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MICROENTERPRISE RESULTS REPORTING

QUARTERLY REPORT:

OCTOBER - DECEMBER 2012

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MICROENTERPRISE RESULTS REPORTING

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OCTOBER - DECEMBER 2012

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Sponsoring USAID Office:	USAID/E3
Contract Number:	Contract EEM-I-00- 07-0009-00; Task Order AID-OOA-TO-10-00050
Contractor:	DAI/Nathan Group (DNG), implemented by DAI
Subcontractor:	QED Group, LLC
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LIST OF ACRONYMS

CO	Contracting Officer
COR	Contracting Officer's Representative
MRR	Microenterprise Results Reporting
USAID	United States Agency for International Development
DNG	DAI/Nathan Group - Joint Venture
GBTI II	Global Business, Trade and Investment II
PAT	Poverty Assessment Tool
PPI	Progress out of Poverty Index
DCA	Development Credit Authority
MPEP	Office of Microenterprise & Private Enterprise Promotion
E3	Bureau for Economic Growth, Education & Environment
PAICO	Policy Analysis, Implementation and Communications (PAICO) Program
LPA	Bureau for Legislative and Public Affairs

INTRODUCTION

The current Microenterprise Results Reporting (MRR) contract is a 32 month activity, starting on Sept 27, 2010 and ending on May 26, 2013. MRR is contracted to the DAI/Nathan Group joint venture (DNG) through Task Order number AID-OOA-TO-10-00050 under the Global Business, Trade and Investment II (GBTI II) IQC, (EEM-I-00-07-0009-00). With approval from Nathan Associates and the DAI/Nathan Group, DAI is performing as lead contractor on MRR. QED Group, LLC is subcontractor to DAI.

Through the Microenterprise Results Reporting (MRR) system and project, USAID collects and analyzes funding data on its global investments and impact in microenterprise development, and is able to respond to Congress's requirements in this regard. In 2000, the US Congress signed the Microenterprise for Self-Reliance and Anti-Corruption Act – establishing microenterprise development as an integral part of US foreign assistance strategy. Not only does MRR produce USAID's annual Microenterprise Results Report to Congress, but it responds to inquiries about USAID's microenterprise investments – conducting various kinds of data analysis and reporting. The project maintains the MRR website, an integrated web-based database to collect and process accurate, timely information from missions and partners on funding, institutional data, results, and other requirements (www.mrreporting.org). The MRR project has four main tasks: a) Tracking of Estimated and Actual Obligations; b) Microfinance, Enterprise Development and Enabling Environment Institution Tracking; c) USAID Microenterprise Results Reporting; d) Microenterprise Results Reporting Website.

QUARTERLY PERFORMANCE

PROJECT MANAGEMENT

Project activities are in synch with the timetable in **Annex A – Project Timeline**.

Deliverables

During the quarter, the project submitted the Annual Workplan for Year 3 (which has not yet been approved, however), as well as the annually updated MRR Operations Manual – accompanied this year with a newly developed MRR Technical and Database Administration Guide, and a Quarterly Report covering the July – Sept 2012 period. All deliverables are on schedule, per the table below:

MRR project deliverables		Date submitted
1.	operations manual detailing the process for data collection, validation, analysis, and report writing within two months after award. The operations manual shall be updated annually;	11/19/2010; 1/18/2012; 10/17/2012
2.	annual work plan within two months after award outlining major MRR activities and milestones. The work plan shall be updated at least annually or more frequently if needed;	11/19/2010; 10/14/2011; 11/05/2012
3.	annually updated database and annotated tables on USAID funding of microenterprise development and support institutions for microfinance and business services;	06/30/2011; 06/30/2012
4.	updated list of all institutions receiving USAID assistance for microenterprise development within six months after award;	03/31/2011; 06/30/2012
5.	annually updated historical series on USAID microenterprise funding;	06/30/2011; 06/30/2012
6.	annual report on the Agency's microenterprise activity, the contents of which will vary by year but generally will include: a narrative description of the USAID supported microenterprise activities, key results achieved by the Agency, a summary of the MRR data, and statistical annexes on key aspects of the programs	06/30/2011; 06/30/2012
7.	updated MRR web site easily accessible on both the intranet and internet within six months after award;	03/31/2011; 06/30/2012
8.	ten to twenty data reports/analyses per year for posting on any USAID website, as directed by the COTR; and	ongoing
9.	quarterly reports highlighting the major achievements and challenges from the reporting period.	ongoing

TASK A – TRACKING OF ESTIMATED AND ACTUAL OBLIGATIONS

Task A – the tracking of estimated and actual obligations – which the MRR team refers to as “Mission level data collection” – is the first phase of MRR’s annual data collection cycle. This phase of MRR’s annual Fiscal Year data collection is to track USAID obligations by reaching out to USAID Missions and Offices who may have obligated funding towards microenterprise programming during a given fiscal year.

MRR launched FY 2012 Mission level data launch on October 17, 2012. This launch date is significantly earlier than in previous years, given the MRR project’s end date of May 26th, 2013, (with the actual MRR Annual Report to Congress being due to

Congress on June 30th of each year). Given this discrepancy in dates, USAID and the MRR project shifted the annual reporting calendar forward by about 6 weeks (the FY 2011 cycle was launched in early December 2011, and the FY 2010 cycle was launched in mid-November 2010). Since FY 2012 ended on Sept 30, 2012, it was not possible to launch data collection until sometime in October.

FY 2012 Mission level data collection includes a sample of 36 Missions/countries identified in collaboration with USAID for inclusion in MRR's FY 2012 reporting cycle, presented below in **Annex B – FY 2012 MRR Mission List**. With permission from Congress, USAID reduced the MRR reporting universe in this way, as a means of reducing the cost of MRR to the US Government. With this, USAID aims to report to Congress on 90% of microenterprise spending and activities (by including bigger Missions with a record of significant microenterprise-related programming in the sample). As of the end of the quarter, MRR had collected and verified data from roughly 25 of the 36 surveyed Missions, and reached about 75% of target for reported microenterprise related funding in FY 2012. Data collection and verification continued into the current quarter.

TASK B – MICROFINANCE, ENTERPRISE DEVELOPMENT AND ENABLING ENVIRONMENT INSTITUTION TRACKING

The second phase of MRR data collection includes partner-level outreach and tracking. During this phase, MRR collects results data from USAID implementing partners in order to report to Congress on the impact and outreach of USAID's investments in microenterprise programming during the given fiscal year. For work under Task B, the MRR team reaches out to all of the partner institutions identified by USAID Missions during Mission-level data collection. The MRR team also incorporates partner data related to USAID's Poverty Assessment Tool (PAT) implementation as well as Development Credit Authority (DCA) utilization. For the first time this year, MRR will also collect data obtained through partner implementation of the Progress out of Poverty Index (PPI).

Partner-level data collection for FY 2012 will begin in January 2013. Preparations conducted during the previous quarter include:

- Responding to USAID request to modify the partner-level survey to incorporate additional fields and data points, working through several rounds of potential survey revisions/versions with members of MPEP office;
- After finalizing revised partner-level survey (offline) with USAID/MPEP, working with MRR's partner IT firm to program the revisions into the online survey - to be staged, tested and in live production by mid-January 2013.

TASK C – USAID MICROENTERPRISE RESULTS REPORTING PUBLICATIONS

While the FY 2011 MRR Annual Report to Congress was finalized during the previous quarter, it was ultimately posted online on the USAID website during the October – Dec 2012 period. Along with the FY 2011 “Microenterprise Results Reporting Methodology and Statistical Annexes”, the FY 2011 MRR Annual Report to Congress is now available online at the following link: <http://www.usaid.gov/what-we-do/economic-growth-and-trade/microenterprise-development>

The MRR team has also begun work on the FY 2012 MRR Annual Report to Congress, (due to Congress on June 30 each year), with the Mission and partner level data collection informing the report itself.

Under Task C, the team also prepares smaller reports and responds to other MRR-related queries throughout the year. As of Dec 31, 2012, the team had prepared the following items in response to USAID queries:

10/27/2010: analysis of USAID microenterprise obligations in Afghanistan and the MENA region between FY 2003 – FY 2009

11/18/2010: analysis of USAID funding towards livestock, dairy and other animal husbandry activities worldwide in FY 2009

02/10/2011: list of all USAID partners and their sub-recipients (reported in FY 2009) prepared for the MPEP office in response to an inquiry from Results Educational Fund.

03/10/2011: analysis of the following Congressional directives for the MPEP office in preparation for meeting with Congressional staff:

1. Increase investment in microfinance in Africa

Analysis of FY 2010 Mission-level data showed a 70% increase in investment in microfinance in Africa, from \$18,705,088 reported in FY 2009 to \$31,855,830 reported in FY 2010.

2. Make up to 25 percent of funding available to build institutional and human capacity of microfinance institutions

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

3. Dedicate at least 50 percent of microfinance and microenterprise funds for grants and cooperative agreements to not-for-profit networks, practitioner institutions, and non-governmental organizations (NGOs).

Analysis of FY 2010 Mission-level data showed that 71% of microfinance and microenterprise funds were allocated towards grants and cooperative

agreements.

4. Increase outreach to women, and the poor and very poor who are currently without access to financial services.

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

5/27/2011: analysis of rural client percentages in Enterprise Development and Microfinance for the Bureau of Food Security.

08/19/2011: update for MPEP office on reported FY 2010 obligations from Associate Awards under FIELD support mechanism.

9/14/2011: analysis of USAID funding for microfinance and enterprise development from FY 2001 – FY 2010, including numbers of countries and clients reached.

12/01/2011: analysis of USAID funding for microfinance in FY 2008, FY 2009 and FY 2010, including information on region, partner, and partner type.

12/21/2011: analysis of microfinance funding to Sudan and Kenya in FY 2008, FY 2009 and FY 2010, including information on sub recipients, i.e. local partner microfinance institutions.

01/04/2012: provided MPEP office with information on MFI partner operational and financial sustainability.

02/06/2012: provided PAT project with information on USAID/Ghana partner reporting in years FY 2007 – FY 2010.

03/15/2012: submitted Activity Plan to USAID for cost effectiveness analysis work to be undertaken for FY 2011, and completed this analysis during the April – June quarter.

05/07/2012: provided PAT team with data on FY 2011 PAT reporting to facilitate their communication with partners specifically as it relates to PAT.

06/06/2012: provided PAT consultant with data on FY 2010 PAT reporting and FY 2010 PAT survey (with interim period where USAID is without a PAT implementation partner, the MRR team has provided some additional support in this area).

06/15/2012: provided PAT consultant with feedback from MRR reporters on PAT implementation and results.

6/29/2012: provided USAID with data needed for CGAP funder survey, including all microfinance-related funding reported to MRR for FY 2011.

07/30/2012, 08/07/2012, 08/16/2012: provided USAID with various analyses of historical MRR Mission and partner reporting information to assist in defining a meaningful, representative and reduced MRR reporting universe for FY 2012.

09/27/2012: With USAID having decided upon a sample size of 36 Missions and Bureaus for the FY 2012 reporting universe, the MRR team provided USAID with additional data to help identify the specific list, including:

- Mission and Bureau names (including all 93 Missions and Bureaus surveyed for MRR FY 2011)
- FY2011 reported funding ("Responded, but no data to report"/ "Not reported"/amounts reported)
- Reporting Status (Reported/Responded/Not Reported)
- Year the mission last reported microenterprise funds to MRR
- Notes from Missions on reporting status if they did not have data to report for FY2011.

11/01/2012: assisted MPEP in responding to questions from US Congress on historical costs associated with MRR.

12/21/2012: responded to request from MPEP office for historical data on USAID investments in microfinance institutions.

TASK D – MICROENTERPRISE RESULTS REPORTING WEBSITE

Website Hosting

In Year Three, DAI continues to host the MRR website at Peer 1 hosting. The website continues to run without any complications.

Website maintenance

DAI continued to work with partner IT firm WolfeReiter for MRR website maintenance, however their annual MRR website maintenance Purchase Order ended on December 15 2012. Given that the current MRR project will close in May 2013, DAI is beginning the preparations for transitioning into close-down, and has decided not to extend the maintenance agreement with WolfeReiter beyond Dec 15, 2012. WolfeReiter is under a separate Purchase Order to implement the revisions to the partner survey describe under Task B above, and will turn over all updated source code and website documentation upon completion of this work. DAI does not predict needing WolfeReiter's services beyond the completion of this task, and plans to manage any further, potential website maintenance issues in-house for the remainder of the project. This is possible given long time MRR Database Administrator Gang Liu's resignation from subcontractor QED, whereby DAI proposed a combination of two personnel from its Office of Information and Technology Management (OIMT) to assume his responsibilities – one of whom is a software engineer and can also assist with any website maintenance that may arise.

KEY CONSTRAINTS AND OTHER ISSUES

On August 24, 2012, DAI learned that Gang Liu, part-time Database Administrator for the MRR project, would soon be leaving QED, (subcontractor to DAI on the MRR project). Mr. Liu's last day at QED was Sept 7, 2012. Since QED does not have other database personnel on staff, and did not plan to hire a replacement for Mr. Liu (with only 9 months remaining on the MRR project), DAI identified staff from DAI's Office of Information and Technology (OIMT) to support the MRR team for the FY 2012 reporting year. On November 1 2012, DAI proposed Database Administrator Satyadev Malladi and Software Engineer TK May, submitted along with the budget revision associated with the reduced reporting universe defined for FY 2012.

USAID has not yet provided approval for Mr. Malladi or Mr. May, so the project has been somewhat constrained during this time. With knowledge transfer accomplished before Mr. Liu's departure, and certain database functions that the team is able to perform without these specialists, the project is able to function to certain degree, but to fully move forward with new analysis requested by USAID for the FY 2012 report, it is important that these personnel are approved.

In early April 2012, USAID informed DAI of probable budget cuts and requested that DAI/QED not fill the part-time Information Systems Specialist position vacated by QED's Ms. Parvati Patil when she replaced Ms. Ruth Speyer, (originally in the full-time, Key Personnel Information Systems Specialist position, who left QED in April 2012). With a reduction in scope defined by USAID on Oct 3, 2012, DAI submitted a revised budget and schedule of workdays ordered on November 1, 2012. USAID has not yet approved the revised budget, but DAI anticipates this to come shortly.

ANNEX A - PROJECT TIMELINE

MRR Workplan Tasks	Performance Period - Condensed calendar in Year 3 due to May 26, 2013 Task Order end date (with MRR Annual Report due to Congress on June 30 each year, and MRR Methodology and Statistical Annexes normally prepared in July and August).											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Project Year Three - reporting on FY 2012												
Task A - Tracking of Estimated and Actual Obligations												
A.1 Update and maintain point-of-contact information for Missions and Operating Units	●	●										
A.2 Update and distribute instructions to Missions	●	●										
A.3 Provide help desk support to Missions	●	●	●									
A.4 Obtain and review estimated and actual obligation data	●	●	●									
A.5 Resolve data problems	●	●	●									
A.6 Promote Mission data collection in Connections and on microLINKS	<i>Not in Year 3, since only 36 Missions included</i>											
A.7 Finalize Mission level data			●	●								
Task B - Microfinance, Enterprise Development, and Enabling Environment Institution												
B.1 Develop instructions for partner level reporting			●	●	●							
B.2 Update partner level contacts as needed			●	●	●							
B.3 Assign partner level questionnaires to partners				●	●	●						
B.4 Provide help desk support to reporting implementing partners				●	●	●	●					
B.5 Follow-up with implementing partners to improve response rates				●	●	●	●					
B.6 Ensure data accuracy through data cleaning & identify priority indicators for review				●	●	●	●					
B.7 Finalize partner level data				●	●	●	●					
Task C - USAID Microenterprise Results Reporting Publications												
C.1 Update database queries and run data required for FY 2012 reporting							●	●				
C.2 Conduct final data verification and cleaning							●	●				
C.3 Aggregate and analyze data required for FY 2012 reporting							●	●				
C.4 Collect additional information and/or language and prepare draft report							●	●				
C.5 Develop, produce, and disseminate the annual report	<i>Not in Year 3, given May 26th Task Order end date. USAID will manage final internal report approvals, submission to Congress, in-house printing and posting</i>											
C.6 Prepare MRR Methodology and Statistical Annexes							●	●	●			

MRR Workplan Tasks	<i>Performance Period - Condensed calendar in Year 3 due to May 26 , 2013 Task Order end date (with MRR Annual Report due to Congress on June 30 each year, and MRR Methodology and Statistical Annexes normally prepared in July and August).</i>												
Project Year Three - reporting on FY 2012	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep	
Task D - Microenterprise Results Reporting Web Site													
D.1 Maintain the MRR website and database	●—————●												
D.2 Conduct regular database and system backups	●—————●												
D.3 Refine MRR services	●—————●												
D.4 Develop new capabilities, as required/possible	●—————●												
D.5 Address ad hoc inquiries for analysis	●—————●												
D.6 Other tasks as assigned	●—————●												
Poverty Tools and DCA													
Work with USAID and PAT to develop appropriate procedures for PAT data collection	●—————●												
Work with USAID and PAT to develop language for Missions and partners on PAT	●—————●												
Adapt questionnaires to include new PAT questions	●—————●												
Share PAT results data with USAID and PAT										●—————●			
Contact DCA to obtain information on guarantees										●—————●			
Project Management													
Update operations manual	●—————●												
Submit annual work plan	●—————●												
Conduct regular meetings with USAID	●—————●												
Manage project finances, including budget management and invoicing	●—————●												
Manage subcontractors, vendors, and consultants	●—————●												
Prepare quarterly financial reports	●———●									●———●			
Develop quarterly progress reports	●———●									●———●			
Develop final report										●—————●			
Project closedown										●—————●			

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ANNEX B – FY 2012 MRR MISSION LIST

	Mission or Office	Obligation (FY2011) *Includes Pending Agreement	% of Total	Running Total of %	
1	Afghanistan	\$67,595,583	18.8%		
2	DR Congo	\$34,593,725	9.6%	28.4%	
3	Pakistan	\$26,600,000	7.4%	35.7%	
4	Malawi	\$18,550,000	5.1%	40.9%	
5	Zambia	\$16,650,000	4.6%	45.5%	
6	Lebanon	\$15,888,295	4.4%	49.9%	
7	Rwanda	\$15,846,141	4.4%	54.3%	
8	Colombia	\$10,240,620	2.8%	57.2%	
9	Peru	\$9,928,000	2.8%	59.9%	
10	Office of Microenterprise Development	\$9,470,803	2.6%	62.5%	
11	Nepal	\$6,400,573	1.8%	64.3%	
12	Mali	\$6,306,837	1.8%	66.1%	
13	Kyrgyzstan	\$6,301,978	1.7%	67.8%	
14	Iraq	\$6,090,000	1.7%	69.5%	
15	Regional Development Mission for Asia (RDM/A)	\$5,796,000	1.6%	71.1%	
16	Zimbabwe	\$5,669,473	1.6%	72.7%	
17	Sudan	\$5,010,000	1.4%	74.1%	
	<i>Sub-total \$5m Threshold Countries</i>				\$ 266,938,027.80
18	Cambodia	\$4,800,000	1.3%	75.4%	
19	Tanzania	\$4,730,000	1.3%	76.7%	
20	Nicaragua	\$2,405,000	0.7%	77.4%	
21	Ethiopia	\$2,280,000	0.6%	78.0%	
22	Haiti	\$2,000,000	0.6%	78.6%	
23	Kenya	\$1,400,000	0.4%	79.0%	
24	Guatemala	\$389,548	0.1%	79.1%	
25	Liberia	\$357,385	0.1%	79.2%	
	<i>Sub-total FTF Countries</i>				\$ 30,163,696.53
26	Bolivia	\$2,200,000	0.6%	0.6%	
27	Georgia	\$4,522,757	1.3%	1.9%	
28	Jamaica	\$1,376,209	0.4%	2.2%	
29	Philippines	\$1,993,706	0.6%	2.8%	
30	Guyana	\$299,000	0.1%	2.9%	
31	USAID/East Africa	\$1,410,092	0.4%	3.3%	
32	Moldova	\$1,500,000	0.4%	3.7%	
33	East Timor	\$4,918,350	1.4%	2.0%	
34	Macedonia	\$1,360,000	0.4%	2.4%	
35	Kosovo	\$250,000	0.1%	2.4%	
36	Sri Lanka	\$1,500,000	0.4%	2.8%	
	<i>Sub-total Randomized Threshold countries <\$5m</i>				\$21,330,114

Legend:
Threshold at \$5m
FTF Countries
Other countries < \$5m