we all learned”.

The programme targets illiterate children, youth and women without access to education, training or finance, and started with four main aims:

1. Improving access to alternative basic education for 9–15 year old children:
   - provide literacy competencies and training opportunities for 3–4 years for 8,000 out-of-school children or those who have never been to school
   - build 120 classrooms
   - train 200 teachers.

2. Providing functional literacy and vocational training for 16–24 year old youth:
   - develop more productive livelihoods for 3,000 teenagers and young adults by combining vocational training with functional literacy education
   - train and equip 215 craftspeople to offer apprenticeships
   - assist half of the targeted youth with microfinance.

3. Providing functional literacy and vocational training for 24–49 year old women:
   - increase the activities and productivity of 10,000 women by combining functional literacy and vocational training, including the training of 200 facilitators
   - offer facilities (food processing equipment, etc.) and access to working capital.

4. Offering a microfinance support scheme for women and youth enterprises:
   - A revolving fund will provide Islamic micro-credit, capacity-building and training.

Diourbel and Kaffrine in central Senegal were selected for the pilot phase. These predominantly agro-pastoral areas, situated far from Dakar, suffer disproportionately during economic or climatic crises. National surveys highlighted the high levels of poverty and illiteracy in these two regions, particularly among women. Based on these same criteria, 279 villages in 15 rural communities were selected.

With so many partners, the early stages were spent building bonds and testing, adapting or rejecting a range of activities and structures. Once identified, the best practices were rolled out to a wider area, with continual monitoring, feedback and improvements. To make up for this time, the programme was extended for two years to June 2016.

“I never went to school, and my daughter Awa really wanted to. This new community school gave her such an opportunity, and she worked so very hard. Now she is so happy, and I am so proud, and she helps her sisters and other children to learn too”

– Mr Abdm Diakhate, father of Awa, one the first girls from Toub Aley Mende to have passed the challenging national secondary school exams after three years in a new community school
Issues such as poverty, literacy and access to education are highly interlinked: people who cannot read are trapped in unemployment or low-paying jobs, making it hard to escape poverty. Low wages make it hard to send their children to school, and so poverty and illiteracy are carried through generations. Other factors also prevent families from breaking free: low levels of female education further aggravate household poverty, for example.

Given the complexity of the problems it is addressing, VOLIP is in turn a complex programme – multi-actor, multi-sector, multi-layered and multi-objective. To try and work through this, it recognizes that one problem cannot be solved without action towards the others.

VOLIP is also innovative. The programme trialled several new approaches in its pilot phase, with many proving successful. For example, after early setbacks, the newly introduced principles of Islamic microfinance were well received by beneficiaries: 138 loans have already been approved, with hundreds more submitted and being processed. This is expected to play an increasingly important role in Senegal’s new national microfinance strategy (see page 7).

The programme’s activities also built on existing structures, rather than creating new ones. For example, VOLIP helped to re-establish ‘regional platforms’ as effective forums for multi-actor meetings. It works closely with the complementary Micro-finance Support Program to address another brake on Senegal’s development – the limited access to capital that people need to start small businesses. And there is active governmental support and partnership at all levels: from the village and commune up to the four national ministries involved, with full support even from President Macky Sall himself.

But most importantly, the rural families and communities it aims to help are all behind the programme. These people have seen huge changes to their lives – learning to read and write has enabled them to pass school entry exams, and learning new business skills has helped them get jobs and start or develop their own enterprises.
New opportunities for the rural youth

Rather than taking young people to towns for training, VOLIP brought training to the villages. The programme developed nine course books, one each for popular trades identified by local youth. These included tailoring, hairdressing, dyeing and carpentry.

Groups of 15 youths were assigned to local entrepreneurs who had agreed to be apprentice mentors. They received special ‘teacher training’, support to obtain more equipment, and more space to take on keen young people. The youth gained valuable hands-on work experience while also taking courses in core skills such as vocational literacy, numeracy and enterprise management. Many have since become formalized groups, receiving help in applying for microfinance loans.

“I used to be an apprentice, and then I saved my own money and opened my own salon. Especially before festivals, I can get very busy and earn a lot!” – Mariama Ndiaye, Gniby.
Community schools give hope to the youngest

A major achievement of the pilot phase was the building of 190 new community schools. These provide additional education opportunities between the formal education sector and Koranic schools (daaras). For children who had never been to school, or had dropped out, these offer a desperately needed opportunity for an education. And they trialled a number of new ideas to increase their impact.

Schooling begins in the local language (usually Wolof, Serer or Fulani) before switching to French and/or Arabic. Each school also runs a productive project, chosen by the children, that reflects local issues: this could be goat rearing, or growing and storing cereal crops. This gives children direct ‘work experience’, which is especially important for those who will not make it to secondary school.

Another brilliant innovation is the solidarity school savings scheme. Families contribute what they can, whether a few coins or ‘in kind’ (e.g. time, feed for animals) and any profits from the productive project are also added. The modest savings are used for everything from helping sick classmates with medical costs to providing gifts for new mothers. Schoolchildren are elected as president, treasurer and secretary, with parents and teachers taking on supporting roles.

After only a few years, the impact of these schools is huge. All attendees have developed new vocational, literacy and numeracy skills. But some ‘forgotten girls’ from such isolated communities have passed the national entrance exam for state secondary education after only three years of schooling. They can now aspire to a life that once was only a dream.
A village blossoms

Touba Aly Mende in Kaffrine region used to be like any other village. But after five years with VOLIP, so much has changed. For example, the first four girls from the village’s new community school have just passed their exams and are now at the secondary school in nearby Koungheul. Three years ago, they had never been to school before and all they could look forward to was an early marriage and a life of housework. Now, they aspire to be teachers, midwives or even government ministers! Youth and women have learnt new skills and set up businesses that they could only have dreamt of before. Thanks to VOLIP, villages such as Touba Aly Mende are developing into hubs of economic activity.
A major feature of VOLIP was the forming of women’s enterprise groups. These comprised around 25 women in a village, who then selected an income-generating activity to develop. The most popular were groundnut processing, soap making, millet milling, cattle fattening and horticulture.

As with youth groups, women received training in skills relevant to their chosen trade, as well as the core elements of business management, literacy and numeracy. Supported by their husbands, village chiefs and marabouts, women were allowed ample time to attend courses, meet together and develop their businesses. They all tell of new feelings of ‘togetherness’ that developed during this process, and a self-reliance that comes from their newfound ability to earn cash.

A major additional impact has been the large number of trainers trained: school teachers, supervisors, youth and women’s literacy trainers, entrepreneurial trainers, community facilitators, and those educated in the principles and practices of Islamic microfinance. Such benefits will prove immeasurable in the longer term, especially when outscaling programme activities.

Islamic microfinance takes off

One new element introduced by VOLIP was Islamic microfinance, which follows Shariah principles. This was almost unknown in Senegal before the programme began, meaning a steep learning curve. Microfinance institutions and rural communities were wary at first, because of the different Islamic practices (such as ijara and murabaha) compared to ‘traditional’ provision of credit. But after training and activities to raise awareness, both lenders and recipients adopted Islamic microfinance, especially in religiously conservative areas. Microfinance institutions also saw the chance to enter new markets with new products.

The transition took time, as new software was needed and branch managers had to become accustomed to visiting and helping clients if they had trouble with repayments. However, after five years, the government and all the microfinance institutions involved plan for a greater role for Islamic microfinance in their future strategies.

“I always used to trade, but now I can read and have accountancy skills – no one can cheat me anymore!”

– Mrs Khady Diop, Sope Serigne Fallou horticulture association, Ndiolkhosse, Gainth Pathé
Outstanding outcomes

VOLIP in numbers...

|$\textbf{US$14.55 million}$| total project cost

|$\textbf{US$11.75 million}$| ISFD–IsDB’s contribution, including US$2 million for Islamic microfinance

|279| villages targeted, in 15 rural communes

|186| community schools constructed, 4 rehabilitated

|7,600| more children attending school, of which 4,681 (61%) are girls

|9,996| women and 2,919 youth have received vocational literacy training

|3,000| youth have had at least 18 months of vocational apprenticeship

|5,539| women have received enterprise management and skills training

|374| women’s groups and 174 youth groups formed; 315 have already been formalized* 

|353| demands for Islamic microfinance loans submitted; 138 approved, 83 financed* 

|48| operators contracted and trained

|200| school teachers and 40 supervisors trained and employed

|360| adult and youth literacy teachers trained and employed

|180| technical trainers and supervisors trained and employed

|212| local entrepreneurs trained and equipped as vocational trainers

|40| community facilitators trained and employed

|5,000| women and youth sensitized to the principles of Islamic microfinance

|224| people trained in Islamic microfinance: 30 at the national level, 100 in the target regions, 30 in private microfinance institutes, and 64 local operators.

* Figures as of December 2015. By the end of the programme in June 2016, the number of financed women’s groups is expected to increase to at least 200, and youth groups to at least 120.

“Our people can read and write, have learnt and earned. And when you give someone new knowledge, no one can take it away”

– Mr Modou Fall, community facilitator, Touba Fall, Diourbel region
As the figures opposite show, VOLIP has had wide-reaching impacts on the lives of thousands of people. Some targets were exceeded: for example, the number of women receiving vocation training was 10 per cent higher than planned, and the number of schools 55 per cent higher.

VOLIP works – and it deserves to be rolled out across Senegal, within the initial target provinces and beyond. It is proven to be relevant, efficient and effective, with high impact and potential for sustainability.

The pilot phase was always intended to be the start of a larger overall programme. Given the huge impacts to date, there is considerable support for the next phase to go ahead. This has even more ambitious aims: to reach 100,000 out-of-school children, 140,000 youth and 160,000 women.

The government firmly backs VOLIP as its impacts match many national goals on poverty reduction, meet the new Sustainable Development Goals, and increase the role played by Islamic microfinance. Indeed, the government’s Senegal Emergence Plan, launched in 2014, cites VOLIP as a model for development. This shows its importance to national strategies, and the holistic and complementary approach developed during the pilot phase will allow for increased impacts in the future.

Capitalizing on the experiences of the pilot phase is well under way, and these will feed into the design of the next phase. Importantly, this includes considerations to guarantee that programme activities are sustainable. For example, there is an agreement from the Ministry of Education that new community schools will be incorporated into the national system at the end of the programme. Also, further work is needed with everyone involved in VOLIP’s microfinance initiatives to further increase the understanding of Islamic finance principles, practices and products.

Experiences are also being shared with other countries where similar programmes have begun, including Chad and Mauritania (though Senegal’s programme is by far the most advanced). These efforts would benefit greatly from a formal and expanded international VOLIP network.

### Success factors

- **Inclusive** and participatory management and implementation has led to great team spirit within VOLIP and its partners, from national to local government levels, and among regional actors, local-level trainers and facilitators.

- Why build new when what is needed is already there? Building on existing structures adds a sense of ownership to activities, and will help to ensure the sustainability of initiatives when the programme eventually ends.

- Detailed **monitoring and evaluation** is essential. Teams visit the target areas every three months, taking time to discuss progress and problems with all concerned.

- **Exemplary monthly reports** from all trainers, and quarterly reports from the regions are collected, sorted, saved, analysed and redistributed by VOLIP back to all partners. This allows previous experiences to be applied to new problems.

- Everyone involved accepts that the programme was a pilot, engendering a strong desire to **learn from mistakes**. The long lists of ‘experiments’, results, issues and recommendations are testament to this.

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1 Known in Senegal and other francophone countries by its French name ‘PALAM’ - Le Programme d’Alphabétisation et d’Apprentissage de Métiers pour la Réduction de la Pauvreté

2 A marabout is a Muslim religious leader and teacher.

3 Ijara is a contract of letting on lease, under which the owner of an asset sells a definite usufruct of the asset in exchange for a periodic definite reward (the rent). Murabaha is a credit sale of an asset, delivered on the spot, in which the purchaser can pay the price of the asset at a future date, either as a lump sum or in instalments.
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