



COMPACI-News

Competitive African Cotton Initiative

Word of the Editor

Roger Peltzer | Project Director

One year ago, the contract on the Competitive African Cotton Initiative (COMPACI) was signed with the Bill & Melinda Gates Foundation. Now, less than 12 months later, almost all contracts for the implementation of this programme have been signed. From 2009 to 2012, 265,000 cotton farmers in six African countries are to benefit from this programme.



Roger Peltzer

The COMPACI Programme has set the ambitious goal of increasing the income of the participating farmers and their families by 35% over the project term. This is indeed an aspiring goal, and it is not easy to reach.

It is particularly for this reason that we need a great deal of communication and exchange of experience. "COMPACI News" intends to support this aim.

Compaci News will provide everyone involved in the implementation of this programme with the latest data, experience and biographic information on the participants.

COMPACI News addresses decision makers and the extension staff of the cotton companies in Africa, cotton traders, the consultants in charge of monitoring and evaluation, verification and gender issues, the partici-

pants in the Cotton made in Africa demand alliance, those involved at the Federal Ministry for Economic Cooperation and Development (BMZ), GTZ, DEG and the Bill & Melinda Gates Foundation. And last but not least, COMPACI News shall also be offered to the interested public. Compaci News will be also intended to be presented on the website of the Bill & Melinda Gates Foundation.

COMPACI News is planned to be published three times a year. All involved parties mentioned above can contribute brief field reports and up-to-date information. As project director, myself and Wolfgang Bertenbreiter will be in charge of the editorial process while the Compaci Management Board will decide on the content.

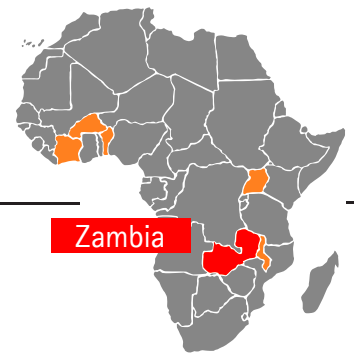
Since the everyday data flood bears a certain risk of ignoring e-mails with attachments, we would be pleased if COMPACI News were printed out in Africa and distributed as hard copies to all interested parties. We are sorry that this edition still focuses very much on experiences from Benin, Burkina Faso and Zambia. This will certainly change in the next edition.

The past few years have not been easy for those involved in the African cotton sector. COMPACI News wishes to spread field reports from initiatives which contribute to giving the African cotton farmers hope for a better future.

So much for now and see you soon at the Stakeholder Workshop in Ouagadougou, which Compaci holds together with the Aid by Trade Foundation from 18 to 20 November. •

COMPACI Management Structure

COMPACI Management Structure		
GTZ	DEG	AbTF
Wolfgang Bertenbreiter (Deputy Project D.) Rudy van Gent (Ag expert, Lusaka) Stefan Kachelriess (Ag expert, Accra) Sarah Schneider (Project Manager)	Roger Peltzer (Project Director) Claudia Makowski (Project Manager) Marco Christ (Project Manager) Markus Geibel (Project Manager)	Christoph Kaut (Development Policy) Tina Stridde (AbTF Sales and Marketing) Stephan Engel (Sales) Christian Barthelt (Sourcing)
Sub-Grantees		Contracted Services
Benin (Pro-CGRN, AIC, ICA-GIE) Horst Oebel (Overall Director) Younoussa Imourou Ali (Project Coordinator) Jean-Claude Talon (CEO ICA-GIE)	Malawi (Plexus/Great Lakes Cotton) Peter Salcedo (Overall Coordinator) Amos Chipungu (DG GLC) Spencer Zinyemba (Project Coordinator)	M&E (NORC) Jeffrey Telgarsky (Project Director) Eric Weiss (Project Coordinator) Amadou Diop (West Africa)
Burkina Faso (Faso Coton) Vamissa Diomandé (CEO) Marc Leynaert (Project Coordinator)	Uganda (Dunavant Uganda) Ravi Patel (CEO) Vishnu Giri (Project Coordinator)	CmiA Verification Management (PwC) Sascha Sobek (Coordinator) Anja Meinecke (Manager)
Côte d'Ivoire (Ivoire Coton) Vamissa Diomandé (CEO) Johanna Adotevi (Commercial Directeur) Achi Aba (Project Coordinator)	Zambia (Dunavant Zambia) Nigel Seabrook (CEO) Gracious Hamatala (Project Coordinator) Tony Isherwood (Project Consultant)	Gender Consulting (ICRW) Rekha Mehra (Team leader) Jennifer Schulte (Team member)
Emmanuel Mbewe (Project Coordinator)	Zambia (Cargill Zambia) Frans Grey (Country Director) Emmanuel Mbewe (Project Coordinator)	Bill and Melinda Gates Foundation Richard Rogers (Programme Director) Davon Cook (Consultant)



Zambia

Tillage and spray service provision; the Zambian experience.

Reported by Gracious S. Hamatala | Dunavant Zambia, Yield Programme Manager

One of the many challenges faced by farmers in Zambia to attain better yields in their cropping systems includes inability to prepare their land in time and carry out a sustainable crop protection programme.

Early planting is of crucial importance to achieve higher yields in cotton. However, timely and appropriate land preparation is a serious limiting factor in Zambia with very little preparation taking place prior to the onset of the planting rains and, as a consequence, plantings are delayed. The number of mechanical and oxen tillage service providers is currently very limited and, as a result, only a relatively small hectareage is actually being planted in good time with the first planting rains.

In order to increase numbers of tractors in the small and emergent farming sectors, approaches were made to various financial institutions specializing in lease hire. Unfortunately, the response was generally negative with institutions not willing to take on unsecured risk and the uncertain incomes of the emergent farmer-operator.

Despite this disappointment, Dunavant made the decision to push ahead with a reputable distributor in Mumbwa and sourced a Mahindra 60HP tractor in September 2008.

The tractor was formally handed over to Mr Shambosha in November 2008 by the Managing Director of Dunavant Zambia Limited, Mr Nigel Seabrook.

Since then a lot of positive change has been recorded. Mr Shambosha prepared 30 ha of his own land and 196 ha for other farmers. All the farmers involved have not only planted early but have also increased the ploughed/ripped area and have managed their crop in this area in a very professional way. There has also been an improved focus by some other tractor owners in the area who have taken up the challenge of not being outdone by Mr Shambosha.

During the official hand over of the tractor, the Managing Director, Mr Nigel Seabrook, congratulated Mr Shambosha on proving (through his past record) that small-scale and emergent farmers can be creditworthy.

The overjoyed Mr Shambosha appreciated Dunavant's gesture, which is one of its kind in the history of the Zambian cotton industry, and pledged to be a good trend setter and ambassador. As Mr Shambosha was able to use his tractor also for haulage to the Dunavant Gin, he managed to repay his credit already after one year.

Furthermore, Mr Shambosha and his farmers have increased production by 75% from last season's 120mt to 217mt of seed cotton. On this basis of this experience Dunavant Zambia is now investigating how to extend this type of credit facility more systematically to more farmers. •



Gracious Hamatala and farmer Shambosha

Curriculum Vitae

Surname :	Hamatala
First Names :	Soko Gracious
Marital status :	Married (To Jamila S Hamatala)
No. of Children :	4
Email address :	gracious.hamatala@dunavant.co.zm

Professional Responsibility :

Yield Program Manager
 Organization : Dunavant Zambia Ltd

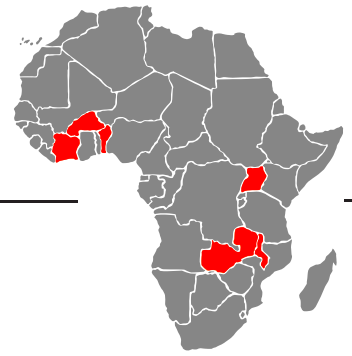
Duties :

- Interpret the YIELD programme Vision to all staff and cooperating partners
- Develop work plans as per budgets tailored toward attainment of the programme objectives.
- Identify training needs for both staff and farmers and implement the required training.
- Identify appropriate training agencies and facilitate training programmes
- Train all staff in sustainable agricultural approaches and techniques
- Facilitate and coordinate consultancy programmes for the project

Education :

- University of Zambia, Lusaka, Zambia
 Bachelor of Agricultural Science with a major in Agricultural Economics – 1996

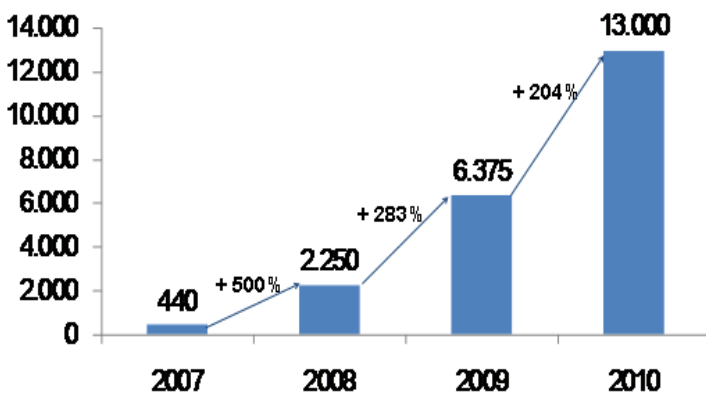
Graduated as the best student in Agricultural Economics of 1995/96 academic year with an Upper Merit.



Cotton made in Africa in progress

CmiA shows rapid growth, sales and distribution rates allow an optimistic preview for 2010

Items (in thousands)



Demand Alliance for CmiA



Tina Stridde, Head of Marketing & Sales CmiA

Brief CV of Tina Stridde

Born 1970 in Ludwigshafen | Rhein

Studied in Pforzheim, Charlotte (USA) and Paris; degree in Business Economics/Advertising

Experience

Worked in advertising /strategic planning with international advertising agencies.

Joined the Otto Group Hamburg as Marketing Manager in 2000.

In 2005 joined the Otto Group CSR department as Senior Consultant. Responsible for all sustainable products within the Otto Group (focus on organic cotton, sustainable wood).

Since April 2008, Head of Marketing & Sales at "Aid by Trade Foundation". Promoting and selling Cotton made in Africa to international retailers and fashion brands and building up Cotton made in Africa as a well known and recognizable quality seal.

Married and lives in Hamburg, likes rowing and hiking.

Impressum | Mentions légales

Herausgeber | Editor | Editeur

Roger Peltzer, Wolfgang Bertenbreiter

Project Director | Deputy Project Director

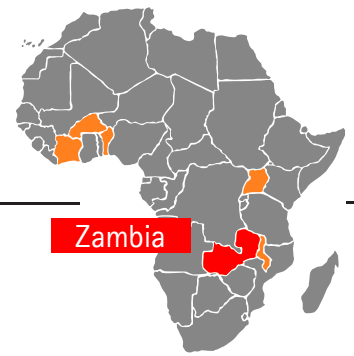
Directeur du Projet / Directeur adjoint du Projet

Programme Compaci

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Kammgasse 22, 50676 Köln (Cologne) Germany

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Zambia

Promoting pro-poor financial transaction services in Zambia's cotton sector

By Marco Christ | DEG, Cologne

In September 2009, "Dunavant Zambia Ltd." (DZL) and DEG initiated a so-called Public Private Partnership (PPP) project, which combines both business and development objectives. The PPP - project tackles the very high transaction costs and risks associated with conventional cash transactions in Zambia, whether by DZL paying the company's 75,000 outgrowing cotton farmers or the wider rural population, for whom the purchasing cycle is expensive and inefficient, and often dependent on barter. The project aims at reducing barriers to financial access in rural Zambia by offering a mobile payment solution for unbanked Zambians as 80% of the 11 million Zambians do not have access to conventional bank accounts.

The project facilitates not only launch and roll-out of financial transaction services in Zambia. Entrepreneurs and unbanked Zambians also benefit from access to financial services, faster and more secure payments, increased savings and reduced transaction costs. This model becomes even more promising as it lays the foundation for cross-selling opportunities regarding micro-credits and micro-insurances to further improve livelihoods of small-scale farmers, agents and the rural population in Zambia. •



Marco Christ

As a means to foster financial access "Mobile Transactions Zambia Ltd." (MTZL), a start-up business with a 35% DZL equity stake, developed a financial transaction software utilising mobile phone technology. After intensive research and pilot activities MTZL is propagating an open-network technology for financial transactions with mobile phones via SMS and PIN - codes, which was approved by the National Bank of Zambia. However, as many targeted unbanked Zambians do not have mobile phones, payees can also access their cash through 'agents'. An agent, generally

a retailer with access to the payment system, would receive the payee's payment voucher and identification, and validate the information via the phone-based system before paying out the cash.

MTZL together with DZL designed and launched three different products:

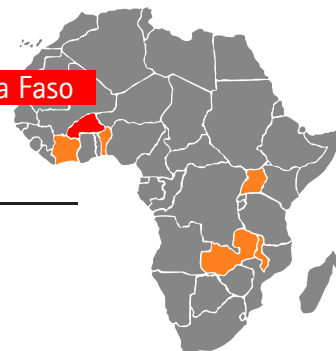
1. **Town Transfers** - directed at unbanked customers without a mobile phone which use the MTZL agent network to send and receive funds,
2. **Transaction Accounts** - targeted at unbanked customers with a mobile phone who can use the account for personal electronic payments,
3. **Payment Accounts** - targeted at companies making mass payments to the rural unbanked population who currently receive cash.

DEG assisted DZL to structure the project and provides co-financing of 200,000 euros from public funding of the German Federal Ministry for Economic Cooperation and Development (BMZ). The PPP project is designed to support DZL and MTZL in setting up a business training programme for agents as creating a countrywide agent network is the key to success. The programme includes teacher training, developing manuals and training material as well as training in business administration, marketing and products/services.

Agricultural agents play a crucial role in the project. They provide inputs and services for cotton farmers and facilitate prompt cash out to farmers after harvest using e.g. DZL's Payment Account. The electronic payment system allows DZL to track input prefinancing loans to contracted farmers more accurately. It will also increase farmers' loyalty to sell their cotton to DZL rather than to competitors engaging in "pirate-buying".



MTZL Agents



Interview

Guessom Oscar Sawadogo | President ZoodNooma

1 - Please explain in three sentences what "ZoodNooma" means.

In the local Mooré language, ZoodNooma literally means "the friendship is good". ZoodNoma is a farmers' association, which commissions experts with the technical implementation of tasks. It was founded on 6 September 1990 and is committed to the improvement of people's living conditions by involving them in agriculture, environment protection, health and training measures, the promotion of human rights, etc. Since 2002, ZoodNooma has been a national NGO, which received its letter of appointment as knight and officer of the national order with the needle "Agriculture and Environment" in 1997 and 2008, respectively, by the President of the Republic.

2 - What are the activities of ZoodNooma in the CES field (conservation of soil and water)?

The ZoodNooma activities in the CES field include:

- ✓ The training of farmers with regard to the techniques of restoration of degraded soils and the increase in soil fertility
- ✓ The provision of small-scale equipment
- ✓ The support as regards transport of building stones to structure agricultural areas.

3 - How many farmers do you work with and where?

More than 150 farmers were trained by our consultants in five (05) areas of the implementation area of Faso Coton, namely in Kombissiri, Pô, Manga, Zorgho and Tekodogo.

Moreover, ZoodNooma actively cooperates with more than 2.000 farmers in the Sanmatenga, Bam and Namentenga provinces.

4 - What are the results?

The training and realisation of the measures in the field of CES/DRS have not only achieved an increase in the low productivity of soils but also a reutilisation of soils, which had been totally arid or degraded owing to the partly severe erosion. These measures have contributed to a better securing of food demand of the rural population and a reduced demographic pressure in the agricultural areas. The effects also involve a slow-down of the migration into the cities and a stronger bonding of the farmhands to the land. As a consequence, the households have experienced an increase in their yields and thus also in their incomes.

5 - What has the cooperation with Faso Coton been like so far (major activities)?

The cooperation of ZoodNooma and Faso Coton has been based on partnership and exchange of experience as well as training and realisation of measures in the field of CES/DRS (soil and water conservation/protection and maintenance of soil). The following issues were involved:

- ✓ Techniques as regards soil and water conservation (CES)
- ✓ Techniques concerning production and application of organic fertiliser
- ✓ Techniques concerning the application of an improved "Zäi method" (manual and mechanical).

6 - What about Lessons learnt?

The following conclusions can be made as regards the cooperation with Faso Coton:

- ✓ Good organisation and mobilisation of the farmers
- ✓ True willingness of making oneself familiar with the techniques of soil maintenance and increase in soil fertility
- ✓ Good participation of both those commissioned by Faso Coton and the farmers
- ✓ Compliance with the training curriculum
- ✓ Good cooperation with those assigned on site
- ✓ Warm welcome for the ZoodNooma team.

Interviewer: Markus Geibel •



Brief CV of Oscar Sawadogo

Name : Sawadogo
 First names : Guessom Oscar
 Sex : male
 Year of birth : 1949
 Nationality : of Burkina Faso
 Profession : Farmer and Technical Assistant for rural development

Education and Internships

1998- 2000 in Germany, Organisation and project management with Deutsche Welthungerhilfe
 1993 in Canada, Business and administration with Maria Quebec
 1990 in Burkina Faso, Management of natural resources and regional planning with CESEAO-Bobo Dioulasso
 1986 in Burkina Faso, Management of rural enterprises with CESAO-Bobo Dioulasso

Professional experience

1993 President and coordinator of programmes and projects of the NGO ZoodNooma
 1996 Founder member and coordinator of associations for the development of Bam province
 1979-1988 Secretary General of the Administrative Council of the Savings and Loan Cooperative (COOPEC) in Kongoussi

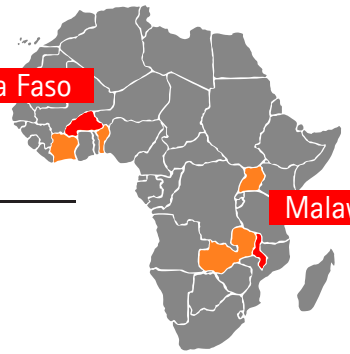
Assignments with national Responsibility

2007 Vice-President of the local water committee of Lake Bam
 2001-2002 Member of the Administrative Council of the national association of farmers' organisations in Burkina Faso (FENOP)
 2002 President of the national action plan of the agricultural organisations (PA-OPA) in Burkina Faso
 2000-2002 First spokesman of the action plan for the development of agricultural organisations (PA/OPA) in the Sahel

Political Mandats

2003-2009 Local council
 2002 President of the special delegation of Kongoussi
 1991-1995 First Mayor of Kongoussi community

Hobbies : Cycling, travelling, music



FASO Coton. Achievements

Marc Leynard | Production Manager at Faso Coton

Figures of CmiA Projects 2006-2008

- 5,453 farmers trained on the application of organic fertiliser in compliance with the programme
- 2,865 farmers trained on the application of techniques on CES protection in compliance with the programme
- 2,621 farmers trained in feeding and keeping of draught animals in compliance with the programme
- 923 compost pits
- 56 hectares protected by anti-erosion dams
- 152 agricultural machines sold on credit.

COMPACI Project initiated in May 2009

Our plans to be realised from October/November 2009 onwards:

- Excavation and rehabilitation of 1,000 compost pits (farmers have been identified and some of the pits have already been excavated)
- 238 hectares to be protected with anti-erosion dams.
- Pre-financing of 1,200 oxen and 300 donkeys.



Compost Pit Faso Coton

News from Malawi

Great Lakes Malawi

Great Lakes Malawi, being one of the younger members of the "Gates Compaci-Cotton projects", is adjusting quickly to the new challenge. Extensive seminar and training programmes on cotton growing methods, health and social issues were started in the different cotton growing areas.

This seems to be even more necessary than ever because the Malawian farmer community in general and cotton farmers in particular are facing great challenges in the present political, agricultural and economical environment.



After the introduction of very high minimum seed cotton prices at the beginning of the harvesting season by the government all Malawian ginner refused to enter the market. Seed cotton prices compared to world market for cotton lint did not make sense. Despite a consensus on lower prices between farmer and ginner representatives no agreement could be reached with the government.

Nevertheless did Great Lakes Cotton start the ginning season with a 3-month delay.

Timing is now becoming very critical.

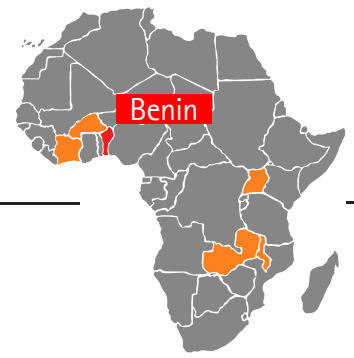
When the rainy season starts some of the growing areas will become inaccessible due to the road system turning into poor condition. Now it remains to be seen how quickly the balance of the crop can be picked up or brought to safe storage places, which are in short supply.

The dissatisfaction amongst the farming community is high. We believe in areas where the farmer has a choice many will not opt for growing cotton in the up-coming season.

Immediate marketing efforts have to be started. The 2009 crop is actually estimated at an impressive 60.000tns of which about 40/45,000tns of seed cotton has been picked up from the farmer so far.

Up to now Great Lakes has secured about 24,000tns. For the remaining 10-15,000tns targeted the renting of additional warehouse space seems to be the bottleneck.

The industry is asking the Government for help in this matter in order to ensure that no losses occur at the farmers' end and seed cotton can be secured into the next year. •



Cotton made in Africa in Benin 2006 – 2009 Results and lessons learnt

Wolfgang Bertenbreiter | Deputy Project Director of COMPACI

In Benin CmiA Initiative is carried by the AIC, which represents cotton producers and other actors operating in the cotton sector, ICA (ginning company) to process CmiA cotton separately and rapidly and ensures traceability, the Ministry of Agriculture and researchers from the Système National de Recherche Agronomique (national agricultural research system).

From the start on all project stakeholders have been involved in participatory planning process. This induced the development of a strong ownership by the participating stakeholders as well as on farmers level and strengthened the cooperate identity with the initiative.

The "CmiA" formula essentially consists of cheaper, more environmentally friendly crop protection practices, known in French as Lutte Étagée Ciblée (targeted threshold pest control – LEC), soil fertility, soil and water conservation management practices, post-harvest practices to ensure better quality cotton. Upstream, researchers are developing the main technologies required to achieve the objectives set (alternatives to endosulfan, organic/mineral fertilisation techniques, no till cultivation for soil and water conservation, etc.).

In order to implement the intervention strategy, AIC trained extension agents in June 2006.

The extension agent to GPC ratio was 1 to 4.7 resulting that all GPCs were visited at least once a fortnight. This facilitated the implementation of the ambitious training programme in LEC technology. In addition

to the training of the farmers, 550 village observers received a special training to make them proficient in counts and treatment thresholds. As CmiA is integrated in the general organisation of the sector, it is affected by any disruptions to the supply of inputs. In August 2006 there was a nationwide shortage of agro-chemicals in need of the implementation of LEC and, in spite of negotiations to bring in supplies from neighbouring countries; it was not possible to meet demand.

Also in the seasons 2007-08 and 2008-09 there was a shortage of LEC products as distributors were unenthusiastic about promoting this technology that would reduce the amount of insecticides consumed and require them to maintain stocks of crop protection products that would probably not be used, because damage thresholds are rarely reached. In spite of the shortages of LEC products, the LEC technology could be applied to 40% of the CmiA area. Despite these problems, producers maintained a keen interest in the LEC scheme as studies conducted on the impact of LEC revealed that yield gains in the region of 300 kg/ha can be expected and that costs of the treatment are on average lower than that of the conventional treatments.

For the more widespread introduction and the success of the LEC technology as well as to maintain farmers' interest the timely delivery and availability of the LEC products on field level is crucial. Since LEC is now national policy in Benin, the experienced shortages are not expected to occur during the implementation of the Compaci project 2009 – 2012. •

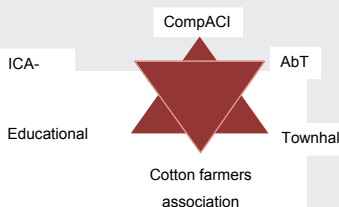
COMPACI-Benin

"School uniforms" for the children of the farmers participating in the programme

Younoussa Imorou Ali

In addition to the aim of increasing the smallholders' income in the long term, the COMPACI programme in Benin has set the ambitious goal of accompanying the smallholders in the social area by implementing certain incentives. This not only concerns motivation campaigns but also measures intended to bind the smallholders to the programme. Such measures not least include the support of schooling in the project areas. Because the school enrolment rate in Benin continues to be low even though enrolment in primary schools is free of charge according to a decision of the central government. As the farmers themselves mainly point out, this low rate is owing to the lack of means needed to pay for the school requirements (school uniform, teaching material, books, notebooks, pencils, etc.). To encourage the farmers to look into solutions towards boosting school education, the "kaki subproject" was initiated in Benin and has been implemented since the 2009-2010 term. A total of ten thousand (10,000) kaki uniforms was sewed and distributed to the children of the farmers participating in the CompACI programme (CmiA Phase 2).

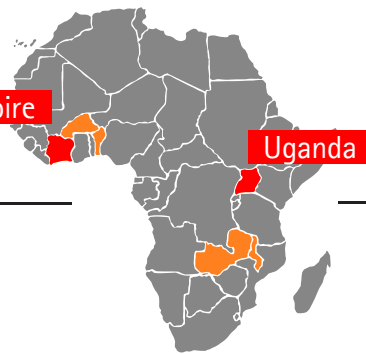
The private project partner in Benin (ICA-GIE Group) has volunteered to supply the required amount of fibres. The COMPACI programme bears the cost involved in processing the fibres to fabric. The farmers involved are to pay for the sewing. Aid by Trade provided the "CmiA" logo which is attached to each uniform. The next edition of COMPACI News will report on the official ceremony of hand over of school uniforms. •



Younoussa Imorou Ali

Senior technical advisor to the GTZ-Benin National coordinator for the CompACI programme Benin

Younoussa Imorou Ali – Studies of economics specialising in agriculture and development – has been a technical advisor with the Department "Agriculture and Environment" of GTZ in Benin since 2005 and in charge of the pilot phase of the Cotton made in Africa project. He has cooperated with several national and international institutions and NGOs with the aim of improving the living conditions of the poor rural population. He also had a senior position in a cotton ginnery of the ICA Group (Talon). In his capacity as supervisor of empiric research programmes on the income situation of farmers for the Agricultural Faculty of Benin (1994-1995) he focused on the support of the rural population in general and the supervision of the farmers' living conditions in particular. In July 2009, he was appointed national coordinator for the COMPACI/GTZ programme in Benin.



News from Dunavant Uganda

Organic cotton got support from government

- The government has finally agreed to zone organic cotton growing areas in different parts of the country in order to promote the growing of organic cotton despite passing through some challenging times.
- Last December Ugandan government directed a halt to the current mass introduction of organic cotton growing in the north and eastern regions of Uganda to make sure that the farmer involved in organic cotton gets the premium, is well trained and prepared for organic farming.
- According to last year's global Organic Farm and Fiber Report, Uganda is the 7th leading producer of organic cotton in the world, and the leading organic cotton producer in Africa. •



Criteria for bonus payments to the extension agents at Ivoire coton

Achi Aba | Technical Director of Ivoire Coton

I CRITERIA FOR BONUS PAYMENTS

Bonus payments to the extension agents are based on vital criteria for the production of seed cotton and the handling of the agricultural loans. The considered criteria relate to the results and can be easily quantified.

Four criteria were considered for the aims to be achieved by the agents.

They concern:

- 1 The area to be planted:**
The size of the area to be planted has to be determined before the end of May. It needs to be considered that planting time begins on 21 May and ends on 20 July at the latest.
- 2 Production of seed cotton:**
The production aim for seed cotton is determined after planting, i.e. in mid-July.
- 3 Accuracy of estimated yield:**
The accuracy of the estimated yield is determined after yield estimation, which takes place after the counting of the cotton capsules at the end of October at the latest.
- 4 Criterion "repayment of loans"**
The loan to be repaid consists of the due instalment of the campaign plus negotiated claim (if applicable). The due instalment must be repaid in full (100%). This payment target is scheduled for the end of October at the latest.
The amount of the bonus for the extension agent is thus dependent on the achievement of his aims at the end of the campaign.

For each criterion, the weighting ratio, performance indicators and bonus to be paid are indicated.

II RESULTS

Over the time passed from the 2007/2008 to the 2008/2009 campaign, the positive and negative assessments of the agents have produced a genuine change of their behaviour.

In the first campaign (2007/2008), only very few agents were assessed positively. Such positive assessments were congratulation notes to the agents including the bonus allocated to them. Bonus payments for agents, who receive congratulation notes of the General Manager, make up 100% to up to 200 % of the monthly salary.

A much greater number of agents had negative assessments during the first campaign, when the system was applied. During this first campaign, all agents who had failed to reach their aims, received notices and a zero bonus.

It should also be pointed out that the second application campaign saw many more positive than negative assessments.

While the positive assessments involve congratulation notes and bonuses between 100% and 200%, the negative assessments present with a rather different picture ranging from observation criteria to notices up to dismissals.

The effects which can be attributed to a definitely professional awareness building of the agents are particularly noteworthy. The achievement of aims is satisfactory for the agents and genuinely motivating. The chief attendants of each zone appear to be the big winners of this system since they do no longer have to look over each agent's shoulder and ensure order. •