



FIELD-Support LWA

Quarterly Report October 1- December 31, 2010

The Financial Integration, Economic Leveraging, Broad-Based Dissemination Leader with Associates
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1 Introduction

FIELD-Support is a Leader with Associates (LWA) Cooperative Agreement between the Office of Microenterprise Development in USAID (EGAT/PR/MD) and AED. FIELD-Support's consortium includes nine core partners and 17 resource organizations:

Core Organizations

- AED
- ACCION International
- ACDI/VOCA
- Action for Enterprise
- CARE
- FINCA International
- IRIS Center-University of Maryland
- Opportunity International
- Save the Children
- World Council of Credit Unions

Resource Organizations

- Alternative Credit Technologies
- Americas Association of Cooperative/Mutual Insurance Societies
- Cornell University-Base of the Pyramid Laboratory
- Development Training Services
- Freedom from Hunger
- Georgetown University-Center for Intercultural Education and Development
- International Development Enterprise
- International Real Property Foundation
- Mennonite Economic Development Associates
- Michigan State University-Agricultural Economics Department
- Microfinance Opportunities
- Rainforest Alliance
- Small Enterprise Education and Promotion (SEEP) Network
- TechnoServe
- University of Michigan-William Davidson Institute
- Women's World Banking
- World Vision International

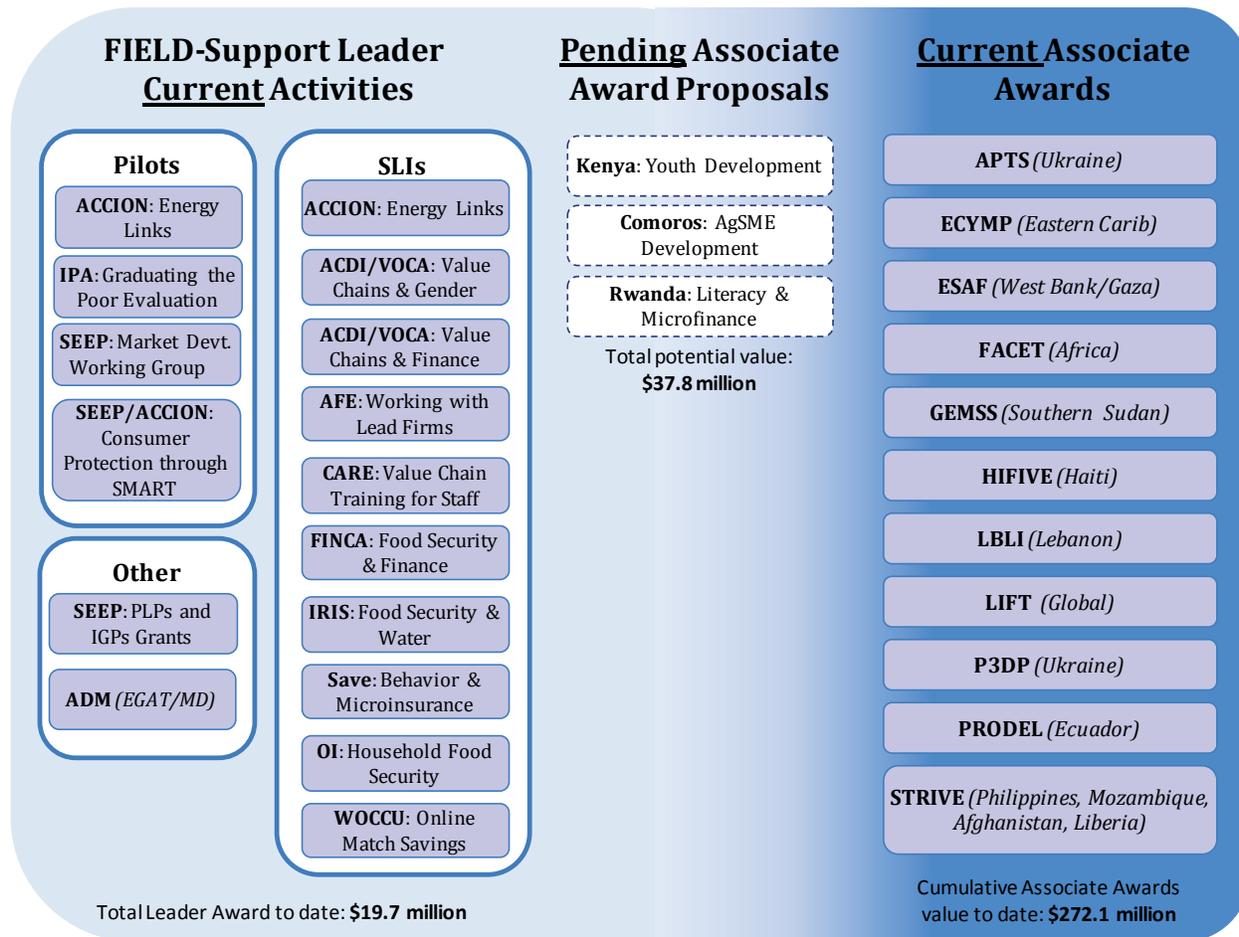
FIELD-Support encompasses both a core **Leader** award and a mechanism for USAID missions to issue **Associate Awards** and since inception includes a portfolio with a total value of more than \$272 million. The purpose of the Leader award is to advance the frontiers of practical knowledge in relation to microfinance, microenterprise development, and sustainable rural livelihoods, working in close collaboration with the MD office, USAID missions, and the community of development practitioners. The Associate Awards are designed by the consortium with USAID Missions and Operating Units and are designed serve USAID's broader economic growth and microenterprise development objectives.

As described in further detail below, the Leader award includes activities that seed innovation, demonstrate better practices, document results, and disseminate findings that will advance the global state-of-the-practice. These are in the form of **Pilot Activities**, **Strategic Learning Initiatives (SLIs)** and **Design/Assessments** for USAID Missions and Operating Units, as well as other special initiatives, such as the African Diaspora Marketplace, a GDA between USAID, Western Union and AED. See Annexes A, B, and C for an overview of all of FIELD-Support's current Pilot activities, Strategic Learning Initiatives and Associate Awards, respectively.

In the fourth quarter of FY2010, current FIELD-Support activities included:

- **4 pilot activities** with a total portfolio valued at **\$968, 718**;
- **10 SLIs** with a total portfolio valued at **\$1.54 million**;
- **2 other activities under the Leader** (including pass-through grants to the SEEP Network and the African Diaspora Marketplace or ADM);
- **3 Program Designs and Proposals** developed for USAID Missions in the Comoros and Rwanda;
- On-going **Knowledge Management and Learning Dissemination** activities; and
- **11 Associate Awards**, with a total current portfolio value of **\$163 million** (69% of which has been obligated to AED).

Each of these activities, illustrated in the snapshot below, is discussed in further details in the following sections.



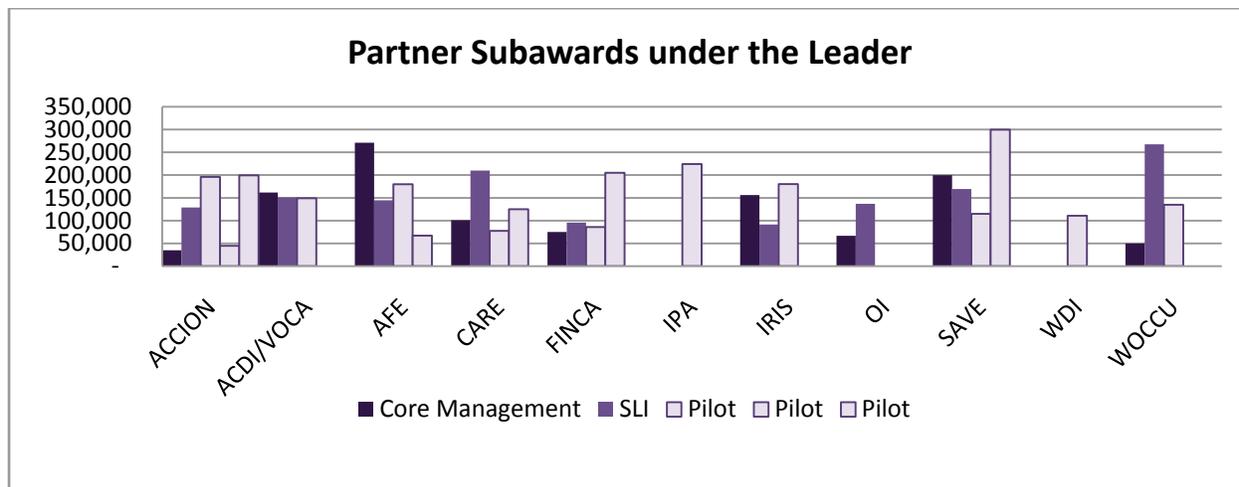
www.microlinks.org/field

Note as of December 31, 2010: On December 8, 2010, the US government announced that AED was temporarily suspended “from receiving new U.S. Government awards pending an ongoing investigation by the USAID Office of Inspector General (OIG). The [OIG] review will determine the best steps forward for ensuring the protection of U.S. taxpayer funds and the continuity of the United States’ development goals.” AED continues to work with the FIELD-Support AOTR as well as the ATOR’s from each of the Associate Awards to address specific implications on current activities on a regular basis.

2 Leader Activities

The Leader staff at AED continues to lead knowledge management activities across the FIELD-Support portfolio, as described further below, and monitor progress of FIELD-Support activities, providing technical support when needed, reviewing and processing payments, and ensuring contractual and financial compliance, as well as identifying new activities and working with partner implementation teams on designing new projects. Throughout, AED’s FIELD-Support management has provided oversight for all Leader activities and Associate Awards that were implemented by the consortium members, contributing to their technical design, implementation, and ensuring quality. Other team members coordinate day-to-day communications with the Core and Resource organizations and assisted with the administration of this complex contractual mechanism.

Since the beginning of the program in 2005, the FIELD-Support Leader has supported the implementation of 18 Pilot activities and 10 SLIs. In addition, each of the 9 core members of the consortium have used core management funds to support FIELD-Support related activities. The pilots and SLIs that are still currently being implemented are discussed in Sections 2.1 and 2.2 below.



2.1 Pilot Activities

Below are progress updates from the three remaining pilot activities under the original FIELD-Support award, in addition to one new activity by the SEEP Network and ACCION/CFI in support of the SMART Campaign to increase the adoption of consumer protection protocols, which was launched in October 2010. The 3-year extension to FIELD-Support that launched in October 2010 includes funds for additional pilot activities to be implemented by partners in 2011-2013. The process by which new pilots are selected will be determined following a participatory FIELD-Support Partners Meeting, which will be held after the temporary suspension that AED is under has been lifted.

A. ACCION: Microfinance Energy Links

(October 2007 – January 2011)

ACCION International and its Center for Financial Inclusion (CFI) initiated the Energy Links Project late in 2007. The purpose of the pilot is to facilitate the creation of an effective distribution chain for inexpensive solar lamps—a clean, affordable and beneficial energy product for people living at the base of the pyramid. The pilot operates in both Uganda and Mali. In building this distribution chain, Energy Links established business relations between MFIs, NGOs and a technology supplier, Barefoot Power, an Australian manufacturer of solar lamps.

In **Uganda**, Base Technologies, Barefoot Power’s subsidiary since the second half of 2008, reported that Base Technologies had sold 25,000 units during the first year and half of operations. In 2010, they sold close to 30,000 units. About 75% of the lamps were sold by a range of partners including NGOs, MFIs and retail shops. The remaining 25% were sold by 55 individual agents. Only 21 of these agents are actively selling and account for most of the sales.

In Mali, the project is more robust. The original aim was to develop a large and successful distribution system to sell 600,000 lamps over five years. This was deemed to be feasible following the results of market testing. Initial stages of the Mali project focused on developing new marketing channels that could reach that kind of scale.

After two years of experience, the project decided to convert its operations into a private company called EPIC Ankilais. EPIC will be led by Mr. N'Tyo Tarore, the Energy Links’ former consultant and independent entrepreneur. Since October, the project has focused on providing advice, support and

networking opportunities to facilitate the transition. After importing and commercializing 2,200 solar kits with field partners during the previous three quarters, activity in the last two months of the year slowed waiting for sea shipments of solar kit containers, which should now arrive in March 2011. In the interim, the project continues to assist in scaling activities by focusing on strengthening EPIC's operations, developing its network, training village agents who will be selling lamps, refining the business model, and working with investors to secure working capital to permit operations for the coming years. Dutch NGO NOTS, for example, reviewed the company's business plan and recently agreed to provide the necessary resources to sell 40,000 kits in 2011.

EPIC's business plan ambitiously projects to sell 400,000 units over five years. The new company will build on the sales and distribution networks already developed. These networks involve the following:

- CAEB: a Oxfam partner who monitors a network of savings groups (60,000 members);
- Other Oxfam partners such as TONUS, Stop SAHEL, GRAT (a total of 300,000 members);
- AJA Mali: a youth and employment organization focused on supporting microenterprises, and a long time supporter of the project since they helped organize the first market test in Mali;
- Mali Folke Center: an energy focused NGO and its MFI Nyetaa Finance;
- Local MFIs: Kafo Jiginew: (55,000 borrowers); Sinsinso; Soro Yiriwaso (45,000 borrowers);
- Directly by local consultant, N'Tyo Traore to end-users as well as to individual managers of local institutions (NGOs, MFIs) in order to raise the interest of potential new partners.

B. ACCION (CFI) & the SEEP Network: Consumer Protection Principles (SMART Campaign)

(October 2010 – October 2011)

Led by the Center for Financial Inclusion (CFI) at ACCION International and the SEEP Network, under this activity, the SMART Campaign will conduct a training of trainers for nearly 50 participants from microfinance networks around the world in basic consumer protection principles as well as more in-depth protocols for conducting self-assessments. The project is designed to equip regional microfinance networks and national microfinance associations to advance the implementation of the Client Protection Principles (CPPs) through a "Putting Principles into Practice (PPP)" and SMART assessor trainings, to be held in Mexico City January 24-28, 2011. The trainings will be followed by an assessment of their member MFIs.

In the first full quarter of implementation, the project focused on preparing for the January PPP training and refining the Smart Assessment methodology. A project description was prepared to help networks understand the scope and scale of the project to decide their willingness to participate. Local participating organizations were selected based on their level of maturity (or ability to meet the commitments of the project), and proven interest and dedication to client protection principles, which include three regional networks and 17 national microfinance associations. Of these 20 networks, 12 will participate at a Level 1 engagement which means that in addition to carrying out at least one PPP training and using the self reporting tool "Getting Started Questionnaire," they also commit to conducting at least two consumer protection assessments of member MFIs.

Progress to Date:

- 20 networks selected to participate;
- 13 signed and seven pending MOUs;
- All training materials are finalized and translated into Spanish;
- Training curriculum has been integrated into two stand-alone courses delivered by the SMART Campaign: PPP and Smart Assessor trainings;
- One field day was arranged for the Mexico training to allow participants to interview senior managers and visit *Compartamos Banco* field operations.

SMART Campaign Participating Networks			
Level 1		Level 2	
Name	Region/Country	Name	Region/Country
AMFA	Azerbaijan	AMSOFIPO	Mexico
CAM	China	COPEME	Peru
CMF	Nepal	FINRURAL	Bolivia
Emprender	Colombia	RADIM	Argentina
MCPI	Philippines	Red Chile	Chile
MFC	Eastern Europe	Red de microfinanzas del Paraguay	Paraguay
Pakistan Microfinance Network (PMN)	Pakistan	Sa Dahn	India
ProDesarrollo	Mexico	YMN	Yemen
REDCAMIF	Central America		
RFR	Ecuador		
Russian Microfinance Network	Russia		
Sanabel	MENA		

Due to an inability to acquire visas, three of the participating networks (Sa-Dhan, India; YMN, Yemen and PMN, Pakistan) will be unable to attend the training in Mexico. Instead, they will attend other PPP and Smart Assessor trainings organized by the Smart Campaign during the first quarter of 2011. One network (Sanabel) will not attend the training given that they have already attended such trainings in the past and are quite advanced in terms of supporting good client protection practices.

Viewpoints about the SMART Campaign



Above: From left, Diana Dezso, Juan Jose Lagos, and Isabelle Barres sign the final MOU between SEEP, REDCAMIF, and the SMART Campaign. Photo Courtesy Cara Forster, SEEP.

“Client protection is an important element in the regional microfinance strategy of REDCAMIF. We must put clients first and return to the basics in microfinance,” said **Juan Jose Lagos, President of REDCAMIF**.

“Changes are approaching in Ecuador, especially with a new microfinance law, therefore it is very timely for RFR to engage in a project such as this one in order for us to differentiate our industry for treating its clients well and for its social responsibility,” said **Javier Vaca, Executive Director of Red Financiera Rural (RFR)**.

Learning and Dissemination:

Through lessons learned during implementation, the project has restructured its training activities from its original plans. Instead of offering two trainings, one for Level 2 networks on PPP and another for Level 1 networks on both the implementation of the Principles and how to assess member MFIs, the project decided to host one training with the two back-to-back sessions, beginning with PPP training for all participating networks and concluding with the SMART Assessor workshop. In this structure, project resources are used more efficiently, minimizing cost and maximizing impact, while allowing for greater

peer exchange among participating networks—especially those with more nascent networks in Level 2. The training will be offered in both English and Spanish to facilitate ease and quality of participation.

Additionally, the project has revised the scope of commitment for Level 1 networks to include activities above. Since several networks in the project have previous experience with client protection, due to their involvement in previous Smart Campaign projects and trainings, these networks are not required to take the introductory training. Three Level 1 networks have customized their MOUs to augment activities including sending additional participants to the training in Mexico and conducting additional client protection assessments of their member MFIs. These additional activities are above and beyond the original project scope.

Next Steps:

Priorities for the next quarter include carrying out a successful training in Mexico for project participants. Those who are unable to attend the Mexico training will instead attend a similar training in either Africa or India during the first quarter of 2011. This will allow them to complete their commitment to working with their member networks. The project will work to finalize all the remaining MOUs for those pending networks and assist in scheduling and implementing workshops for their member MFIs to offer training on PPP and assistance in completing the self-assessment Questionnaires. Additional activities will include working with networks to identify their member MFIs who might be willing to undertake a client protection assessment and determine when they will be able to host the assessment team.

C. IPA: Graduating the Poorest into Microfinance Evaluation (August 2009 – August 2013)

The Evaluation pilot led by Innovations for Poverty Action (IPA) in Ethiopia is testing a methodology for graduating the most vulnerable households in Ethiopia out of extreme poverty. The supported households that are being monitored will be members of Ethiopia’s National Productive Safety Net Program (PSNP), a country-wide program aimed at reducing food insecurity. Focusing on households who are not benefitting either from the Ethiopian government-led package program or the government direct support program, selection will be managed by The Relief Society of Tigray (REST) and IPA, and based in part on those who are considered to be amongst the poorest, but who have the potential to engage in economic activities.

During the final quarter of evaluation under this activity, implementing partner REST completed asset transfers for all beneficiaries, which for bee-keeping and cattle fattening, involved a one-time transfer of bee-keeping inputs and cattle (two per beneficiary). For petty trade and shoat (sheep and goat) fattening, the transfer process was split into two, unlike the process for petty trade beneficiaries who were given half cash for half the transfer amount to purchase inputs for their selected trade. After ensuring that the inputs had been purchased, REST transferred the remaining cash amounts to the beneficiaries. For shoat fattening, the first round of transfer consisted of 7-8 shoats, while the second round (again with 7-8 shoats) was dependent on their performance during the first. REST monitored the beneficiaries’ performance with regards to asset management (feed, shelter), savings, sale of assets, purchase of new shoats and savings. The second round of transfer for shoats started in November and was completed for all beneficiaries during the last week of December.



A shoat fattening beneficiary tends to his cattle in Tsada Na’ele. *Photo Courtesy IPA staff*

REST facilitators continue to monitor beneficiary activity on a regular basis, with facilitators meeting with beneficiaries individually at least once a week (some facilitators meet the beneficiaries twice a week). During these individual meetings, the facilitators talk to the beneficiaries about asset management (feed, shelter, inputs), the well-being of beneficiaries (health, education, any problems), and savings. In addition to these meetings, the facilitators hold two group-level meetings per month where all the beneficiaries get together. The primary purpose of these meetings is encouraging savings and experience sharing (highlighting best practices).

Notable progress this quarter is that a vast majority of all beneficiaries have started saving. Each beneficiary has an individual savings account with DECSI¹ and is required to go to the nearest DECSI branch in order to save money. REST has entered into a contract with the beneficiaries whereby they have to save the total amount of the asset transfer within the next 2-3 years (depending on the livelihood option selected). REST has determined a saving schedule for the beneficiaries depending on their livelihood asset choice (see table below). Some *tabias* have further divided the saving schedule into quarterly savings amounts (600 ETB every three months), in accordance with the cattle/shoats fattening cycle. It is worth noting that beneficiaries cannot withdraw these savings until the entire grant amount has been saved, and in the case of an emergency, the beneficiary is required to request approval from REST before they are able to money from their savings account.

Savings Schedule by Livelihood Option			
Livelihood Activity	Savings Schedule Year 1	Savings Schedule Year 2	Savings Schedule Year 3
Bee-Keeping	0 ETB (No obligation to save any amount)	Half of Total Amount (2362 ETB)	Second Half of Total Amount (2362 ETB)
Shoats Fattening	Half of Total Amount (2362 ETB)	Second Half of Total Amount (2362 ETB)	0 ETB
Cattle Fattening	Half of Total Amount (2362 ETB)	Second Half of Total Amount (2362 ETB)	0 ETB
Petty Trade	Half of Total Amount (2362 ETB)	Second Half of Total Amount (2362 ETB)	0 ETB

Next Steps:

IPA is in the process of writing the baseline report for the pilot. In December, the qualitative researcher for the BRAC Development Institute (BDI) returned to Mekelle to follow-up on the beneficiaries visited previously in June 2010. A third and final visit will be conducted in May 2011. During the next quarter, the project will continue to clean and analyze data, finalize the baseline report and continue routine monitoring visits (on a monthly basis) to ensure compliance with treatment and control groups and log project activities to understand eventual results from the impact assessment.

Additionally, REST will continue to monitor the project and has planned a training on financial literacy/book-keeping to assist the beneficiaries keep a better record of their financial activities pertaining to the livelihood assets.

In the Spring of 2011, it is anticipated that IPA will be awarded a second subagreement to complete the mid-line and end-line studies of this 3-year study.

D. SEEP Network: Market Development Working Group (July 2007 – March 2011)

The SEEP Network’s Market Development Working Group, which has been primarily funded through FIELD-Support, has spearheaded the development of the *Minimum Standards for Economic Recovery*

¹ DECSI (Debit Credit And Savings Institution) is an MFI located in the Tigray Region of Ethiopia

After Crisis (the “Standards”). By coordinating the development of these guidelines with the SPHERE Project, SEEP facilitated the incorporation of the guidelines into the latest revision of the SPHERE Handbook. This approach has allowed both SPHERE and SEEP to expand the adoption of standards and include a wider range of stakeholders and experienced practitioners.²

During this quarter primary project activities included finalizing and disseminating the revised edition of the “*Minimum Economic Recovery Standards*.” After rigorous review and feedback, the second edition of the Standards was copy-edited and printed in October 2010 in time for distribution at SEEP’s 2010 Annual Conference held November 1-5 in Arlington, Virginia. The revised edition was promoted at SEEP’s “Marketplace” during the Annual Conference with many conference participants showing significant interest. Additionally, SEEP made the electronic version of the revised Standards available through its website and began posting announcements on other external sites. SEEP has also begun to look into translating the Standards as requested both by contributors as well as other industry practitioners.

Widespread Dissemination of the Standards:

- The revised **Standards** publication was used in two ODFA trainings in November 2010 in Washington, DC and in Dominica for OFDA field staff and other stakeholders;
- The revised **Standards** will be taught in a course at The George Washington University (GWU) on Disaster Relief and Reconstruction during the 2011 spring semester. Ten copies of the revised Standards were made available in the GWU bookstore;
- Catholic Relief Services purchased 50 copies for distribution to their staff in November 2010;
- International Alert and The Peace Development Institute co-facilitated a half-day training on peacebuilding and economic recovery using the **Standards** was held in Sri Lanka in November.

With the release of the 2nd edition, SEEP has been approached by a number of individuals interested in incorporating them into their activities. USAID’s Office of Foreign Disaster Assistance (OFDA) purchased 50 copies for trainings on economic recovery that were held in Washington, DC and Dominica, while Catholic Relief Services (CRS) purchased another 50 copies. The Standards will also be taught in a class on conflict and economic recovery at The George Washington University (GWU) during the Spring 2011 semester, and 10 copies are currently available in the GWU bookstore for students.

Recently SEEP was approached by International Alert to provide a half-day training on the revised Standards at a course on conflict-sensitivity and economic recovery hosted by the Peace and Development Institute (PDI) in Sri Lanka. In November the course targeted mid-level participants from international and local development agencies active in economic recovery in north and eastern Sri Lanka. The training was very successful and participants expressed interest in the revised Standards. SEEP is currently working to identify additional opportunities for trainings on the Standards in the next year. Also during this quarter, SEEP formally submitted an application to SPHERE for official companionship status. SEEP’s application will continue to be reviewed by the SPHERE committee over the next quarter and a final decision should be communicated by April or May 2011.

The status of activity deliverables are summarized in the table below:

Standards Guideline Deliverables			
Deliverables	Quantity	Date	Status
Dissemination/promotion events (online or in-person)	2+	By end of project	2 completed (5-8-09 & 11-23-2010)
Note from the Field	1	August 2009	Instead of a Note from the Field, SEEP has written

² Find out more about the *Standards*, how they were developed and download the document at <http://seepnetwork.org/Pages/EconomicRecoveryStandards.aspx>

			two articles on the Standards, both published in previous quarters: for the International Alert “Peace Essentials” series and the EDM Journal.
4 stakeholder consultation events held	4	2 in 2009 and 2 in 2010	Completed (final total 4 events)
Stakeholders reached through consultation, field-testing, and dissemination	1,000+	By end of project	In progress: 408 reached to date Upon reflection SEEP has scaled back this number – 50 people per consultation was over-ambitious. SEEP now aims to reach 500 people by the end of 2010.
Programs participating in field testing	10	By November 2009	This has been a challenge. Approximately five programs have used the Standards. Feedback has been gathered from ACDI/VOCA, AED, CRS and Mercy Corps in time for the Revision Workshop. The following are the projects that have field-tested the Standards: <ul style="list-style-type: none"> • Khartoum State Poverty Reduction Programme (CRS) • Increased Resilience program – Darfur (CRS) • AED/Shorebank ESAF program – Gaza • ACDI/VOCA Sierra Leone value chain program • Mercy Corps’ Delta Livelihoods Recovery for • Food Security and Community Resilience program—Myanmar
Organizations adopting the Standards	10+	By end of project	In progress. Rather than formal adoption statements, SEEP will seek letters of support and is also working on ideas of creating a standards governing body that could help in wider adoption and maintenance of the standards.
Revised Standards for Economic Recovery	1	By end of project	Completed (October 2010); A training on the revised edition was piloted in November 2010 with additional trainings scheduled for 2011

Learning and Dissemination:

SEEP is committed to wider dissemination of the Standards in the field and will continue to organize trainings based on the revised curriculum to create a qualified pool of trainers in the field. These trainers can then help disseminate the Standards further, not just in their own organizations, but also amongst their peers. As this project is focused on developing and promoting industry standards, we anticipate additional revisions to the *Standards Guidelines*, considering the need to constantly monitor the relevance of the *Standards* and adapt/ change it where necessary. Current discussions include a need for a Standards governing entity that would investigate issues regarding adherence to and relevance of the Standards, and will look into the possibility of creating such an entity with key industry stakeholders next quarter. Additionally, SEEP will begin translating the 2nd edition into French and Bahasa Indonesian, and work with FIELD-Support to promote the publication through external industry websites including microLINKS.

2.2 Strategic Learning Initiatives (SLIs)

During the last quarter, FIELD-Support continued to work with Core partners to implement SLIs using each partner’s unspent core management funds. SLIs allow core partners to invest resources toward understanding and/or solving a problem of their own choosing within the broader rationale of improving microenterprise development good practices and sharing what has been learned with others.

In contrast to FIELD-Support pilots, which tend to have a more directed learning agenda, SLIs represent each partner's own priorities for their particular organization, but have a clear learning output to serve the practitioner community. See Annex B for brief introductions to each SLI.

A. ACCION: Energy Sector Deepening in Tanzania Initiative

For its SLI, ACCION was seeking to map the household energy sector in Tanzania, both from the consumer and supply sides. It did the same for the microfinance sector, creating a detailed picture that shows the potential connections between these two sectors. At the same time the project carried out extensive consultation and information-sharing among participants in the pro-poor energy and microfinance sectors. This intermediation work lays the groundwork for an energy sector deepening initiative to support a national strategy for involving financial institutions in supporting inclusive renewable energy solutions. Building on the first phase of the Energy Links pilot activities, this project replicated the proven approach of acting as a broker to facilitate cooperation between energy suppliers and MFIs. However, instead of focusing on a single product the way the pilot did in Mali and Uganda, it was aimed at shedding light on all existing technologies and devices, as well as linkages with a wide range of energy and finance providers.

This SLI sought to test the hypothesis that at a national level, the exchange of information about potential clients, energy suppliers (and their products) and financial institutions—as well as organized opportunities for interaction between energy and finance providers—can catalyze new project initiatives and lay the groundwork for deepening the entire pro-poor energy sector. The rationale for providing renewable energy to low-income households and microenterprises in developing countries includes the need to increase cost-effectiveness of renewable energy sources; support health, productivity, and quality of life for consumers; and assist developing countries chart a low-carbon development path to sustain economic growth without contributing to global climate change.

On December 10th, 2010, Energy Links organized a workshop in Dar-es-Salaam that was aimed at advancing the project's donor mobilization goals. Due to unforeseen inclement weather, three confirmed participants were unable to attend. In the end, 12 attendees and a local consultant, Francis Songela, and lead consultant, April Alderdice, moderated a successful workshop. Representation from the MFI sector was high and included FINCA, Tujijenge, CARE, Akiba Commercial Bank and Pride—all in-country major financial service providers. Several major energy suppliers that target this market segment, including the distributor of d-light design products in Tanzania, AET, as well as the distributor for Barefoot Power, Umeme Jua, ARTI Tanzania, the cook stove provider Envotech, and the biogas program run by the Danish development agency SNV were also present.

Highlights of engagement from stakeholders, which represents the SLI's fundamental objectives, include the following:

- **Tujijenge** sold over 700 lighting systems in the first two months of their pilot with d-light design. Given their record-breaking progress, they are now expanding to other branches.
- **Finca Tanzania** is quite eager to move forward and have begun networking with several clean energy providers. This led to further potential collaborations such as working with ARTI to provide financing to urban restaurants that install institutional biogas digesters.
- **Pride Tanzania** has seen traction and early successes at comparable institutions, and is now quite eager to learn more about starting their own energy program despite their initial lack of interest.
- **Akiba** recently reported on their new program to provide loans for grid connections in partnership with the electric utility Tanesco.

With the completion of the energy deepening study in Tanzania, ACCION is now working on a final report that encapsulates the broad lessons learned from across the Energy Links activities under FIELD-Support, including those in Mali, Uganda and Tanzania. That learning product will include highlights from the Tanzania study.

B. ACDI/VOCA: Behavior Change Perspectives on Gender in Value Chain Development

One of two SLIs being implemented by ACDI/VOCA, this activity is collaborating with a well-respected consultant specialized in gender issues in enterprise development to create a tool for including gender analysis as an integral part of value chain analysis. The tool being developed consists of sample question guides, matrices and mapping guides, together with a brief discussion of the importance of gendered value chain analysis and practical advice on how to conduct the analysis. The team is building on work completed under USAID's Greater Access to Trade Expansion (GATE) project as well research by the International Labor Organization (ILO), the UK's Institute of Development Studies, the Danish Institute for International Studies and others. This tool is being tested in two different field locations (possibly Ghana and Kenya) in order to refine the tool, identify best practices and generate lessons learned—in addition to contributing to the effectiveness of the programs in these two locations. Information gathered supplements existing research and provides material for an upcoming FIELD Report that will provide best practice recommendations illustrated with examples from the field.

This quarter, ACDI/VOCA's Gender team including Ruth Campbell and Hannah Schiff with consultants Cristina Manfre and Jennefer Sebstad, finalized a framework for applying behavior change perspectives when analyzing gender in value chains, incorporating feedback from experts during an online consultation. Following the webinar³, a research plan was finalized and approved to be used in field testing in Kenya and Ghana. In Ghana, the framework is being tested in the citrus value chain with ACDI/VOCA's ADVANCE project, and in Kenya the project plans to test the framework in the flower and sweet potato value chains.

Next quarter, the Gender team will present at USAID's Breakfast Series seminar, continue field work in Kenya, January 10-28, 2011, and synthesize a draft field report.

C. ACDI/VOCA: Value Chain Finance Analysis and Financial Product Guides

The second SLI for ACDI/VOCA proposes to develop and field test two tools for practitioners, including a user guide for assessing financial service needs in priority value chains. This tool would be used by practitioners in project design activities. Often designers ask how to expand lending to the small farmers or other small firms within the chain, assuming automatically this is a constraint to Value Chain development. A straightforward tool—a pamphlet which combines concise steps, check lists and decision tree elements—could guide designers through the key questions including:

- What are the key opportunities for expanding sales and upgrading in this value chain?
- What are the key financing requirements to pursue these opportunities?
- What are the key constraints to their delivery?
- Who has the incentives to deliver the services?
- What project interventions are necessary and with whom?

The second tool proposed is an expandable set of two-to-three page “product guides” of value chain finance products, services and alliances to be used by project staff in conjunction with a value chain finance analysis and needs assessment exercise. The primer focuses on four products with detailed cases. Our tools section will link products to a value chain map, organizing products around the economic opportunities and transactions that they facilitate. The framework will visibly reinforce the notion that these financial services are tools effective for particular economic purposes. This framework can be expanded as material on new pilots and applications are identified. Our tool will also increase the number of product guides, in a concise and standardized format that helps practitioners think through whether and how to use a given mechanism, and linking to multiple short case studies. Finally, the tool

³ The webinar is available online at <http://www.microlinks.org/genderinvaluechains>

will be more tied to project learning: it will be used during project design and implementation but also integrated into training and ongoing organizational learning processes.

Unfortunately, due to limited personnel availability during this quarter, the team focused on planning implementation for the upcoming quarter. In the next quarter the team will be actively engaged in updating and documenting the tool based on our findings and determining the next location to test the tool.

D. AFE: Value Chain Facilitation with Lead Firms

Working with value chain “lead firms” that can provide needed products, services, and markets to MSME producers in a commercially viable and sustainable manner is becoming a common activity of value chain development practitioners. There is little documentation, however, of effective tools and methods for doing so. The FIELD-Support working group on Facilitation, led by AFE, has made valuable contributions to fill this gap through its publications over the last few years. This SLI is focused on further filling the gap by producing a user-friendly handbook and training materials that development organizations can use to train and orient their staff. Materials will be designed in such a way that they can be used with both novice and experienced market development practitioners.

“Lead Firms” in Value Chains

Lead firms are defined as:

- small, medium, and large firms that have forward or backward commercial linkages with targeted micro, small, and medium scale enterprises (MSMEs);
- dynamic market actors that can promote greater integration of MSMEs into value chains and provide them with important products and support.
- By promoting relationships between lead firms and targeted MSMEs, development organizations can promote industry competitiveness and achieve leveraged and sustainable impact for targeted MSMEs.

During the reporting period AFE began implementation of its SLI to develop a handbook and training materials on how development organizations can collaborate with Value Chain “Lead Firms” as a means of creating sustainable impact for MSME producers they buy from or sell to. Notable activities during the quarter included consolidation of working group publications into a first draft of the “Working with Lead Firms Handbook,” and organization of a “write-shop” held November 8-12, 2010 that brought together a select group of practitioners from around the world experienced in working with lead firms. The participants also developed training materials based on the Handbook, including session plans, PowerPoint slides, and participatory, adult learning methodologies such as cases, skits, exercises, group work, and question/answer sessions.

Next Steps:

Activities to date have helped to consolidate learning and best practices in how development organizations can best work with lead firms to promote industry competitiveness and sustainable impact with MSMEs. This includes identifying lead firms and applicable interventions, facilitating lead firm interventions, and structuring and managing collaboration. In the next quarter AFE will continue revising the Handbook and developing new Handbook materials based on recommendations during the write-shop, begin preparing for and conduct the pilot workshop, and update training materials based on the experiences and feedback in the pilot workshop.

E. FINCA: Linkages between Food Security and Rural Microfinance

FINCA has worldwide experience in designing and testing agricultural and rural credit products in countries. Products range from full-fledged agricultural products tailored to the cash flow needs of farmers, to simple adaptations of FINCA’s village banking products for rural clients who may have multiple income sources, including agriculture. Anecdotal evidence from FINCA’s experiences in village lending have shown that products may help improve food security for low-income clients by increasing incomes and by strengthening the utilization of locally-grown food, affecting entire regions. To date,

however, FINCA's experiences with agricultural and rural lending have been primarily one-off projects, and the evidence linking food security with microfinance has been anecdotal at best. Yet FINCA believes that microfinance plays an important role in food security, and through this SLI, was seeking to establish a link between rural and agricultural lending and food security.

The purpose of this study was to establish the effect of FINCA's financial services (group and individual loans, including specific agricultural and rural loans, savings and insurance) on the food security of rural and urban clients. FINCA focused its research on two of its affiliates: Guatemala and Zambia. Specifically, the purpose of this study was to:

- describe the relevance of microfinance as a means of addressing food security issues;
- illustrate the effect of microfinance on low-income households, particularly relating to their consumption of food and nutritional status;
- identify ways in which MFIs can improve the food security of their clients; and
- recommend steps by which the food security implications of microfinance can be enhanced.

This quarter primary data (quantitative and qualitative) was gathered with FINCA clients living in Guatemala and Zambia and analyzed along with secondary data/literature in order to describe the relevance of microfinance as a means of addressing food security issues; illustrate the effect of microfinance on low-income households, particularly relating to their consumption of food and nutritional status; identify ways in which microfinance organizations can improve the food security of their clients; and recommend steps by which the food security implications of microfinance can be enhanced. Following analysis of both assessments, the project has organized a session with FIELD-Support technical experts to present initial findings, receive feedback, and discuss next steps.

Both the qualitative and quantitative studies demonstrated that access to microfinance has a slight impact on improved nutrition by way of improved dietary diversity. It also suggests that FINCA loans may be contributing to improved food access by way of modest increases in *per capita* income. Data shows that the households of continuing Village Banking members in both Zambia and Guatemala have better dietary diversity scores than those of new clients, and in Zambia, continuing client households (defined as clients who have had three or more loans with FINCA) show a lower coping strategy index indicating that household food security status is more stable than that of new client households.

Learning

While mean indicators suggest that the majority of new and continuing FINCA clients are generally food secure (i.e. have access to adequate amounts and good quality food), qualitative data revealed that a number of new and continuing clients whose households appear to be food secure are likely vulnerable to food insecurity when they experience a shock that results in a vast decline in earnings (death or illness) or a large expense, such damage from a natural disaster. Quantitative data supported this finding, showing that clients' perceptions of increases in income are closely associated with their ability to meet food needs.

Although the majority of new and continuing clients appear to be food secure, small percentages of clients in both groups in both countries do not appear to be food secure. In Zambia, 9-13% of clients stated they had experienced severe hunger levels due to insufficient food supply and consumption in the four weeks prior to the survey and across the sample 34% had experienced food shortages in the 12 months prior to the survey. Although food shortages were less likely to be reported in Guatemala, FINCA's clientele does include members who routinely struggle where 19% of the sample reported at least one month of reduced food consumption. Other key country-specific finds are presented here.

Guatemala

Demographic profile: Of FINCA clients, 75% of households were headed by men, but 93% of borrowers are women. The average household size is 5.2 people. The median age is 35 for new borrowers and 40 for continuing borrowers. 24% of clients have no primary education; 76% can read and 74% can write.

Food Security Profile:

- The number of months of adequate food had little variation for both new and continuing clients with a Food Consumption Score (FCS) over 11.6 for the previous 12 months.
- The dietary diversity score was similar for each group at 9.6 (out of a maximum of 12 main food groups) for new clients, and 10.0 for continuing clients.
- Food Consumption Scores (FCS) were also close for the two groups at 13.8 for new clients and 14.1 for continuing clients, with a maximum score of 19.
- The coping strategy index differed from 4.3 for new clients to 3.7 for continuing clients. Note, lower index indicate a higher level of food security.
- Over the past four weeks, 94% of all clients indicated there was always some food in the house.
- 98% of all clients never went a whole day without eating.
- Over 86% of clients never go to sleep hungry.

The following table indicates the strategies used to cope during food shortages. One can see that in all but one category, continuing clients fared better or the same than new clients and used these strategies less often. The one strategy used more by continuing clients was to borrow, which may indicate greater access to credit and a greater ability to repay.

Table: Strategies used during food shortages in the past 4 weeks in Guatemala.

	New clients	Continuing clients	Total sample
		%	
<i>Eat less-preferred food</i>	17.0	15.2	16.1
<i>Reduce meal size</i>	15.7	14.5	15.1
<i>Limit adult portions so children can eat</i>	13.4	12.1	12.8
<i>Buy food on credit</i>	8.2	10.8	9.5
<i>Reduce number of meals consumed</i>	10.5	7.1	8.8
<i>Borrow food from family and friends</i>	8.2	7.7	8.0
<i>Eat wild foods</i>	4.6	3.4	4.0
<i>Prioritize working members at the cost of non-working members</i>	2.9	2.0	2.5
<i>Consume seed stock</i>	2.9	1.7	2.3
<i>Send family members to live with someone else</i>	1.0	1.0	1.0
<i>Beg</i>	0.3	0.3	0.3
N	306	297	603

Nearly 61% of continuing clients reported increased incomes in the past three years, while for new clients the figure was just shy of 52%. Over 80% of each group reported that the benefit of this increased income was to meet food needs. The reported reasons for increased income were increase in the number of income sources or earners (60% new and 75% continuing) as well as new or better employment options (69% and 57%). On average 15% of all clients reported that the increased income was due to increased wages. The perceived reason for a drop in income was the inability to invest in livelihoods/agriculture, the inability to meet household food needs and the inability to save or to pay school fees.

Zambia

Demographic profile: In Zambia, of FINCA clients, 70% were households headed by men, with 78% of borrowers being women. The average household has six members. 4% of clients have no primary education, 67% can read and 64% can write.

Food Security Profile:

- The number of months of adequate food was the same for both new and continuing clients with a Food Consumption Score (FCS) of 11.1 for the previous 12 months;
- The dietary diversity score showed a bit more variation (in comparison to Guatemala, for example) for each group at 7.9 (out of a maximum of 12 main food groups) for new clients, and 8.5 for continuing clients;
- The coping strategy index differed greatly from 7.7 for new clients to 4.7 for continuing clients. Note, lower index indicate a high level of food security.
- Over the past four weeks, 87% of all clients indicated there was always some food in the house;
- 92% of all clients never went a whole day without eating; and
- Over 90% of clients never go to sleep hungry.

Table: Household Hunger Scores for the past 4 weeks in Zambia

	How often has there been no food of any kind in the house?			How often have household members had to go a whole day and night without eating?			How often have household members had to go to sleep hungry?		
	New clients	Continuing clients	Total sample	New clients	Continuing clients	Total sample	New clients	Continuing clients	Total sample
	%								
<i>Never</i>	85.7	87.9	87.0	92.4	93.2	92.9	89.7	91.3	90.7
<i>Rarely</i>	3.1	2.5	2.8	3.6	2.5	2.9	4.0	2.5	3.1
<i>Sometimes</i>	9.8	6.5	7.8	3.6	2.8	3.1	5.4	4.5	4.8
<i>Often</i>	1.3	3.1	2.4	0.4	1.4	1.0	0.9	1.7	1.4
<i>N</i>	224	355	579	224	355	579	224	355	579

When asked to compare their household economic situation today with three years prior, nearly 58% of continuing clients said they were more satisfied with their current economic situation, while almost 54% of new clients made the same statement. 23% of all clients were neither more nor less satisfied (27% new and 21% continuing) while 19% of new clients and 21% of continuing clients were less satisfied.

16% of new clients and 15% of continuing clients reported decreases in income in the past three years. The top reasons given for a drop in income were loss of employment, prolonged illness of income earner or death of income earner and low prices for crops. The perceived indicators for a drop in income were the inability to meet household food needs, inability to pay school fees, manage responsibilities or invest in livelihoods.

Learning and Dissemination

The hypotheses for key research questions were informed by three main findings gleaned from the Literature Review. First, targeting of the more vulnerable and food insecure populations is typically challenging for most microfinance institutions, and participation in microfinance programs has been fairly low relative to the proportion of poor in the world population.

Second, the desk review revealed that the microfinance industry tends to emphasize income generation via credit access over savings. In contrast, theorists and development practitioners have shown that microfinance services can be an important risk mitigation and management tool to help protect and stabilize household food security, but to be most effective, the services offered must include savings and insurance services in addition to credit opportunities.

Third, the importance of partnerships was highlighted in the Literature Review. It is increasingly recognized that solutions to poverty are multi-faceted and require the collaboration of multiple actors

and sectors. The desk review additionally revealed the critical need for sustainable and flexible financial services for rural and agrarian populations, and the challenges, in terms of risk and cost, of providing services to this population.

Next Steps

In the final quarter of the project, FINCA will work with local implementing partner TANGO to finalize the research report with an emphasis on clarifications to key points identified during the review process completed near the end of last year, and the final deliverable checklist will be updated to reflect the files handed off by TANGO and closeout financial reports.

FINCA also plans to conduct a meeting in Washington, D.C. with AED and FINCA to present initial findings, discuss the projects research methodologies, receive feedback from AED's Food Security Specialists, Benjamin Rinehart and Michele McNabb, and lay out next steps and scaling efforts.

F. IRIS: Achieving Food Security through Water Security: Evidence from Kenya

IRIS's SLI is studying the effects on food security of improving access to water through innovative community-based efforts for benefiting vulnerable farm enterprise households in Kenya. For this study, IRIS conducted fieldwork in Kenya in collaboration with local partner, Kitui Development Centre (KDC). Since 2001, Kitui Development Centre (KDC) has been a registered local non-profit organization operating in the Kitui district in the Eastern province of Kenya. KDC is primarily involved in rural development activities with a focus on poor and vulnerable communities.

This quarter IRIS conducted fieldwork in Kenya in collaboration with local partner, Kitui Development Centre (KDC). Since 2001, Kitui Development Centre (KDC) has been a registered local non-profit organization operating in the Kitui district in the Eastern province of Kenya. KDC is primarily involved in rural development activities with a focus on poor and vulnerable communities. The KDC started the water project in 2007 as a community-run (and eventually community-owned) fee-based water system that aims to provide a clean and easily accessible source of water; provide a basis for small-scale irrigation schemes; and provide a return on investment to the community at large, and especially to households that care for orphans and vulnerable children, and create employment at the water kiosks for guardians or parents who care for orphans and vulnerable children in the community. In the study, IRIS is examining the following:

- Does the KDC project (i.e., the community-based water project involving collective action) facilitate sustainable agricultural production and better food access and intake, and eventually have the potential to reduce the need for food aid in the community? If so, how?
- Does the water project contribute to a reduction in loss of productive time due to transactions costs to access water from alternate sources? If so, how are the gains used?
- How long does it take for the project to become financially sustainable and how could it be achieved?
- What factors and processes motivate and facilitate sustenance of the water project in the community?

Learning & Next Steps

Next quarter IRIS will continue complete data analysis and begin drafting a final report, with an aim to submit the first draft to AED in late January. Pending revisions and comments, IRIS plans to submit a final report later in the quarter. Additionally, dissemination events are being scheduled.

G. Opportunity International: Agricultural Finance Development in Malawi and Uganda

Opportunity International is implementing an agriculture finance program that will take a comprehensive view of farming household's needs, production capacity, crop cycles, and revenue potential. This program will also incorporate a large knowledge component that will document all activities and refine a comprehensive rural model that can fully account for the risk and costs at each

bank implementing this strategy. As part of this initiative, Opportunity plans to evaluate the effectiveness of strategic partnerships with extension service providers for the agriculture sector, including the impact that these services have on clients. As learning activities are directly tied to experience gained through the implementation of the rural model in Malawi and Uganda, the bulk of our research will be conducted in later periods once agricultural lending activities and data collection are fully in place.

During this first year of agricultural finance development, Opportunity has focused on laying a foundation for future growth and increased access to a full range of financial services to poor people living in rural areas. The main efforts during this period have been placed on recruiting, hiring and training in-country staff and agricultural consultants, building and upgrading CRM, eMerge/banking portfolio systems, intensifying marketing efforts for and expanding the infrastructure in rural areas (vehicles, delivery channels), identifying or strengthening partnerships—primarily with Extension Service Providers, designing and implementing agricultural finance policies, developing client financial literacy training, and rolling out mapping and profiling of rural farms. Each of these building blocks is critical success factors for the project.

Malawi:

Opportunity International Bank of Malawi (OIBM) is in the most advanced stages of the activity, with an agricultural portfolio worth \$1.8 million, representing a total of 6,779 active agricultural loan clients. All 2009-10 agricultural loans were seasonal loans, except for a few sugar loans with medium term (2-year) repayment, for an average loan size of \$785 (a high of \$1,100 for tobacco farmers and \$180 for birds eye chili farmers). At present, OIBM is finalizing repayments for the 2009-10 agricultural season and entering the 2010-11 growing season. OIBM is also intensifying its marketing and sensitization efforts to help unbanked people to learn about the benefits of savings and get a better understanding of the point-of-service agent networks (Banki M'khonde) and cell phone banking (Banki M'manja), OIBM's electronic banking services. This requires intensive person-to-person communication to win customers' trust and change people's behavior. Currently, the high price of the bank's smart card (at \$7 per card) represents the highest barrier for client acquisition, especially in rural areas. The planned reduction in the cost of the card is expected to significantly increase outreach in rural areas. In terms of products, the bank offers a savings account with a zero minimum balance and a "pay as you go" transactional fee (the Kasupe account), and the bank has experienced success in rolling it out to rural clients.

Uganda:

Regarding the project activity in Uganda, Opportunity Uganda (OUL) began its rural pilot project in March 2010. To date, the bank has made 185 agricultural loans with a total loan portfolio of \$167,473. OUL's lending is conducted through both the solidarity and individual lending models; the average loan size is \$197 and \$1,753 respectively. The current agricultural portfolio is performing well with a 95% repayment rate. To date, OUL has developed crop profiles for coffee, bananas, rice and beans and is lending to farmers growing those crops. The partnership between OUL and Compassion International has brought already existing groups in rural areas into the agricultural project. OUL has also developed relationships with a number of ESPs, including NKG Coffee Alliance Trust/Hanns R. Newman Stiftung Africa Ltd., TechnoServe, Centre for Africa Inputs International, and USAID LEAD. OUL's Marketing Team has introduced a number of awareness campaigns to increase the bank's brand recognition in the marketplace and improve savings mobilization. Marketing methods include radio talk shows, advertisements, as well as signs along the roadside and in major target areas.



A loan officer with the Opportunity International Bank of Malawi meets with members of the Chigumukire Trust Group. *Photo courtesy OIBM*

Key achievements to date:

- At the end of 2010, OIBM served rural clients through 97 access points, including Financial Service Centers/Regional Branches (3), Satellite Branches (9), kiosks/containers (14), ATMs (26), Point of Service network agents (37), and mobile banks (9 vehicles with 27 unique stops);
- 3,088 registered cell phone banking clients at OIBM who can now make loan repayments, transfer funds, buy airtime, and make balance inquiries from anywhere in the country with cell phone service; and
- OUL serves clients through 14 access points: 10 full branches, 1 mobile bank with 4 locations. Within one month, the mobile bank opened 1,000 new savings accounts.

Learning and Dissemination:

Opportunity's Knowledge Management Team has worked closely with the Agriculture Finance team to develop metrics and systems for gathering project data related to the Learning Agenda. The two overarching areas of study are the whole farm family analysis and the sustainability of the rural finance model. A number of topics are being researched within those two categories, such as understanding household cash flows and expense/income streams, delivery channel profitability and value to the clients, the impact of extension services on farm productivity, and the effectiveness of savings products specifically designed for the rural market.

The Client Relationship Management (CRM) system will provide much of the critical client demographic, land, and cropping data to study the whole family approach. The primary functions of CRM are to capture relevant customer information and assess qualification for an agriculture loan, as well as to track the bank's relationship to its clients. CRM is therefore not a survey tool *per se*, but it will nonetheless gather useful household data to establish baseline statistics and measure change over the life of the project. Other financial information will be gathered through the core banking system (eMerge or T24) and Opportunity's Partner Reporting System (PRS), while delivery channel performance and farm productivity data will come from the banks and agriculture specialists, respectively. Together these sources will supply key quantitative data for project analysis, which will be supplemented by qualitative information as needed.

Implementation of the CRM is about qualifying clients for loans, processing the approval workflow for those loans, and having a country, regional, and worldwide view of risk across all OI banks. Below is a screen shot of a "dashboard" used to see crop exposure. Given the importance of CRM for customer relationship tracking in general and this project in particular, one of the first documents that Knowledge Management will produce is a user-focused manual on necessary steps and best practices for effective CRM implementation. This paper will be written from the perspectives of Opportunity's Project Manager, Ron Jenkins, and the COO of Banco Oportunidade de Moçambique (BOM), Diana Cazacu, both of whom have considerable systems experience. The goal is to provide a practical guide for bank staff, drawing on lessons learned from CRM implementations to date. Additionally, the Director of Knowledge Management, Estelle Berger, is examining the performance of OIBM's agent-based POS cash back program to understand its potential as a rural financial services delivery channel.

Next Steps:

As Malawi enters the new agricultural season, the bank is projecting to reach 10,800 agricultural loan clients before the end of the year, which would represent 61% of the annual target. OIBM staff is working on diversifying the agricultural lending portfolio away from tobacco (Malawi's main cash crop), and developing new crops and sectors such as sugar, tea, and coffee, as well as fish and pig farming. For example, OIBM has already registered 6,500 tea farmers for savings accounts with 5,000-6,000 farmers for funding during the 2010/11 agricultural season beginning in February. Also, the bank has discovered a potential to work with additional cotton, maize and sugar farmers in the coming year though it is still uncertain how many will take on loans; regardless, OIBM will pursue partnerships for savings products.

In 2011, OUL will be focused on expanding the agricultural finance pilot, begin installation of CRM and expand its rural footprint in the country. As part of agricultural activities, OUL will begin mapping and profiling of farmer's plots in January of 2011 and this data will later be stored in the CRM system. Additionally, OUL hopes to make 1,000 agricultural loans during the coming growing season and may also provide financing packages for oxen and plows. The bank plans to open three additional branches: Mubende (which should be fully operational in February of 2011), Hoima and Mbale; all three rural locations were chosen specifically to roll out the agricultural finance strategy. Additionally, the bank will open its first two satellite branches, one in the eastern region in Mayuge District and other in the western region of Kabwohe, both very rural and agriculturally dependant areas.



Screenshot of Opportunity International's CRM "dashboard" which can be used to see crop exposure.

H. Save the Children: Developing Awareness and Education Tools for Micro Health Insurance in Nepal

Save the Children and its field partners have started development of a suite of education and awareness tools for micro health and insurance programs in Nepal. Building on other global education concepts, these products are being field tested in Nepal and will inform a three-year pilot that will test the success of several health insurance products using a test group of 15,000 families within two rural districts in Nepal, Banke and Dhading.

Key activities conducted this quarter included evaluation of the field-tested education and awareness campaign and tool. Highlights include:

- 42 Focus Group Discussions and 500 Quantitative Surveys completed to assess the conceptual understanding of micro insurance and the effectiveness of the campaign tools and activities, including the Choosing Health Plans All Together process;
- 10-page synthesis of the qualitative and quantitative findings, and observations of MFI staff and community facilitators;
- Analysis of the votes from the CHAT (Choosing Health Plan all Together) process which were collected at the family and Self-Help Group level;

- Development of brochures to assist MFI staff and Insurance Activists (Promoters) with marketing the final benefit packages, explaining the management of the community-based schemes, and enrolling families;
- Finalization of the documentary, entitled “MicroInsurance in Nepal.” The documentary captures how Save the Children, Micro Insurance Academy, and the two local MFI partners, Nirdhan and DEPROSC, empowered women Facilitators from two districts in Nepal to raise awareness about micro insurance in their communities; the process through which the educational materials and tools were created; and the engagement of community members with the campaign activities.

Learning and Next Steps:

With primary implementation of the SLI completed, Save the Children will focus on dissemination of lessons learned and materials produced during the project. Anticipated plans include participation in FIELD-Support’s second “Roundtable Discussion” series, tentatively entitled “Changing Financial Behaviors of Vulnerable Households;” a field visit to the Nepal Mission in March 2011 to share SLI results and explore Mission interest to support expansion and research priorities for the micro-health insurance pilot; presenting at Save the Children’s Global Hunger and Livelihoods meeting in June 2011; and posting the final report and campaign deliverables on microLINKS.

Signs of Success: Nepalese MicroInsurance Clients Share their Stories



“We are ready to join the micro insurance scheme, but one of the major challenges for us is to take out the premium for our family members. It’s quite difficult to take out that much money in one go. It would have been great if we could have paid the premium in installments.” – **A community women when asked about what improvement would she want in the micro insurance scheme.**”

Left: Facilitators enacted door-to-door role-playing games, played the Treasure Pot Game, and explained the Choosing Health Plans All Together process during training. *Photo courtesy SAVE.*

“I think the treasure pot game helped me the most to understand community based micro health insurance than any other tools. It clearly illustrated why we need to pool our money together to decrease health risks and how the money would be used for treating ill people in the community.” – **A community member’s response when asked about which tool she found most effective in understanding micro health insurance.**

“Without the CHAT (Choosing Health Plan all Together) board it would have been impossible for us to explain to the community members about the various benefits in the benefit packages. We could just carry the CHAT board and show the pictures of the benefit and their amount to our villagers. This way they immediately understood what the benefit packages contained.” – **A facilitator when asked about which tool she found useful in informing community members about micro insurance.**

I. WOCCU: Exploring the Potential of Online Matched Savings to Bring the Unbanked Poor into the Financial Sector

The purpose of the FIELD WOCCU Match Savings SLI was to build WOCCU’s capacity to generate a consistent source of funding through an innovative website—MatchSavings.org—and improve efficiencies in program implementation to encourage more poor people into the financial sector by providing an initial match to their savings.

Given the end of the WOCCU Mexico program, funded by the Mexican Ministry of Agriculture, Livestock, Rural Development, Fishing and Food (SAGARPA), in January 2011, and review of funding sustainability and scalability of MatchSavings.org, WOCCU has made the decision to suspend fundraising and bring MatchSavings.org to a close in 2011. Remaining match funds will be used to implement an additional round of the program with one of partner credit unions. Accordingly, staff time in the final quarter of implementation has focused on finalizing a partnership with *Caja Zongolica*, who will take over the final phase of the program using remaining matching funds to enroll an additional 40 savers in the program in 2011; communicating the closing of MatchSavings.org to donors directly and through online outlets; monitoring match distributions for the third round of participants; and documenting achievements and lessons learned during the two-year program and working on the FIELD Brief(s) for WOCCU Match Savings SLI.

Learning and Next Steps:

In the third and final round of implementation, WOCCU transferred MatchSavings.org to *Caja Zongolica*, a credit union that reaches even poorer communities in Veracruz. 33 of the 139 original participants had to drop out of the program because they were having difficulty meeting the monthly saving goals. WOCCU learned that in some cases there may be a need to more tailor the deposit structure to the needs of individual communities if the income generating capacity is extremely limited. With the decision to close the activity by WOCCU, remaining match funds will be used to implement an additional round of the program with one of our partner credit unions and WOCCU is preparing a report that encapsulates key lessons learned, to be shared in the next quarter.

MatchSavings.org Impact at a Glance:

- 543 first-time savers from 31 rural communities participated in MatchSavings.org. **90%** percent of program participants continue to save;
- Research shows that participants who graduated from MatchSavings.org gained access to other financial services: within one year of completing the program, 60% of the first-round savers had applied for a loan. Average loan amounts were about half of the amount (US\$600) that other members of the credit union had requested, indicating that MatchSavings.org was reaching people of lower economic means.

2.3 Other Leader Activities

A. SEEP Network: Collaborative Learning Networks

(October 2006 – March 2011)

The Collaborative Learning Networks to Advance Microenterprise Development Knowledge and Practice consists of two components which are pass-through grants under the FIELD-Support LWA directly to the SEEP Network, each of which are described further below:

- Practitioner Learning Programs (PLP)
- Implementation Grant Programs (IGP) Learning Networks

The Practitioner Learning Programs (PLP)

The SEEP Practitioner Learning Program (PLP)⁴ on Rural and Agricultural Finance and Food Security (RAFFS) is an action learning project that is focused on approaches to and the interconnection of rural and agricultural finance (RAF) and household well-being, including food security. The PLP selects organizations to become PLP participants who form a learning network to document and disseminate good practices and lessons learned to the sector at large. The RAFFS PLP includes five partners, from Sierra Leone, Kenya, Tanzania, and India. Participating organizations for RAFFS PLP include:

- Aga Khan Rural Support Programme – India
- Catholic Relief Services (CRS) – Sierra Leone

⁴ Find out more about SEEP's PLP at <http://www.seepnetwork.org/Pages/Initiatives.aspx>

- Floresta-Tanzania
- Food for the Hungry – Kenya
- Kazhi Kadaimadai Farmers’ Federation – India

During this quarter, the Rural and Agricultural Finance and Food Security (RAFFS) PLP continued to explore key aspects of RAF, food security and household livelihoods primarily through completion of two electronic learning products as well as continued work on another three products. SEEP and project partners Catholic Relief Services (CRS), Floresta and the Aga Khan Rural Support Programme-India (AKRSPI) finalized two learning products in October 2010 in time for dissemination at SEEP’s Annual Conference held in Arlington Virginia November 1-5, 2010. One of the learning products was a comparative case study authored by Catholic Relief Services and Floresta examining the linkages between village savings and loan associations (VSLAs) and food security. In this learning product, CRS and Floresta explored the hypothesis that VSLAs can contribute to food security by increasing food availability (through an increase in agricultural production) and food access (through an increase in household income). They analyzed data collected between March 2009 and March 2010 that looked at a number of areas related to VSLA loan purpose and seasonality through the lenses of food security and gender. The results were informative and pointed towards a linkage between VSLAs and all four components of food security: availability, access, stability and utilization.

AKRSPI produced a screencast documenting the impacts of customized loan products for animal husbandry activities on the food security of their rural clients living in marginalized areas of Gujarat state in western India. AKRSPI was interested to compare three different types of loan products that had been developed over a time period of approximately seven years to see how they potentially impacted household livelihoods and food security. While two of the loan products did not provide any services other than financial, AKRSPI’s newest loan product provides customized technical support services for improved dairy production in addition to financing. By analyzing data related to household income, household expenditures, frequency of purchase of food items and frequency of consumption, AKRSPI concluded that a customized loan product with added support services has a greater potential to positively impact food security as opposed to products only providing financial services.

RAFFS PLP At-a-Glance:

- SEEP has hosted 4 online learning events with participation from all RAFFS partners;
- 7 learning products have been completed and disseminated through SEEP’s membership and uploaded to the project website;
- Led one session during SEEP Annual Conference on rural agricultural finance, value chains and food security featuring lessons learned from one RAFFS PLP learning product.

SEEP, with the assistance of PLP partners, began active dissemination during this period. SEEP created specialized web pages with access to each completed learning product. An information card as well as a more detailed booklet (images of these items can be viewed in the “Learning and Dissemination” section below) were designed and distributed at the Asia Microfinance Forum held in Sri Lanka in October as well as at the SEEP Annual Conference in November. A technical session titled “Agricultural Finance and Food Security” was also held at the SEEP Conference and featured panel members Linda Jones, Ashok Vyas (a RAFFS PLP partner) and Gaye Burpee. During this heavily attended session (one of highest-attended sessions of the conference), panelists discussed the connections between rural agricultural finance and food security, particularly in reference to rural value chains. Ashok Vyas presented sections of AKRSPI’s learning product on customized two loan products and the linkage with food security. PLP partners have also been integral in the dissemination process, sharing the learning products with a wide variety of interested audiences. The remaining three learning products will be finalized and published in the next quarter and SEEP plans to intensify dissemination activities.

Additionally, SEEP sponsored a session at its 2010 Annual Conference on “Agricultural Finance and Food Security.” Ashok Vyas from AKRSPI served as a panelist for this session and presented sections of their

RAFFS PLP learning product (a screencast), and two new RAFFS PLP partners were awarded partial scholarships to attend the conference (JP Tripathi and Ibrahim Tarawally).

Learning and Dissemination:

Two electronic learning products documenting lessons learned from CRS (Sierra Leone), Floresta (Tanzania) and AKRSPI (India) were completed this quarter. To access the CRS/Floresta online blog, visit <http://seepnetwork.org/Pages/RAFFS/OnlineBlog.aspx>, and to view the AKRSPI screencast, visit <http://seepnetwork.org/Pages/RAFFS/Screencast.aspx>.

Dissemination of the “suite” of RAFFS learning products began this quarter and will continue into the following quarter. SEEP created two promotional items for dissemination and educational purposes:

1. A half page information card distributed at the Asia Microfinance Forum (October 2010)
2. An eight page information booklet distributed at SEEP’s Annual Conference (November 2010) that will also be used for future events.

B. African Diaspora Marketplace (ADM)

(April 2009 - September 2011)

The African Diaspora Marketplace (ADM) is a business plan competition program funded out of the FIELD-Support Leader that was designed to support the entrepreneurial spirit and resources of the U.S.-based African diaspora community to promote economic development in Sub-Saharan Africa by facilitating diaspora direct investment (DDI) in viable small and medium enterprises (SMEs). Specifically, the ADM will become the catalyst for job creation, income generation and the delivery of vital goods and services by providing matching grants to African diaspora members working in partnership with African-based enterprises and/or entrepreneurs. Sponsored by USAID and Western Union Company, the ADM was launched in response to the diaspora’s significant and growing contribution to Sub-Saharan Africa’s development.



A staff member of Weyera Transport Share Company in Ethiopia is utilizing the fleet management software provided by ADM grantee Global Tracking. *Photo by AED*

This quarter, USAID activity manager for the ADM, Yvon Resplandy, visited four of the ADM grantees in Ghana from October 9-15, 2010. The grantees visited were Ansa System Ltd., MicroClinic Ghana, Aceritas Ghana: Green Acres Goat Farm and Student Card (Ghana). Mr. Resplandy raised issues regarding the implementation timeline of the grantees during period of the visit. AED conducted its own site visit by Mr. Joseph Addo-Yobo, AED’s regional director for Ghana, to verify the progress of the grantees at that time. The site visit by Mr. Joseph Addo-Yobo was conducted from Nov 23-26th. Reports were provided by Mr. Joseph Addo-Yobo to AED on the progress of each grantee and those reports were subsequently provided to USAID. In September a site visit was conducted to one ADM Kenyan grantee, E & M Capital Tek Corporation, who is developing the Uza-Mazao project, a marketplace for buyers and sellers of crops, farm produce, livestock or livestock products that use Short Message System (SMS) text messaging on mobile phones to coordinating and processing purchase transaction. Uza-Mazao’s proprietary algorithm determines the best match of seller(s)-to-buyer, by product, quantity, price location, sale and buy-dates, and informs both the farmer and buyer via SMS. As of the site visit, the grantee has registered over 2,000 farmers.

Initial site visits were scheduled for November 17th thru December 7th for eight of the ADM grantees (Ethiopia (3), Uganda (2), Nigeria (2) and Sierra Leone. The site visits were delayed at the request of Mr. Resplandy. Mr. Resplandy wanted to review the role that monitoring and evaluation played in the ADM project. This delay had mixed results among the grantees. Some of the grantees appreciated

the additional time allowed to meet the milestones and others were disappointed. Many had multiple meetings set up with different government officials, officials of companies that buy/sell their product and with community members that had to be cancelled.

On December 22, 2010, feedback to the Monitoring and Reporting document, submitted in the previous quarter, was provided. A revised monitoring trip has been scheduled for next quarter with Romi Bhatia, Senior Specialist (USAID). AED and USAID will discuss the suggested changes to the Monitoring and Reporting document in the next quarter.

2.4 Program Designs & Proposals

(Please note: these updates are as of December 31, 2010, the end of the reporting period for this quarterly report.)

A. Integrated Improved Livelihoods Program (IILP) for Rwanda

In October 2010, USAID/Rwanda issued an RFA for the Integrated Improved Livelihoods Program (IILP). AED and its team of implementing partners—CARE, Microfinance Opportunities, Opportunity International, and MEDA, prepared and submitted a program description designed to increase financial access for the poor and address some of the underlying causes of food insecurity and poor nutrition for rural populations in Rwanda. The final proposal was submitted in November, however following the USG suspension of AED, USAID/Rwanda has decided to withdraw the RFA.

B. Comoros Microfinance Institution Strengthening Program

This RFA was issued during the last quarter for a small program intended to increase the microfinance base and loan volume by developing and marketing of improved services and products that are adapted to needs of small and medium sized enterprises in rural locations, especially those led by women. This RFA was put on hold following the suspension.

C. Kenya Yes Youth Can! Program

The Kenya Yes Youth Can! proposal was submitted during the previous quarter to USAID/Kenya for review. As of December 31, 2010, the decision for that proposal was still pending.

2.5 Knowledge Management and Learning Dissemination

During the last quarter, the FIELD-Support knowledge management team continued to work across the portfolio working with the partners on the pilots, SLIs and Associate Awards to document and disseminate key findings, lessons learned and best practices. As discussed in previous issues, at the core of the FIELD-Support KM strategy is improving internal and external communications in order to build a reliable platform for information dissemination and exchange that will ultimately improve the state-of-the-practice of microfinance and microenterprise development. Some of the key ways the Knowledge Management (KM) component of the project is doing so are described here.

A. Internal Communications

FIELD-Support e-Bulletin

The KM team continues to draft and disseminate its monthly e-bulletin with brief activity updates. The e-bulletin is distributed directly via email to more than 100 FIELD-Support implementing partner representatives. Email trackers indicate that primary recipients then typically forward each issue to an additional 100 people each month. After one year of monthly e-bulletins, the rate of emails that are opened each month (“Open rate”) and links within email that are clicked on by readers (“Click rate”) remain above industry standards.

FIELD-Support Program Review

During the last quarter, FIELD-Support’s external consultants completed interviews as part of a Program Review. The purpose of this activity was “to conduct a review of the FIELD-Support LWA project and mechanism, identify what is working well and what is not and recommend changes (if any) for improvement.” The Review was not considered an in-depth evaluation but rather an assessment based on review of key documents and reports as well as interviews of principle USAID and NGO players who have been involved in the Program. The two person team included Mr. James Dempsey and Mr. Mike O’Donnell. Their review began with the original RFA, AED’s winning proposal, and the resulting Cooperative Agreement between USAID and AED as well as the range of program documents and reports, many of which appear on the microLINKS web site of USAID. Over the last quarter, the consultants also conducted confidential interviews with AED management and staff, selected USAID officers and members from partner organizations to solicit candid opinions and develop findings. The final report from the Review will be shared with the consortium members in the next quarter and will serve as the foundation for a FIELD-Support “partners’ retreat” and workplanning session to determine how the LWA will operate during the remaining years of the cooperative agreement. Highlights of the review’s recommendations will also be shared in the next quarterly report.

B. External Communications

In coordination with the QED Group’s efforts to redesign the microLINKS platform, AED continued its efforts to ensure that all FIELD-Support products, including reports, white papers, case studies, videos, podcasts, manuals, guidelines, success stories, etc., are centrally filed and indexed. In line with USAID’s mandate, this process now also includes that all public products comply with Section 508 to ensure that they are accessible to the visually disabled or hearing impaired.

During the last quarter, FIELD-Support issued the following new learning outputs and website updates regarding project activities:

- **FIELD Report #8:** Migrant Backed Loans in Guatemala: Mobilizing Remittances for Enterprise Finance (WDI)
- **FIELD Brief #9:** Microfinance and Energy Clients Win with Partnership Model in Uganda: A Case Study of FINCA’s Microfinance and Renewable Energy Pilot Activity
- **Energy Links Podcasts:**
 - Felistas Coutinho, Managing Director of Tujijenge Tanzania, an innovative microfinance institution that is providing loans for clean energy
 - Potnis Nachiket, Executive Director of the Appropriate Rural Technology Institute (ARTI-Tanzania), talks with host Paul Rippey about methane digesters,
- **ESAF⁵ Knowledge Series:** In line with FIELD-Support’s commitment to enhancing the state-of-the-practice of microfinance and enterprise development, the ESAF Knowledge Series continues to produce periodical learning products to highlight innovations, important lessons learned, and beneficiary success stories that allow the program to remain evidence-based. Last quarter, new products included:
 - **ESAF Voices from the Field:** "Exponential Growth through Technological Innovation in Jenin"
 - **ESAF Voices from the Field:** "Delivering with Precision in a Changing Market"
 - **ESAF Voices from the Field:** "Developing Tomorrow’s Banking Professionals Today"
 - **ESAF Voices from the Field:** "A Source of Revenue Where None Existed Before"
- **FACET⁶ Briefing papers:**
 - **FACET Overview:** including objectives and key components, applications for ICT interventions, and lessons learned in the field

⁵ See Section 3.3 for more details about the ESAF Associate Award.

⁶ See Section 3.4 for more details about the FACET Associate Award.

- **WRSCEX:** The fundamentals of warehouse receipt systems (WRSs) and commodity exchanges (CEXs), describes ways in which ICT tools are being mobilized, and captures key lessons learned with a focus on sustainability without donor support.
- **Extension Services:** ICT applications that support and enhance farm extension services, and highlights examples of using ICT in the field for farm extension services and common challenges.
- **Market Info:** Innovative ICT applications that can help provide market price information (including commodity prices by crop, market, and wholesale or retail prices) to actors within an agriculture value chain.
- **Supply Chain Management:** ICT applications for distribution and supply chain management in African Agriculture
- **Mobile Banking:** brief overview of mobile money and mobile banking services in Africa
- **HMMI⁷ Updates:**
 - During the last quarter HMMI continued to track competitors in the mobile banking competition, issuing a handful of press releases and guides. These are all centrally available at www.microlinks.org/hifive/hmmi.
- On December 2, 2010, AED hosted the first of its Roundtable Discussion series on **Energy Poverty and Microfinance** with FINCA and ACCION. Event recap available online at: <http://microlinks.kdid.org/learning-marketplace/news/aed-hosts-microfinance-and-energy-poverty-roundtable>

All of FIELD-Support's learning products are available online on the original microLINKS website www.microlinks.org/field and on the new (still under construction) KDID website: www.kdid.org/projects/field-support

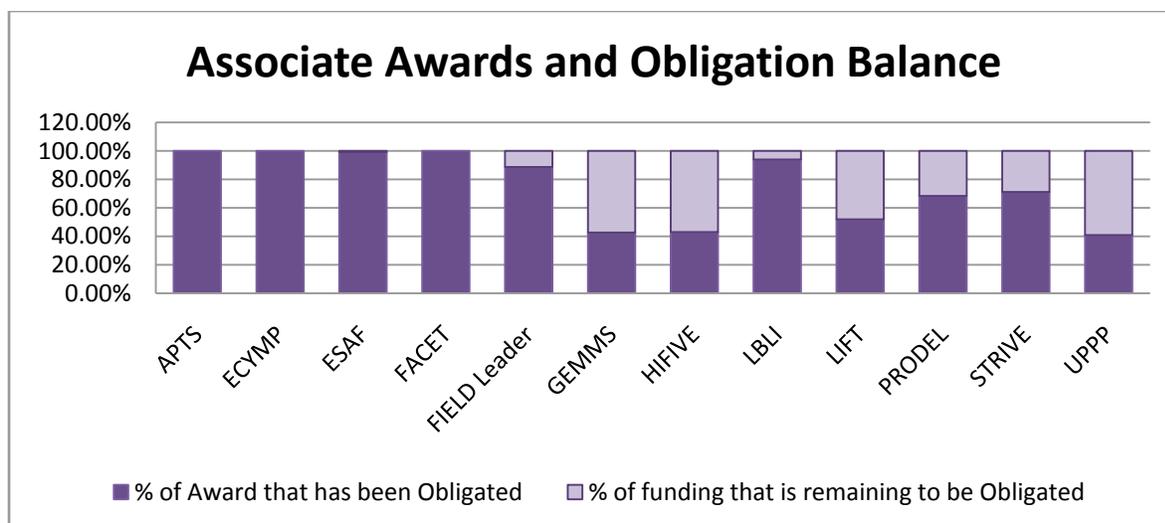
As before, in line with the KM team's commitment to leveraging existing networks in order to optimize dissemination, FIELD-Support content was highlighted this quarter in Connections (microLINKS monthly newsletter), the SEEP Members Only Quarterly Connector and Monthly Networker, and Zunia.org (Development Gateway).

3 Associate Awards

As mentioned in the Introduction, FIELD-Support management provides senior-level oversight for all of Associate Awards that are implemented by the consortium members, contributing to their technical design and implementation, and ensuring quality. Team members coordinate day-to-day with the Core and Resource organizations and assist with the administration of this complex contractual mechanism.

FIELD-Support is currently implementing **11 Associate Awards**; the following section provides brief highlights of major accomplishments in each Associate Award this quarter. The Figure on the right illustrates the relative value (in US\$) and the figure below illustrates the relative period of performance of each Associate Award.

⁷ See Section 3.6 for more details about HMMI which is managed through the HIFIVE Associate Award



3.1 APTS (Ukraine)

(September 2010 – May 2011)

The newly awarded Agricultural Policy Transition Support (APTS) program in the Ukraine will build on the work done to date in Ukraine by USAID and other stakeholders to bridge some necessary gaps in agricultural development in Ukraine through locally-driven policy research and reform. AED is implementing APTS through the Agrarian Markets Development Institute (AMDI), a non-partisan Ukrainian think tank which was established in 2005 to engage the private sector, mobilize financial and regulatory reform, and more effectively engage civil society in the policymaking process. This short-term (nine-month long) project includes providing targeted assistance to AMDI support its long-term efforts to support Ukraine realize its untapped economic potential in the agriculture sector and therefore strengthen broader economic growth for the country.

During this reporting period, AMDI launched its work on assisting the Government of Ukraine in developing a market-oriented policy agenda, including developing papers on policies impacting pre-harvest financing, on improving utilization of warehouse receipts systems, and on the Law on Cooperatives. As part of its efforts to facilitate public-private dialogue, in November and December 2010 AMDI organized experts meetings to present the Pre-harvest Financing Paper and the Draft Law on Cooperatives Paper.

3.2 ECYMP (Eastern Caribbean)

(May 2010 – November 2011)

AED is implementing the USAID-funded Eastern Caribbean Youth Microenterprise Program (ECYMP) which is an 18-month, \$1.848 million program seeking to accelerate the creation of sustainable livelihood and self-employment opportunities for vulnerable youth. The program is being implemented in two distinct components:

- Strengthening a **school-to-work** transition strategy, which is assessing the activities of JA operations in the OECS countries as a basis for determining the establishment of JA operations in Barbados? The target group is primary and secondary school youth, 10-16 years old; and
- Strengthening **livelihood and self-employment** strategies for vulnerable, out-of-school youth through institutional capacity building: institutional capacity building of youth-serving microenterprise developing organizations in Barbados and the OECS to better support employment through self-employment opportunities for vulnerable, unemployed youth. The target group is youth 16-24 years.

Under the first component, the assessment of the performance of the Junior Achievement (JA) programs in the OECS was completed and the report shared with key JA personnel and stakeholders. The program has identified 8 strategic members of the Barbadian business and education community to comprise the Junior Achievement Advisory Task Force (JAATF). As a next step, an audience is being sought with the Ministry of Education (MOE) to secure the sanctioning for establishing JA in Barbados which will serve to facilitate the achievement of the target of eight stakeholders to comprise the JAATF.

Relating to the second component which pertains to youth enterprise development, implementing partner EcoVentures International (EVI) designed and conducted a comprehensive Youth market Opportunity Assessment (YMOA) in Barbados, Dominica, St. Vincent & the Grenadines and Antigua & Barbuda with the following objectives:

- to map existing youth enterprise development efforts and opportunities;
- to assess the local capacity of systems to support youth;
- to assist local youth-serving organizations (YSOs) to better understand the economic opportunities that can support youth; and
- to identify the economic sectors that can create the greatest opportunities for young entrepreneurs.

During this quarter, key EGYMP activities included:

- **Securing Ministry of Education's approval for JA re-start in Barbados:** In December 2010, USAID, EGYMP and ministry officials met and confirmed Government's commitment to JA as part of a wider Human Resource Development plan;
- **Completion of Draft 1 of Grants Policies and Procedures Manual:** The Grants Policies and Procedures Manual as well as the Expression of Interest and Request for Application documents were completed during the quarter, and are currently awaiting approval; and
- **Participation in Global Entrepreneurship Week (GEW):** In partnership with Barbados Youth Business Trust (BYBT), the local host of Global Entrepreneurship Week provided opportunities for EGYMP to disseminate the results of the research on Youth Microenterprise Development and for EGYMP staff to participate in meaningful ways towards youth development and entrepreneurship in general.
- **Continuation of identification of YSOs and microenterprise opportunities in target countries:** The preparatory work for the field research in St. Lucia was conducted by EVI however the occurrence of Hurricane Tomas prevented the completion of this activity.
- **Capacity building for partner YSOs and support partners to operationalize market-based programs:** In November program design workshops were completed in St. Vincent & the Grenadines, Antigua & Barbuda making them ready to access grant funds for youth opportunities.



At a workshop in Antigua last quarter, representatives from YSOs worked together to design interventions to promote self-employment strategies through microenterprise development, with a focus on improving linkages between entrepreneurship development programs and market demand. *Photo courtesy of AED*

Key Challenges and Lessons Learned

Challenges identified to date relate to accessing and engaging key representatives from the private and public sector so that they become active stakeholders in this entrepreneurial drive. However, this will be addressed through active networking to reach targeted individuals. Timing of the YMOA and subsequent program design workshops (PDW) also proved to be a challenge. It was difficult to secure full workshop attendance given the competing activities and limited human resources of the YSOs. There have been some administrative challenges related to the extended period involved in the registering and set up of the field office; however, it is expected that this will be resolved during the upcoming quarter.

Notwithstanding these challenges, the project achieved considerable success and has started to build strong support for both components. A main success story related to the JA program is the interest from the Barbados Manufacturers Association and its willingness to “adopt a school” once JA is formally launched.

3.3 ESAF (West Bank & Gaza) **(September 2008 – September 2011)**

The Expanded and Sustained Access to Financial Services (ESAF) program supports USAID/WBG in its efforts to build a more inclusive financial sector that increases sustainable access to financial services for Palestinian households and MSMEs. Based on USAID priorities and ESAF’s sectoral analysis, ESAF implements activities in six intervention areas. The first three are major sub-sectors within the financial industry—banking, insurance, and microfinance—and the fourth is a set of cross-sector activities that include consumer protection and financial literacy, sector regulatory capacity, and nonbanking financial services. The fifth is a package of livelihoods activities in Gaza that aim to link beneficiaries to financial services. Through these interventions, ESAF addresses identified weaknesses in the financial system at the consumer, institution, and enabling and regulatory environment levels that inhibit the delivery and appropriate utilization of financial services. These activities will lead to the sustainable expansion of services to at least 38,000 households over the three-year life of the program. Lastly, the program also includes the Palestinian Investment Partners (PIP) component, a fixed capital financing mechanism that funds SME equipment upgrades, assists with creation of joint ventures and technology transfer as well as facilitates other forms of capital inflow to profitable businesses that can expand immediately and provide expanded economic activity and sustainable jobs.

Highlights from the achievements and activities from the previous quarter include the following:

Microfinance Sub-Sector

- Advised MFI ASALA on steps needed to become investor-ready.
- Facilitated exchange trip to Azerbaijan for Palestinian MFI to learn about agricultural microfinance.
- MFI Ryada created an audit committee and an audit charter, and the internal auditor commenced work.
- MFI Ryada and MFI FATEN participated in an exchange visit to Morocco, facilitated by Making Cents, to learn about best practices in youth financial services.
- MFI Ryada developed a pilot plan for a new start-up business loan targeting youth.
- AED reviewed a proposal from MFI network Sharakeh for capacity building assistance and provided guidance.
- AED and subcontractor IRIS Centre developed a final draft of microfinance regulations, instructions, and MFI categorization to support the Palestinian Monetary Authority’s (PMA) Non-banking Financial Institutions unit (NBFI).

Banking Sub-Sector

- Implementing partner CHF’s Loan Guarantee Fund - Technical Assistance and Training (LGF-TAT) program conducted four SME accounting engagements, enhancing firms’ access to credit by strengthening their financial statements; and delivered an Executive Management SME Banking Roundtable with the PMA and the International Finance Corporation (IFC), as well as a three-day Middle Management SME Banking Best Practices Workshop, led by the IFC.
- Implementing partner ShoreBank’s technical assistance to Bank of Palestine’s (BOP) new microfinance unit improved microloan processing, resulting in two loan officers generating 26 loans disbursed, four under approval, and five in the pipeline, with a value of almost \$100,000.
- Implementing partner ShoreBank conducted a Merger and Integration workshop for 19 financial analysts, inspectors and senior managers at the PMA and completed a consulting engagement to strengthen the data mining capabilities of Quds Bank, BOP, and Palestine Commercial Bank.

- BOP distributed 450 Point-of-Sales units, 193 in Gaza, the purchase of which was cost-shared by ESAF to promote electronic banking in Palestine.
- CHF's Mortgage Market Development Program (MMDP) developed a comprehensive three-day training package on mortgage underwriting for bank loan officers, which will be rolled out in the coming quarter.
- Implementing partner WDI delivered a Faculty Exchange Program at the University of Michigan for Elias Mukarkar of Bethlehem University, which will result in knowledge transfer to strengthen the newly developed Minor in Finance program at Bethlehem University's College of Business Administration. WDI also completed the first half of the pilot "Investments and Wealth Management" course at Al Quds University, which was attended by 250 students.
- With technical assistance from WDI, The Palestinian Institute for Financial and Banking Studies (PIFBS) graduated 16 loan and credit officers from the SME Credit Risk Lending Certification Diploma program, and graduated 12 human resource managers in the HR Management Certification Diploma program.
- MMDP presented draft model condominium by-laws to 15 key housing sector stakeholders including banks, attorneys, government regulators and housing developers.
- MMDP finalized a new standard Housing Appraisal Form and Model Homeowner's Association By-Laws.

Fixed Capital Financing

- 7 new grants were signed with a total value of US\$1,460,893, benefiting companies in six economic sub-sectors.
- Grantees increased revenue against the baseline by US\$5.8 million.
- 110 permanent jobs opportunities were created.

Insurance Sub-Sector

- ESAF facilitated the successful negotiation of a contract between Trust Insurance Company and the MFI FATEN, leading to the launch of a credit life product that was taken up by 900 FATEN clients within two months of being offered.
- WDI's actuarial specialist found major discrepancies in the Palestinian insurance sector's provision of outstanding claims that were severely undermining the insurance operations in the West Bank and Gaza, and will work with the Palestinian Capital Markets Authority's (PCMA) Insurance Directorate to identify appropriate mitigation measures.

Cross Sector Activities to Raise Awareness

- AED and four financial regulator and industry association partners officially launched the national consumer education campaign. The multimedia campaign to educate financial consumers on their rights and responsibilities encompasses billboards, radio spots, TV talk shows, a website, and stands displaying informational brochures placed at financial institutions (see textbox below).
- AED and implementing partner Making Cents designed, printed, and distributed handouts on financial literacy to 2,200 eleventh grade students participating in a pilot initiative in the public schools.
- CHF's MMDP finalized a Homebuyer Education Manual.

ESAF's Public Awareness Campaign Takes Shape



Under ESAF's Public Awareness Campaign, street billboards provided by the Insurance Sector define the Palestine Capital Market Authority's role: organizing, monitoring and supervising the non-banking financial sectors. *Photo Courtesy AED/ESAF.*

Gaza Livelihoods

- Implementing partner CARE installed nylon as part of greenhouse rehabilitation for 214 farmers, and distributed 124 lambs to 31 farmers.
- AED disbursed over \$40,000 in second grant installments to 122 microentrepreneurs, reaching a cumulative total of 326 who qualified for second grants (67% of the total). 50 beneficiaries (15% of the total) have now received new loans from MFIs after restoring their credit standing as a result of the activity.
- Implementing partner Save the Children provided a 40 hour Training of Trainers course in financial literacy and life skills to 58 prospective trainers. Selected candidates trained 432 youth on the same topics through a 30 hour course.
- As part of AED's Individual Development Accounts (IDA) initiative for unbanked young adults, 2,637 participants made at least one deposit and 2,537 (76%) were on track to receive matching funds by quarter end. The average balance among participants who made at least one deposit was 400 NIS (~\$110).



To cover expenses, Hanady abu Ghalyoun had to delay her dream of studying at a university and work full-time at a pre-school instead. As a participant in ESAF's matched savings activity in Gaza, she is now saving money in order to continue her education in the future. ***"As soon as I receive my salary, I go to the bank to put 150 NIS in the savings account, and spend what's left on my daily expenses,"*** she says. *Photo courtesy of Save the Children/ESAF*

3.4 FACET (Africa) (October 2009 – September 2011)

The Fostering Agriculture Competitiveness Employing Information and Communication Technologies (FACET) associate award helps USAID Africa Missions improve competitiveness and productivity across the agriculture sub-sectors through the use of information communications technology (ICT). The organization of best practices and successes in the areas of agriculture and ICTs address the following 6 key thematic areas, as outlined by the FACET AOTR:

- market information systems
- supply chains
- index insurance
- farm extensions
- m-payments
- commodity exchanges

Knowledge Sharing, Analysis, and Toolkits

- In partnership with USAID, the project hosted a brown bag lunch on October 18 entitled “Grameen Foundation’s AppLab’s Innovative Approach to Using ICT to Help Poor Farmers in Uganda.” The event drew roughly 12 attendees from both USAID and implementing organizations;
- FACET launched the USAID Ag and ICT website on November 22, and can be viewed here: <https://communities.usaidallnet.gov/ictforag/home>. By the end of the quarter, the website had 22 unique, registered members;
- Last quarter, FACET finalized and distributed six briefing papers to the project listserv, the USAID Ag and ICT website, microLINKS.org, and e-agriculture.org. AED also printed 150 hard copies of each paper for limited distribution to USAID and the FACET implementing partners.
- USAID and AED have been discussing and researching ideas for FACET’s web presence, including using internal USAID sites, the revamped 2.0 microLINKS website, or an independent external website;
- Five ICT application profiles were submitted and approved by the project AOTR and are currently awaiting final approval from the USAID Communications Specialist before being distributed.



The Briefing Papers also listed in the KM section above (Section 3.5 B), include:

- **FACET Overview:** including objectives and key components, applications for ICT interventions, and lessons learned in the field
- **WRSCEX:** The fundamentals of warehouse receipt systems (WRs) and commodity exchanges (CEXs), describes ways in which ICT tools are being mobilized, and captures key lessons learned with a focus on sustainability without donor support.
- **Extension Services:** ICT applications that support and enhance farm extension services, and highlights examples of using ICT in the field for farm extension services and common challenges.
- **Market Info:** Innovative ICT applications that can help provide market price information (including commodity prices by crop, market, and wholesale or retail prices) to actors within an agriculture value chain.
- **Supply Chain Management:** ICT applications for distribution and supply chain management in African Agriculture
- **Mobile Banking:** brief overview of mobile money and mobile banking services in Africa

Project Management

- A revised work plan for FACET Year 2 was submitted and approved by USAID on November 23rd;
- FACET has completed drafting a demand survey with input from the project AOTR, Judy Payne. This survey will be tested with a couple of USAID missions and project staff in the next quarter before widespread distribution;
- An impact survey for the briefing papers was also drafted with input from the project AOTR. This survey will be sent to known recipients of the briefing papers in the next quarter;
- In October, AED began advertising for consultants to join a pool of on-call consultants for STTA under FACET and for a full-time position under FACET. This recruitment has temporarily been placed on hold until supplemental project funding is cleared.

Learning and Next Steps

This quarter the project faced significant challenges directing people towards the Ag and ICT website, since registration is required for many components. One way we have addressed this is to work with

USAID to make as many areas as possible public, and also to change the intro screen seen by unregistered visitors so that it is more helpful in directing them towards areas that they can access.

Although ICT for agriculture continues to be of interest to a number of individuals from USAID, implementing partners and private sector companies, there is still a limited amount of centralized and publicly available information on this topic. This presents a great opportunity for FACET to try to fill these gaps and act as a link between various sources.

Next quarter FACET will work to disseminate the Briefing Papers and a paper from Malawi on the market Linkages Initiatives short-term technical assistance, with the aim of generating momentum for the project and its associated activities.

3.5 GEMSS (South Sudan)

(December 2008 – September 2011)

The purpose of the Generating Economic Development through Microfinance in Southern Sudan (GEMSS) associate award is to build the foundation for an inclusive financial sector in Southern Sudan that provides poor entrepreneurs and households with permanent access to a range of financial services delivered by a number of MFIs.

During the reporting period, GEMSS continued to work on capacity building with Southern Sudan's microfinance institutions. In particular, GEMSS has been holding meetings with Finance Sudan Limited (FSL) to discuss funding and training needs for 2011. FSL is in need of additional support to upgrade its MIS, expand to new areas, pilot test new loan products, and further capacity building. In the meantime, FSL's demand for loan funds has been growing since they have two new branches opened. Additionally GEMSS has been preparing a Letter of Understanding to be signed between SUMI, USAID and GEMSS outlining support to the MFI. In the meantime GEMSS has been working on purchasing MIS equipment for SUMI, including a development and installation of temporary software that will enable data verification while keeping the data up to date at the same time. During the reporting period, GEMSS provided technical assistance to the MFI by deploying a consultant to facilitate the development of an action plan for SUMI that will guide GEMSS' engagement with SUMI throughout the rest of the project. The Action Plan delineates GEMSS' technical assistance provision, capital funds support, and SUMI's deliverables. This will form the basis of support and grants to SUMI.

GEMSS has been also holding discussions with USAID in regards to the Year 3 strategy for GEMSS with Southern Sudan's MFIs, in particular an "end state" strategy for how the project will conclude its work with each of the supported MFIs.

3.6 HIFIVE (Haiti)

(June 2009 – May 2012)

The Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE) Project was launched in 2009 by USAID to promote economic growth and job creation, especially in the rural areas of Haiti. After a successful launch and productive first quarter, program activities were affected by the earthquake which struck on Tuesday, January 12, 2010. We are grateful to report, however, that the entire HIFIVE staff has been accounted for and have resumed program activity in two local offices. During the last quarter, Haiti and its population continued the work of recovery and stabilization. The earthquake impact on HIFIVE's partners, which has been significant in many cases, continues to be felt, but there is also real progress being made as operations return to "normal."

The \$22.5 million **HIFIVE Catalyst Fund (HCF)** is the primary tool for achieving project targets. Disciplined use of the fund has targeted activities that lend strong support to USAID/Haiti objectives of financial service supply enhancement and expansion to targeted populations and zones and has fostered linkages between other USAID project beneficiaries, MFIs, and private sector entities. The HCF

documents have been amended to include Earthquake Recovery and Stabilization Grants, to provide funding for specific types of MFI needs. ICT Push Fund grants will help to support HMMI objectives. To date, HCF grants totaling \$4.0 million have been approved and contracted, and another \$5.3 million in HCF grants are awaiting USAID approval.

Some of the key challenges, achievements and lessons learned this quarter are discussed here.

Increased Availability of Value Chain Finance and Improved Access to Financial Services in Rural Areas

HIFIVE has seen substantial grant activity for projects that support these two objectives. A wide variety of agricultural value chain financial needs are being addressed (coffee, cacao, mango, poultry, salt, shallot, yam, beans, and peanuts) and work is underway to support the tourism value chain as well. Additional grant applications support geographic extension of MFI services, propose innovative ways of marketing products in rural zones, ITC applications to expand outreach and other activities that will improve access to financial services in rural areas.

Completion of Business Plan Competition MEMA

MEMA has been an undisputed success, with public response, institutional participation by Haiti's private sector (via sponsorship, participation in steering committee, participation as judge or jury), government interest, number of applications, quality of business ideas, enthusiasm for the training, submission of final plans, and diversity of winners. After the completion of their training modules in September, the 80 participants (out of 377 applications) completed their business plans. Out of the 80, 57 submitted their plans by the deadline. Professional judges then reviewed the plans and selected the top 20 who presented their plans before a jury of 7 on December 3. On December 6,



The business plan competition My Business, My Future (MEMA) was re-launched in May to spur Haitian entrepreneurs to build local capacity and increase employment in low-income areas. Above: On December 6, 2010, MEMA winners display their \$10,000 checks they received to develop their proposed business projects. Photo Courtesy WOCCU/HIFIVE

the top ten were announced at a ceremony at the Karibe Hotel. Each winner received a \$10,000 prize as well as additional Business Edge training from SOFIHDES. Follow on activities to bring the MEMA participants closer to financial partners are being planned for next quarter.

MFI Earthquake Recovery and Stabilization Grants

To address the critical issue of rebuilding and strengthening the microfinance sector so that they can be engaged in supporting recovery for Haiti, in May 2010 HIFIVE launched its MFI Earthquake and Stabilization Grants. Microfinance institutions including Caisses Populaires have a key role to play in providing the financial services need for Haiti's poorer populations and micro and small enterprises. These grants address the needs for capital stabilization, providing funds to permit re-lending to stabilize clients, the availability of funds to support new product development for post-quake needs, equipment replacement, and employee stabilization and human resource needs of the institutions in the post earthquake period. Approximately \$2.2 million of the \$2.5 million allocated for these grants had been awarded by the end of December, with the remaining grant pending approval at USAID. HIFIVE received other applications totaling over \$5 million for these grants for which it did not have funding.

HIFIVE's implementing partner, WOCCU, also created a \$1.2 million fund to provide direct stabilization support to the Caisse Populaire sector in Haiti, following the earthquake's destruction. HIFIVE has

assisted WOCCU in the distribution of the WOCCU Recovery Fund, assuring that the Fund disbursements and those of HIFIVE are complementary and coordinated.

Technical Assistance to Support DCA Guarantees

During the last quarter, two grants to DID for implementation of activities to support the development of agricultural lending at the Federation Le Levier level, as well as at the individual caisse members benefitting from the guarantees, were implemented. Other DCA holders, Sogesol and ACME, have received grants that support ITC development and capital stabilization respectively. During the last quarter, additional DCA guarantees were approved for Sogebank and SOFIHDES, and we are working to develop additional grant activities to support the implementation of these new DCA guarantees.

Encourage Use of ICT Solutions to Increase Financial Inclusion

HIFIVE has a broad range of activities supporting the use of ICT solutions to expand financial inclusion. ICT Push Fund grants from HCF support financial institutions efforts to improve their MIS environment and to prepare for mobile platforms that can support expanded geographic outreach and product distribution at lower costs. The Haiti Mobile Money Initiative (HMMI), implemented by HIFIVE, falls within this group of HIFIVE activities.

Launched on June 15, HMMI, a partnership between USAID and The Bill and Melinda Gates Foundation, was created to provide incentives to encourage the rapid launch of mobile money services that could deliver affordable and convenient financial services for Haiti's poor. Competition criteria for HMMI require the development of a cash wallet using the telephone to conduct payment services and will offer up to \$10mm in prizes to those competitors meeting the criteria for "First to Market" and "Scaling" award. Additionally, there will be up to \$5mm in technical assistance grants from HCF that will support innovations and solutions that will help mobile money services succeed.



Above: Digicel, the mobile network operator that was first to launch mobile money services in Haiti, receives its incentive award from HMMI. Photo Courtesy WOCCU/HIFIVE

By October, HIFIVE had received three "Letter of Intent to Compete" filed by mobile network operators, Voila, Digicel, and Haitiel marking the official start of the competition for the "First to Market" awards, with this milestone being marked by press releases and a press conference. In December, HIFIVE received claims from both Voila and Digicel for the "First to Market Award" of \$2.5 million. On January 10, 2010, HMMI, presented the "First to Market Award" to Digicel, the mobile network operator that was first to launch mobile money services in Haiti. Mobile phone customers can now use their cell phones to send and receive money, pay for purchases, and store a balance on their phones. Importantly, mobile money services address both the humanitarian needs of Haitians as well as their day-to-day needs as payments can now be delivered directly to the beneficiaries' phone via mobile money. Read the full press release here: <http://microlinks.kdid.org/learning-marketplace/news/gates-foundation-and-us-government-award-25-million-prize-transforming-hai>.

Earthquake and Recovery Activities

Moving beyond "recovery, HIFIVE's activities will continue to support the expansion of financial products and services adapted to the needs of Haiti's micro, small and medium enterprises operating in agricultural sectors, productive sectors and rural zones. Activities include:

- Renewed emphasis on SME lending is critical in helping to that sector realize its potential as an engine of growth and source of employment for Haiti. The APB Working Group on SME Finance will be re-launched next quarter under HIFIVE leadership.

- The activities linking BDS services to critical elements of value chains has been very productive to date, and we will continue to pursue these activities to have a maximum impact on the access to finance for MSMEs and their ability to support expanded production.
- The ICT and Mobile Money Services activities will further expand the availability of financial services to Haiti's poor, rural and unbanked populations.
- Technical assistance support to DCA guarantee recipients will help to assure that these programs have the maximum impact in reaching their targets.

3.7 LBLI (Lebanon)

(August 2008 – December 2011)

By targeting market driver firms in agribusiness, tourism and information and communication technology, the Lebanon Business Linkages Initiative (LBLI) was designed to build on USAID's previous investments in Lebanon and further its goal of fostering sustainable growth and reducing poverty in rural Lebanon. With technical leadership from ACDI/VOCA and AFE, LBLI is supporting the efforts of industry groups to develop competitiveness strategies, identify solutions to business bottlenecks that constrain backward linkages, and encourage increased productivity and coordination. LBLI has three overarching objectives: to expand market access through business linkages; to improve access to finance and other supporting markets; and to address systemic constraints to industry and SME growth. The program is currently focused on two key industries: Agribusiness and Tourism.

This quarter marked a transition from the projects first two years of implementation. Now in year three, major programmatic and operational changes included a greater focus on higher valued foods, the development of a Lebanese brand; continued export facilitation to the US specialty market; and the introduction of a new Chief of Party (COP) and Business Advisor. LBLI is proud of its accomplishments this quarter, particularly the improvements made in vertical and horizontal relationships among farmers, processors and marketing agents. Improvements in these relationships contribute to the overall increased competitiveness of our targeted value chains. Additional activity highlights this quarter are listed by sector.

Agribusiness

The LBLI team strengthened the Lebanese agribusiness sector through creating new market opportunities in the US market in addition to linking processors and farmers, and through identifying and addressing key value chain constraints. One intervention was to facilitate compliance to GLOBAL GAP standards. The LBLI team engaged Market Driver Firms (MDF) and lead farmers, and recruited a team of two expert agronomists to prepare agribusinesses for implementing GLOBAL GAP certification procedures. By the end of the quarter, 35 farmers and packers had committed to participation in the GLOBAL GAP certification program.

LBLI also fostered backward linkages through building relationships between MDFs and farmers, and developing confidence in those relationships. One example of this was the successful negotiation between Mechaalany and lead farmer Mr. Al Mayda,, representative of over 100 farmers in Akkar, for the purchase of several vegetable crops for processing. Lead farmers agreed to plant one hectare and one hoop of cornichon and baby corn on a trial basis. If the trial succeeds, Mechaalany agreed to sign a forward contract with Akkar famers to purchase 20 tons of vegetables worth about \$86,000.



A key achievement this quarter was the launch of the “**Truly Phoenician**” brand which provides strategic positioning for Lebanese products in the U.S. specialty food market, which will help Lebanese processors to increase their exports to the US market and help them cross over from the small, low-value ethnic foods to the higher-end speciality market. The “Truly Phoenician” brand approach is unique because it is strengthening horizontal linkages among competing Lebanese firms and demonstrates a new-found interest and willingness of competing Lebanese firms establishing collaborative relations to improve the image of their country’s products saving them from having to divest their own individual brand names. The Truly Phoenician Concept was registered with the Lebanese Ministry of Economy as a brand name in September 2010, and a website (www.TrulyPhoenician.com) is currently under development.

Tourism

The project was less active in tourism this quarter as the program transitioned to a more sector-led approach. Nonetheless, the **Beyond Beirut** NGO reached key agreement in refining their rural tourism business plan and developed a program description with set milestones for a grant. A Fixed Obligation Grant, which will need concurrence from USAID, will be awarded linking the nascent NGO’s performance and completion of targets to payment disbursements over the next six to seven months. Beyond Beirut commenced recruiting for a tourism business advisor, of which the top three will be presented to the Beyond Beirut Board in early Q10 for final selection. The FOG is expected to be signed between ACDI/VOCA and Beyond Beirut in early February 2011.

In the next quarter, the LBLI team will focus on promoting exports to the Gulf states, expand exports to the US fancy food/specialty market, increase the number of MDFs and producers benefiting from backward linkages, continue the Global Gap compliance initiative and follow-up on the implementation of existing upon backward linked contracts. In tourism, LBLI team will collaborate with Beyond Beirut in realizing the objectives of the NGO and meeting the seven milestones of described in the FOG sub-grant.

3.8 LIFT (Global)

(September 2009 - September 2014)

The Livelihood and Food Security Technical Assistance (LIFT) project, a 5-year associate award with FIELD-Support core partners CARE and Save the Children, was designed to work in close collaboration with US Government agencies, implementing partners, and other key stakeholders with the ultimate goal of supporting food security in vulnerable households by improving their livelihoods and economic circumstances. The goal of the LIFT project is to increase food security through sustainably improving vulnerable households’ economic circumstances. LIFT aims to heighten the impact of USG work and enhance investments in food security made by agencies and initiatives such as USAID, PEPFAR, Feed the Future, USDA, CDC and Peace Corps, and their implementing partners, by providing high-impact technical assistance in linking food security to sustainable, market-led economic activities.

To achieve its goal, LIFT offers **country-level** and **global** and technical assistance services to US government entities and implementing partners, as well as governments, civil society and the private sector, and provides leadership in the development of good policy and practice. Key activities over the last quarter are presented below.

Country-specific activities

Ethiopia

- In November, at USAID/Ethiopia's request, LIFT delivered a one-day forum of assessment findings to partners and stakeholders of economic strengthening (ES) programming in Ethiopia. This was the first time such a large number of ES stakeholders came together to discuss the possible approaches to economic strengthening and livelihoods in the context of HIV and AIDS, and it was well-received by participants.

Swaziland

- The LIFT team responded quickly to Natalie Kruse-Levy of PEPFAR/Swaziland, who requested a small assessment activity feeding into the design of larger, ongoing implementation projects in economic strengthening and food security for HIV/AIDS-affected household and households with OVC; and
- LIFT's team of international and local consultants performed a desk review followed by a field assessment from November 29 through December 10. The team included LIFT's Benjamin Rinehart as well as consultants Ben Fowler, Joan Hall, Patricia Musi, Silanda Silaula and Yolande Baker. The Mission is interested in follow on implementation activities, potentially with a continued LIFT presence in country as support. The findings of the report will be consolidated and sent out to stakeholders for feedback in the next quarter.

Nigeria

- The LIFT team has been in communication with Lungi Okoko and Philomena Irene in the USAID Nigeria Mission to clarify and follow up on discussions about LIFT technical assistance provision in Nigeria. LIFT began assembling a team to conduct the desk assessment as well as a team for a preliminary field visit next quarter, which includes Benjamin Rinehart (AED), Lauren Hendricks (CARE), and Ntongi McFayden (SAVE).

Global Activities

Symposium on Enhancing the Nutritional Outcomes of Agricultural Interventions: The LIFT team attended a symposium on enhancing the nutritional outcomes of agricultural interventions on November 1, 2010. AED, in collaboration with the United Nations Food and Agriculture Organization, hosted "Deepening the Dialogue: Agriculture and Nutrition Collaboration to Enhance Global Food Security." LIFT Project Director, Margie Brand, facilitated this high-level, interactive symposium towards a greater understanding of food security and to identify opportunities to enhance foreign assistance to the sector.

MERG Indicators: LIFT updated and expanded on information regarding MERG output indicator 3, "Referral from Food Security Services to HIV Clinical Services."

HAMED/POWG Working Group: SAVE attended the joint HAMED/POWG Working Group meeting in November. Participants provided input into HAMED's revised mandate (now anticipated to cover the integration of MED and health broadly) and its 2011 plan for activities and deliverables, which are still being finalized. SAVE will continue to explore opportunities for LIFT to draw from, and contribute to, efforts that advance the learning on effective ways to integrate livelihoods, HIV/AIDS and food security.

UNAIDS Presentation: CARE representative Leah Berkowitz Nchabeleng presented at the UNAIDS panel titled "HIV, Food Insecurity and Social Protection" on December 8, 2010 regarding food/cash transfers in the context of social protection approaches as well as linkages between livelihoods and HIV prevention.

Plans for Next Quarter

Global

- Provide technical support to the USG planning committee for the Household Economic Strengthening 101 Symposium;
- Finalize and launch the Economic Strengthening for Food Security website, incorporating a dedicated section for LIFT project information and the Resource Library, among other features;
- Continue to develop the Livelihood and Food Security Conceptual Framework, incorporating feedback from key stakeholders, and expanding on the linkages between livelihoods and food security and other relevant technical areas; and
- LIFT will further expand its pool of high-quality consultants for both global and field-based technical assistance provision.

Country Specific

- Present findings of the Swaziland technical assistance activity to PEPFAR/Swaziland;
- Continue planning for long-term technical assistance provision with USAID/Nigeria. Finalize the SOW for and conduct an initial field-based TA activity as part of an overall TA plan;
- LIFT is discussing conducting an outreach visit to Malawi in conjunction with another field-based technical activity. LIFT will continue to work with USAID staff in Malawi to develop a plan for technical assistance activities;
- Continue outreach and discussions around TA needs with USAID/Kenya and USAID/South Africa;
- Finalize follow-up plans with USAID/Namibia; and
- Discuss potential TA activities with USAID/Zambia.

3.9 P3DP (Ukraine)

(September 2010 – September 2015)

The goal of the Public-Private Partnership Development Program (P3DP) for Ukraine is to promote the use of public-private partnerships, with an expanded role of private sector finance and operational expertise in public infrastructure development, to improve infrastructure and public services in both urban and rural areas. The program is supporting the promotion of public-private partnerships by: 1) undertaking necessary legal and institutional reforms; 2) establishing a national public-private partnership unit to serve as a bridge between government and private sector interests; 3) undertaking a capacity building and stakeholder communications program; and 4) creating a project development facility to build and finance a sustainable pipeline of PPP projects.

In the first full quarter of program activity, expat consultants Larry Hearn and Chris Shugart were contracted to assist with project start-up activities and conduct an initial evaluation of the PPP environment in Ukraine. Utilizing input from extensive interviews with USAID, Ministry of Economy, donor development projects and local NGOs, the Work Plan for Year 1 was finalized and submitted to USAID on November 30, 2010. PPP laws that were already being constructed by the GOU's Inter-Agency Public-Private Partnership Working Group (PPPWG) were translated into English and reviewed to establish a basis for evaluating the legal framework in Ukraine and a comparative benchmark with international standards.

The lengthy process of registering a USAID project in Ukraine was the primary focus of the administrative staff. Following the guidance of Tatiana Kistanova, Coordinator of Contractors' Support Unit at USAID, P3DP staff coordinated a meeting with Mr. Anatolii Maksiuta, First Deputy Minister of Economy, to define the assistance role that P3DP would provide. The terms of assistance were solidified in a Memorandum of Understanding between the Ministry of Economy and P3DP, a required step in project registration.

A key element for successfully impacting PPP development in Ukraine is concluding sub awards with local institutions and NGOs who will provide essential services in achieving P3DP goals and objectives. After extensive interviews, the following implementing partners were identified to provide supporting resources:

- Ukrainian Public-Private Partnership Development Support Center (PPPDSC)

- Association of Ukrainian Cities and Communities (AUC)
- Institute for Budgetary and Socio-Economic Research (IBSER)
- East Europe Foundation (EEF)
- Agrarian Markets Development Institute (AMDI)
- Kyiv Economic Institute (KEI)

P3DP's kickoff event was held on December 13, 2010 at the USAID-sponsored Partners' Meeting focusing on public-private partnerships. Held at the Rus Hotel, the event was attended by 40 professionals in the field of PPP development with presentations delivered by USAID and local institutions engaged in PPP development.

3.10 PRODEL II (Ecuador)

(September 2009 – September 2012)

The Ecuador Local Business Development program, known locally as PRODEL, is managed by prime recipient AED and administered in the field by lead implementing partner ACDI/VOCA, and was recently awarded a 3-year extension. The project's objective is to improve livelihoods for families living along the northern and southern border regions by supporting the expansion of private enterprises that have the potential to rapidly generate income and employment by strengthening local private producer groups and associations. The program seeks to impede the spread of the narco-economy into Ecuador by building higher-value economic opportunities for border communities, and is an integral element of USAID's two-part strategy for alternative development through a balanced combination of community development and economic strengthening activities which, when combined, provide communities with strong incentives to participate in licit production. Select highlights of PRODEL's major achievements and activities during this past quarter are presented here.

Promote Anchor Firm and Value Chain Competitiveness:

During this past quarter, the PRODEL team organized events to promote products from participating anchor firms, and conducted workshops with project value chain representatives to define strategies, objectives, goals, and activities that will enable them to identify opportunities in end markets, meet consumer demand, and adjust to a changing environment—key components for increasing value chain competitiveness. In coordination with various value chain economic agents, PRODEL promoted a series of activities to achieve better market access on behalf of participating anchor firms. The PRODEL team organized and/or co-sponsored a series of events in Ecuador during the 1st quarter of FY 2011 in an effort to strengthen value chain competitiveness and create demand for participating anchor firm products.

As part of PRODEL's commitment to promote a consumer culture for national products and the competitiveness of Ecuadorian cacao producers, the PRODEL team participated in the "First International Congress with Aroma of Cacao," event organized by the Ecuadorian Export and Investment Corporation (CORPEI) in Guayaquil. The Ministry of Industries and Productivity (MIPRO), Ministry of Coordination for Production, Employment, and Competitiveness (MCPEC), and USAID were important sponsors of the event. PRODEL's technical advisor, Mr. Esteban Becerra, gave a presentation on, "The Value Chain Model for Local Economic Development." A number of PRODEL anchor firms and producer groups attended the Congress and



The PRODEL team participated in the "First International Congress with Aroma of Cacao" event sponsored by the Ecuadorian Export and Investment Corporation (CORPEI) in Guayaquil. Above: Sergio Guzman, USAID Ecuador with representatives of MIPRO, WTO, and CORPEI. Photo courtesy ACDI/VOCA for PRODEL

participated in speeches, panels, workshops, and chocolate tastings that were offered during the three-day event.

PRODEL anchor firms also participated in this cacao congress in an effort to grow their sales potential in both the international and domestic markets. In an effort to achieve this, the anchor firms sought positive feedback from international chocolate taste testing expert, Pierre Marcolini from Belgium. Mr. Marcolini led a number of taste-testing sessions, and applauded the high quality and great potential of Ecuadorian chocolates. The anchor firms expect that Mr. Marcolini's high opinion of their chocolates can be used as a marketing tool to increase their sales. The event was well covered by the media and information of its activities was disseminated before, during and after its implementation. This assisted anchor firms to expand their markets efforts in conjunction with this cacao congress.

Other activities under this component included PRODEL's participation in the "2010 Golden Cup National Coffee Competition." On October 29, 2010, PRODEL in collaboration with the Ecuadorian Association of Coffee Exporters (ANECAFE) and CORPEI, hosted the ten best Ecuadorian specialty coffee lines which were selected among 46 competitors from Ecuador. Hundreds of coffee growers, exporters, consumers, experts, and public authorities attended the event, which marked a milestone in a national campaign to promote high quality specialty Ecuadorian coffee in the national and world marketplaces.

Reviews from participants included:

- "Ecuadorian coffee has characteristics sought after by the specialty coffee niche market, including sweetness, cleanliness, and floral elements, which are critical for making a great espresso...It is important for Ecuadorian coffee producers to develop the qualities of each line so that they reflect the diversity of production zones in Ecuador, as well as the artistic commitment of Ecuadorian coffee producers to making a perfect espresso."—*Francisco Mena, Lead Judge, Exclusive Coffees, Costa Rica*
- "The 2010 Golden Cup presented an extraordinary sample of excellent coffee from Ecuador, reflecting the significant potential of this noble source of high quality coffee. I was particularly pleased to discover the variety of flavors among the different samples, especially the chocolate flavor that so many of us loved. Ecuador has so much potential!"—*David Pohl, Equator Coffees & Teas, United States.*



Above: Beth Cypser, USAID Director with one the winners of the Golden Cup (Taza Dorada), Jorge Montero of Sweet & Coffee. Photo courtesy ACDI/VOCA for PRODEL

Strengthen Vertical and Horizontal Linkages

As part of PRODEL's exit strategy as identified in the business strengthening model developed by the program, the team focused on achieving the first and second of four stages of business development which includes adoption of a business focus and a strategic management approach to business planning. The PRODEL team collaborated with the Ecuadorian Foundation for Progress for the People (FEPP) to carry out strategic assessments of the Program's producer organizations; thereby, strengthening the firms and organizations associated with the program. Through these assessments, FEPP identified each organization's current business conditions and established an action plan to make sure participating organizations achieve goals that are included in PRODEL's business strengthening model.

This quarter, participating anchor firms devised a plan to promote and market their products collectively in some of the most prestigious stores in Ecuador's three largest cities: Quito, Guayaquil, and Cuenca. They also developed a similar, but alternative plan with Mr. Silvio Heller, owner of a number of supermarkets and restaurants in Ecuador, to place "kiosks" of goods made in Ecuador by PRODEL anchor firms in each of his stores. MIPRO is interested in helping promote this alternative plan.

Other PRODEL anchor firms are working together to identify and develop new channels to jointly sell their products. For example, Runa Tarpuna reached out to PRODEL anchor firm Café Vélez, Museums of Quito, and the Ecuadorian Tea Company to explore opportunities to promote the guayusa fruit in the national market. In a similar effort, UROCAL and UNOCACE led efforts to bring coffee growers together to share experiences, information, and coffee management techniques.

PRODEL Impact at a Glance:

Working with 39 lead firms across the country, PRODEL activities have led to significant positive impacts. Presented below is progress against some key indicators for the last quarter:

- \$4,061,386 USD in grants for 17 anchor firms and associated producer groups was processed and approved by the PRODEL grant committee during the quarter. PRODEL has held business planning and Economic Development Fund (EDF) workshops with each of these 17 anchor firms and their producer groups to design the grant projects. An additional seven anchor firms are currently pending final approval from USAID;
- Participating farmer group's sales to anchor firms increased by 60% from \$2,406,894 to \$3,856,669; and
- 1,528 new beneficiary farmer families were linked to 17 approved PRODEL participating anchor firms.

Foster the Provision of Financial Services

In an effort to sustainably and effectively extend access to financial services, PRODEL carries out activities at three levels: macro (influencing relevant national regulations and institutions); meso (working with financial institutions to develop and execute new products and services); and micro (at the individual farm level through its financial literacy initiative). Over this quarter the PRODEL team focused on the meso-level, working with financial institutions to develop and expand financial service products for PRODEL's anchor firm clients and associated stakeholders. In addition, PRODEL worked at the micro level with producer groups through the PRODEL financial literacy program, "Rural Businesses: Financial Literacy for Rural Producers," implemented in the field by trained local service providers. The PRODEL team also continued to encourage and extend new forms of financing to its anchor firms and producer groups by facilitating direct access to PRODEL participating financial institutions.

The PRODEL team also continued to promote the concept of "value chain financing" in coordination with local governments and the Rural Financial Network in order to create a more favorable national environment for developing new products and services that are attractive and accessible to the diverse value chain stakeholders.

Next quarter, as funds are granted to new firms, the sub-contracts and grants department personnel will disseminate key implementing partner ACDI/VOCA's acquisition manual and resource management policies. Announcements will be published in local media outlets in an effort to identify and evaluate new local suppliers, and the PRODEL team will share the updated database with all participating anchor firms and producer groups as a way of supporting the acquisition of goods and services through local providers.

3.11 STRIVE (Afghanistan, Philippines, Liberia, Mozambique) (September 2007 - September 2012)

The Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening Program (STRIVE) aims to demonstrate effective means of strengthening the well-being of highly vulnerable children, their households, and their communities. AED is managing a multi-partner team of leading child-focused and economic strengthening organizations to implement and document replicable economic development approaches that demonstrably improve the wellbeing of vulnerable children.

From 2007 to 2012, STRIVE will implement multiple projects in Africa and Asia with the goal of sustainably reducing economic vulnerability among the target population. In addition to AED, FIELD-Support partner organizations CARE, Save the Children US, ACDI/VOCA, MEDA, AFE, and IRIS are engaged in the design and implementation of STRIVE activities.

Current program field projects include:

- STRIVE **Mozambique**, managed by Save the Children, which is exploring the links between increasing household income and social capital through villages savings and loans (VSLs) and rotating labor schemes and the effects on children's nutritional outcomes;
- STRIVE **Philippines**, a value chain development project managed by Action for Enterprise, that seeks to measure the effects of increased household income on children's health and education outcomes in poor coastal communities in the Philippines;
- The **Liberia** Agriculture for Children's Empowerment (ACE) agricultural value chain project, managed by ACDI/VOCA, which aims to improve upgrading behaviors on smallholder farms and increase the value proposition of education and learning in communities; and
- The AED/MEDA **Afghanistan** Secure Futures (ASF) construction value chain project, which focuses on strengthening workshops that employ youth apprentices to increase their business opportunities and improve youth workforce development opportunities.

STRIVE Philippines—AFE

- Supported a lead firm in the woven products sector in instituting a new procurement system that will promote more direct and transparent relationship with local lead producers.
- As this quarter is a quiet one in terms of business activity in the woven products sector, STRIVE Philippines took the opportunity to meet with its lead firm partners to discuss activities to date and plans for future STRIVE Philippines support.
- STRIVE Philippines continue to monitor and support lead firms in the seaweed sector that are operating pilot seaweed seedling nurseries.
- STRIVE Philippines hosted a USAID field visit with representatives from Washington and the Philippines mission in October.

Afghanistan Secure Futures (ASF—AED and MEDA

- ASF played a key role in organizing the APEX 2010 Afghanistan product exhibition, which was held from October 28-30, 2010 and was attended by approximately 7,000 people.
- ASF's objectives for the exhibition were to support local capacity to continue holding exhibitions in the future and to demonstrate that local financial support exists for such an event, based on the sponsorship received. ASF established an exhibition planning committee which included the Afghan Builder's Association (ABA), Federation of Afghan Craftsmen and Traders (FACT), Afghan Chamber of Commerce and Industry (ACCI), Afghan Women's Business Federation (AWBF), and the Marble Association. The Exhibition Planning Committee demonstrated for participants the importance of making decisions in a transparent, accountable, and consensus-based manner. To assess the financial viability of ongoing exhibition management, the planning committee sought sponsorships from the local business community and other partners. Local groups demonstrated strong interest in supporting the management and financing of the exhibition.

Indications of APEX 2010 success include:

- The exhibition attracted support from numerous local politicians and was prominently covered by local media.
- AZIZI Bank opened bank accounts for 45 previously unbanked people as a result of their participation in the exhibition.
- ASF partners FACT and Aschiana, along with groups like the Afghan Business Women Council and Marble Association, and various producers of carpets, jewelry and handicrafts, opened a total of 66 stalls at the exhibition.
- Twenty-six apprentices (12 from ASF workshops) volunteered during the exhibition.

Agriculture for Children's Empowerment (ACE), Liberia—ACDI/VOCA

- Fifty farmers purchased \$1,789 worth of inputs (e.g. seeds, insecticides, watering cans) this quarter as a result of ACE-facilitated information transfer and linkages between providers and farmers, conducted through the promotional events reported last quarter.
- ACE continued to work with and through the Liberia Farms and Cooperatives (LIFARCO) to increase production and broaden farmer adoption of improved rice varieties. LIFARCO supplied farmers with 2 metric tons of seeds for planting. The targets of harvest, rice loan repayment and storage during the quarter were achieved. The seed rice given to farmers yielded about 8.8 metric tons—more than four times the initial amount. Of the 396 farmers who received the seed rice, 81.1% (321 farmers) paid back the loan through 1,545kg of seed, which represents 78.2% of the volume that was expected. LIFARCO was pleased with the arrangement and will continue it next season.
- Last quarter, ACE facilitated two trips by the Liberia Marketing Association (LMA) “market queens” to project communities, which initiated negotiations between farmers and LMA buyers.

This quarter, LMA women began sourcing local vegetables from farmers through advance agreements. In total, this quarter, 110 farmers sold crops through a variety of markets and mechanisms, totaling a gross income of USD 17,768. The majority (77 of 110) of farmers sold through spot transactions at local markets, but 30% (33) sold through forward contracts or advance agreements to the LMA and the US embassy farmers market. In all, farmers netted \$12,428 in income from sales of vegetables such as bitter balls, hot peppers, watermelon, and lettuce.

- Three technical assignments in vegetable production, soil testing, and irrigation were organized by ACDI/VOCA's Farmer to Farmer (FtF) program at the request of ACE. The assignments trained lead farmers and project partners, including Ministry of Agriculture staff, to identify agricultural constraints and provide recommendation and solutions to address low productivity, especially for vegetables.



“Since the Farmers’ Market was created by ACE in July 2010 at the US Embassy in Monrovia and has been ongoing every week, it has become a major source of income for me and my family. I have five children, four boys and one girl, who are all going to school. Due to the sales from the farmers’ market, I am able to save through the susu (informal savings) at least LD\$500 (\$7.15) every week to buy uniforms and school material for my children.”—Jimmy Gboveti of Mount Barclay, Montserrado County. *Photo courtesy ACDI/VOCA for STRIVE/Liberia*

STRIVE Mozambique

- STRIVE Mozambique hired a consultant to work on adapting a training curriculum and set of materials for use with the VSL groups in order to help improve their enterprise development skills. Based on focus group research in the previous quarter with program participants and staff, four topics were selected for elaboration into the enterprise development curriculum.
- STRIVE Mozambique developed success stories of program participants, which are currently being finalized by a consultant. These complement the on-going panel case studies of individual households that take place every six months.
- Due to the success of STRIVE Mozambique village savings and loans (VSL) groups, the project was offered the opportunity to train two Save the Children VSL extension agents for non-STRIVE VSL programming in other districts of Nampula. The project also held internal exchange visits among STRIVE VSL Promoters to improve quality of service delivery and to share improved practices across districts. Finally, qualitative data was collected from focus group discussion in the four VSL districts. The results of these discussions will be shared in the next quarterly report.
- Regular operational activities included: experience-based sharing meetings for all staff, monitoring the performance of independent groups, distribution of VSL start-up kits to new groups, and

assisting existing groups to graduate to self-management (with emphasis on training in how to appropriately manage the savings share-out process at the end of the cycle).

Learning and Dissemination:

STRIVE Philippines continues to consolidate learning around the importance of sustained lead firm purchases from local producers or raw material collectors as the major drivers and measures of commercial sustainability and impact. While a development organization can promote and support activities to encourage procurement from specific target areas with vulnerable households, the ultimate purchasing decisions of lead firms are driven by market-based incentives beyond the control of a facilitative development project. Thus, efforts to sustainably increase or improve rural production and productivity should be coupled with initiatives to also expand access to new markets.

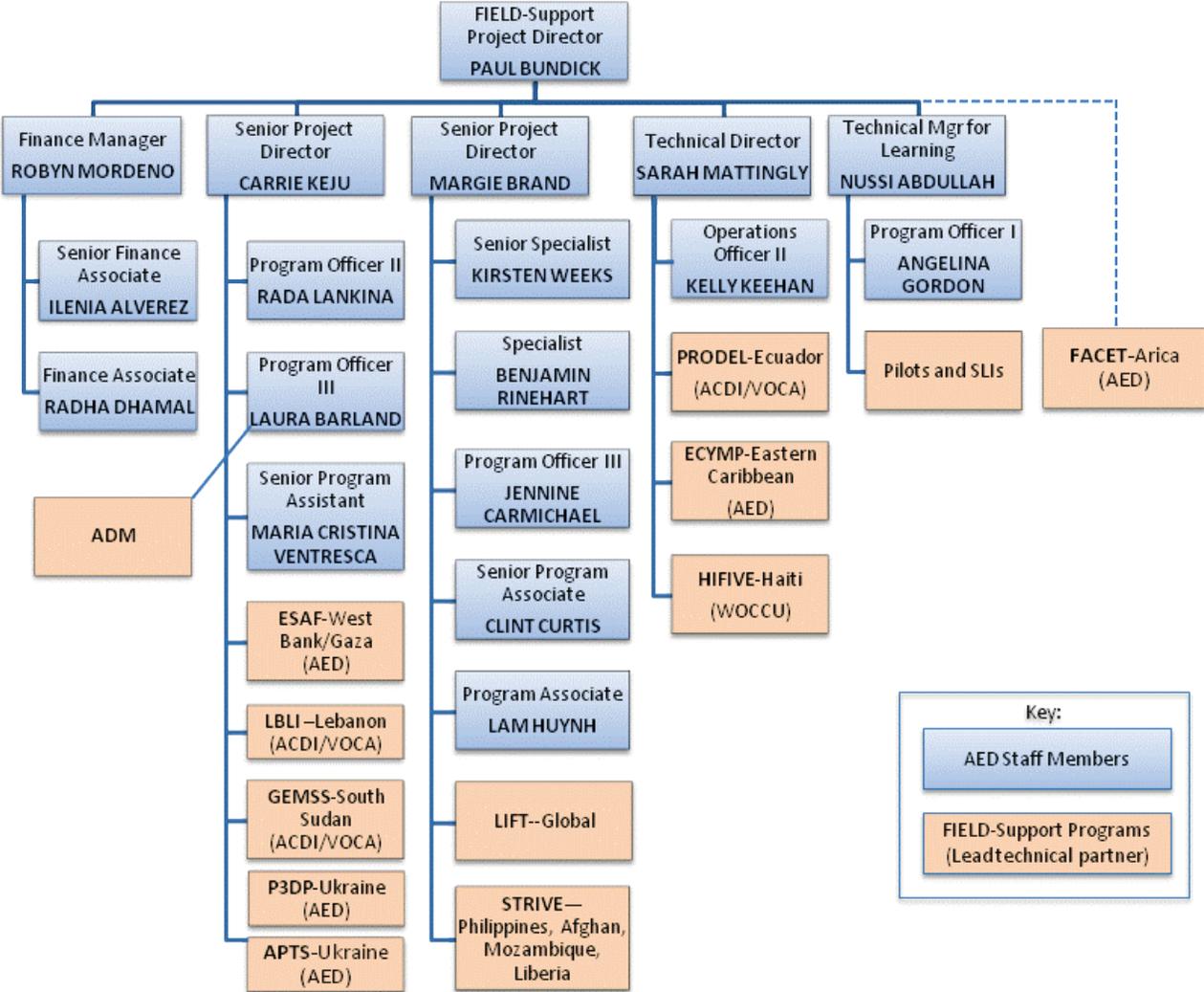
Through APEX 2010, the **Afghanistan Secure Futures** project demonstrated that a local product exhibition can be managed locally and supported, at least partially, by the local business community. The exhibition management team was able to generate private sector sponsorship, despite local skepticism. Additionally, all but one of the 11 workshop owners who participated in the exhibition were showcasing their products to the general public for the first time. Many exhibitors realized that they lacked adequate marketing and public relations skills to make the most of their participation in the exhibition. ASF plans to respond to this need by building these issues into upcoming business trainings. Prior to the exhibition, ASF worked with workshop owners to consider what products would generate consumer interest. Workshop owners generally have the most experience in producing products in response to client orders, rather than generating new and innovative products to showcase to the public. Seventy percent of the new products that ASF supported were sold at the exhibition and workshop owners expressed satisfaction with the process and outcome.

At the beginning of the rice value chain component of the **ACE** project, staff faced intense skepticism that distributing rice to farmers and asking them to pay back would work, due to the strong culture of dependency amongst smallholders in Liberia and failures other NGOs experienced in similar ventures that tried to move farmers away from free handouts from local and international NGOs. However, using the private sector approach in such a venture, as ACE has done in its partnership with LIFARCO, has proven very successful in creating incentives for farmers to pay back the rice seed. In light of USAID's renewed emphasis on encouraging private sector-led approaches in Liberia, this is a step forward along the relief to development continuum. It also encourages relationships to form between a local entity, which improves the sustainability of interventions. Also, IRIS began drafting a field note to capture interesting results of field research and observations. One point of learning is the network of reciprocity through which Liberians support their family, friends, and community members. Another is the uptake of improved farming techniques and their application outside of demonstration plots – farmers are already employing techniques around laying out beds and spacing plants, using a nursery for seedling germination, managing pests and diseases, using appropriate inputs correctly, and producing for a particular market on a particular calendar on their own farms.

In the course of project implementation, **STRIVE Mozambique** staff have noted that there are VSL groups which have limited saving power. This limitation, relative to other VSL groups, may be due to their geographic location in areas which are characterized by relatively weak economic dynamics. In spite this limited ability to save, staff have recorded a high degree of participation by VSL members at the weekly meetings in these areas, even though participants may not have the minimum amount of money required to make their weekly savings. STRIVE Mozambique believes that this high level of participation is related to other advantages of group participation, such as the social fund and the ease of access to credit, as well as to other more intangible advantages associated with the value of collective work or improving social networks.

4 Staffing

The current staffing list for the FIELD-Support AED HQ staff can be found in the chart below:



5 Next Steps

In light of the suspension that was announced December 8, 2010, AED prepared a draft workplan for the next quarter. Priorities for January-March 2011 include the following:

Associate Award (AA) Management

The FIELD-Support Leader staff will continue to provide administrative and managerial oversight for all Associate Awards as appropriate. In addition, the Leader staff will support the knowledge documentation and dissemination for the Associates Awards through ongoing communications support as well as targeted support as described in the table below.

African Diaspora Marketplace (ADM)

Prepare and finalize agenda for monitoring trips to ADM grantees and conduct field monitoring trips to ensure grant recipients comply with the terms of the Grant Agreement which includes financial and environmental requirements and the meeting of performance milestones. Collect basic impact/outcome data on indicators of economic impact driven by the ADM businesses. Document the challenges and successes of ADM businesses to produce case studies and update ADM website with relevant articles and information. Throughout, AED will conduct monthly monitoring phone calls to ADM grantees to discuss implementation

Pilots and Strategic Learning Initiatives (SLIs)

FIELD-Support will continue to implement the current SLIs and pilots as planned and will use the period of the suspension to take stock of learning experiences from across the FIELD-Support portfolio in a more systematic way in order to make explicit more of this tacit knowledge.

Knowledge Management

FIELD-Support has a threefold approach to knowledge management: documentation, dissemination and application. Over the next quarter, AED will continue to document the methodologies, approaches, and findings that have been used and/or modified and proven to work in the Associate Awards, pilots and other activities, take stock of past program activities over the past five years (AAs, pilots, SLIs) to document key findings and lessons learned, and continue reporting and disseminating learning from leader activities and AA, through FIELD Briefs, FIELD Reports and events, etc.

Partnership Relations

In addition to continuing the dissemination of the monthly e-bulletin to all consortium partners, during the next quarter, AED will work with USAID and the FIELD-Support consortium partners to plan how best to operationalize the recommendations of the program review that was conducted this quarter in order to reinvent FIELD-Support during the extension phase. Key to this will be holding a partners retreat which is tentatively planned for next quarter.

Annexes

Annex A: List of Current Pilot Activities

	Pilot Activity	Implementing Partner(s)	Country	Period of Performance	Status	Award Value
A	Microfinance Energy Links	ACCION	Uganda, Mali	10/1/2007 - 12/31/2010	Open	\$196,012
	ACCION is working with local partners to develop text, refine, document and publicize holistic integrated approaches to financing and marketing clean energy products to large numbers of people in developing countries. Product focus is on solar lanterns.					
B	Consumer Protection Principles (SMART Campaign)	ACCION (CFI) and SEEP	Global	10/15/2010 - 10/31/2011	Open	\$199,361 (ACCION) \$199,658 (SEEP)
	Led by the Center for Financial Inclusion (CFI) at ACCION International and the SEEP Network, under this activity, the SMART Campaign will lead a training of trainers for nearly 50 participants from microfinance networks around the world in basic consumer protection principles as well as more in-depth protocols for conducting self-assessments. The project is designed to equip regional microfinance networks and national microfinance associations to advance the implementation of the Client Protection Principles (CPPs) through a "Putting Principles into Practice (PPP)" and SMART assessor trainings.					
C	Graduating the Poorest into Microfinance: Linking Safety Nets w/ Financial Services	IPA	Ethiopia	8/3/2009 - 12/31/2010	Open	\$224,224
	Based on the CGAP/Ford Foundation global initiative that combines safety net programs with entrepreneurial activities to develop a graduation model for the poorest households, Innovations for Poverty Action (IPA), in collaboration with USAID, the Consultative Group to Assist the Poor (CGAP), and the BRAC Development Institute, is testing a methodology for reaching the most vulnerable households in Ethiopia. Through FIELD-Support, IPA is conducting an assessment of the impact of the graduation model in Ethiopia. The assessment is designed to determine the social and economic impact on targeted households of the intervention, including changes in income, assets, school attendance of children, health and food security. In addition, the study will provide some evidence regarding the viability of "graduating" the ultra poor to food security, and potentially traditional microfinance.					
D	Market Development WG: Economic Recovery after Crisis	SEEP	United States	7/1/2007 - 12/31/2010	Open	\$149,463
	This activity brings together practitioners from relief and development agencies working in enterprise development and financial services, including nonprofit institutions and private contracting organizations, to develop a set of guidelines for practitioners operating in the "relief to development continuum" in post-conflict, conflict, natural disaster and other crisis settings.					

Annex B: List of Strategic Learning Initiatives (SLIs)

(as of September 30, 2010; presented in alphabetical order by implementing partner)

	Partner	SLI Title	Activity Budget
1	ACCIÓN	Energy Links – Energy Sector Deepening Initiative	\$128,850
	<p>ACCIÓN proposes to map the household energy sector in Tanzania, both from the consumer side and from the supply side. It will do the same for the microfinance sector, creating a detailed picture that shows the potential connections between these two sectors. At the same time the project will carry out extensive consultation and information sharing among participants in the pro-poor energy and microfinance sectors. This intermediation work will lay the groundwork for an energy deepening initiative, i.e. a comprehensive national strategy for involving financial institutions in supporting pro-poor renewable energy. Walking in the footsteps of the first phase of Energy Links, this project will replicate the proven approach of project broker to facilitate the cooperation between energy suppliers and MFIs – but will expand its target: instead of focusing on a single product, it will aim at being comprehensive and providing learning on all existing technologies and devices, as well as linkages with a wide range of energy and finance providers.</p>		
2	ACDI/VOCA	Increasing Awareness of Gender Issues in Value Chain Development	\$149,208
	<p>ACDI/VOCA proposes to collaborate with a well-respected consultant specialized in gender issues in enterprise development to create a tool for including gender analysis as an integral part of value chain analysis. The tool will consist of sample question guides, matrices and mapping guides, together with a brief discussion of the importance of gendered value chain analysis and practical advice on how to conduct the analysis. The team will build on work completed under USAID’s Greater Access to Trade Expansion (GATE) project as well research by the International Labor Organization, the UK’s Institute of Development Studies, the Danish Institute for International Studies and others. This tool will be tested in two different FIELD project locations (possibly Ecuador and Liberia) in order to refine the tool, identify best practices and generate lessons learned—in addition to contributing to the effectiveness of the programs in these two locations. Information gathered will supplement existing research and provide material for a brief FIELD Report that will provide best practice recommendations illustrated with examples from the field.</p>		
3	ACDI/VOCA	Value Chain Finance Analysis and Financial Product guides	\$151,268
	<p>ACDI/VOCA proposes to develop and field test two tools for practitioners:</p> <p>1) A user guide for assessing financial service needs in priority value chains. This tool would be used by practitioners in project design activities. Often designers ask how to expand lending to the small farmers or other small firms within the chain, assuming automatically this is a constraint to Value Chain development. A straightforward tool—a pamphlet which combines concise steps, check lists and decision tree elements, could guide designers through the key questions:</p> <ul style="list-style-type: none"> • What are the key opportunities for expanding sales and upgrading in this value chain? • What are the key financing requirements to pursue these opportunities? • What are the key constraints to their delivery? • Who has the incentives to deliver the services? • What project interventions are necessary and with whom? <p>2) An expandable set of two-to three-page “product guides” of value chain finance products, services and alliances to be used by project staff in conjunction with a value chain finance analysis and needs assessment exercise. This tool will complement the work done by FS Share in three ways. The primer focuses on four products, with detailed cases. Our tools section will link products to a value chain map, organizing products around the economic opportunities and transactions that they facilitate. The framework will visibly reinforce the notion that these financial services are tools effective for particular economic purposes. This framework can be expanded as material on new pilots and applications are</p>		

		identified. Our tool will also increase the number of product guides, in a concise and standardized format that is helps practitioners think through whether and how to use a given mechanism, and linking to multiple short case studies. Finally, the tool will be more tied to project learning: it will be used during project design and implementation but also integrated into training and ongoing organizational learning processes.	
4	AFE	Facilitation Working Group Phase II	\$144,571
		This SLI is for a continuation of the FIELD Facilitation Working Group, an initiative to capture and share the knowledge of FIELD LWA consortium members on effective facilitation in enterprise development, particular in the context of dealing with lead firms. This will allow us to build on the results to date, pursue the continuation of further cycles with the working group (including how working with Lead Firms can have a systemic impact on value chains), conduct a conference entitled “Working With Lead Firms” next year (tentatively planned for May 2010) and put together a publication to share our work with the wider development community.	
5	CARE	Capacity Building Concept for CARE Staff on Implementation of Value Chain Programs	\$192,698
		CARE proposes to use its SLI funds, in collaboration with current partners MEDA, to develop a mentoring system for CARE staff in market facilitation. The system will enable CARE to develop a process for internal staff development, leveraging field staff experienced in the approach to mentor CARE colleagues. By the initiative’s end, CARE will have a cadre of experienced mentors, equipped with a system and tools that enable them to take the market development approach to scale within CARE. The larger industry will also benefit from this initiative, as CARE and MEDA will document the approach undertaken and the resources developed and share these out through a case study of our experience. We will also closely coordinate on this effort with the other New Partners in Value Chain Development grantees, sharing our experiences and as applicable presenting our findings at different conferences and other events.	
6	FINCA	Linkages between Food Security and Rural/Ag Microfinance	\$93,361
		FINCA will hire a consultant to undertake a study to establish the effect of FINCA’s financial services (village banking and agricultural and rural loans, savings and insurance) on rural and urban clients’ risk for food insecurity. FINCA will focus its research on three of its affiliates, possibly looking at Azerbaijan, Armenia, Malawi, Zambia, Guatemala, and/or Nicaragua. FINCA will produce as a final deliverable a case study on the relationship between agricultural lending and food security, which could be presented to various USAID missions with a goal of incorporating a microfinance element into their food security strategy.	
7	IRIS Center	Achieving Food Security through Water Security – Evidence from Kenya	\$97,146
		IRIS Center proposes research to study the food security effects of improving access to water through innovative community-based efforts for benefiting vulnerable farm enterprise households in Kenya. There are a number of innovative projects that have been implemented to improve food security; many have become defunct, others have become sustainable. One very promising approach to improve food security, implemented by the Kitui Development Centre (KDC), which started in 2007. It is now a community-run and -owned, fee-based water system that aims which has now become self-sustaining, with no additional donor funding required for operations. The SLI research study will seek to understand the effects of the water project on improving food security through increased agricultural production and households’ purchasing power of food by exploring whether: <ul style="list-style-type: none"> • The innovative project (i.e. the community-based water project involving collective action) facilitates sustainable agricultural production and better food access and intake, and eventually has the potential to reduce need for food aid? • The project helps with the creation and expansion of small water-dependent enterprises? • The water project contributes to a reduction in loss of productive time due to transactions 	

	costs to access water from alternate sources and due to waterborne illnesses?		
8	Opportunity International	Smallholder and Rural Household Agriculture Study	\$137,023
	<p>Opportunity International has embarked on a comprehensive rural and agriculture strategy to help smallholder farmers and rural households improve crop productivity and increase household income. As part of this initiative, Opportunity will evaluate the effectiveness of strategic partnerships with extension service providers for the agriculture sector, including the impact that these services have on clients. Key questions to be addressed include:</p> <ul style="list-style-type: none"> • What is the effectiveness of strategic partnerships between microfinance institutions or banks and extension service providers in delivering complementary services to rural and agriculture households? What are the challenges? What are important steps to be taking in forming these partnerships? • What is the impact of these strategic partnerships on farmer households? Has crop productivity increased? Have household incomes increased? • How do key value chain interventions mitigate risk and support the extension of financial services into rural areas and into the agriculture sector? • What are the critical success factors to delivering financial services in rural areas and to agriculturally-dependent households? 		
9	Save the Children	Developing Education and Awareness Tools for Micro Health Insurance in Nepal	\$169,467
	<p>Save the Children and its partners will develop a suite of education/awareness materials for use in micro health insurance programs. These materials, built on education/awareness concepts valid across different settings, will be field-tested in Nepal, where the partners are embarking on a three-year pilot testing of a menu of health insurance with 15,000 families in two rural districts. While they will directly contribute to the success of the Nepal program, the proposed materials will be designed with global practitioners in mind. The program will also add to Save the Children's portfolio of materials about insurance, one of its expected growth areas.</p>		
10	WOCCU	Exploring the Potential of Online Matched Savings Programs to Bring the Unbanked Poor into the Financial Sector	\$267,566
	<p>In October 2008, WOCCU created the Match Savings program and corresponding Web site, www.MatchSavings.org, through which individuals can match the deposits of poor people beginning saving for the first time in a regulated financial institution. Initial results from WOCCU's pilot phase indicate that the Match Savings program is successfully bringing the unbanked poor into the formal financial sector through savings. Online communities have proven to be effective vehicles for raising funds and WOCCU proposes to work with a public relations consultant, IT consultant and field researcher to train WOCCU's staff on developing new online marketing strategies, increasing efficiencies and documenting implementation for the Match Savings program.</p>		

Annex C: List of Current Associate Awards

No.	Implementing Partner(s)	Countries of Implementation	Period of Performance	Award Value
1	Agricultural Policy Transition Support (APTS)			
	Agrarian Markets Development Institute (AMDI)	Ukraine	9/2010 – 5/2011	\$383,193
<p>Building on the work done to date in Ukraine by USAID and other stakeholders, the Agricultural Policy Transition Support (APTS) project seeks to bridge some necessary gaps in agricultural development in Ukraine through locally-driven policy research and reform. AED is implementing APTS through the Agrarian Markets Development Institute (AMDI), a non-partisan Ukrainian think tank which was established in 2005 to engage the private sector, mobilize financial and regulatory reform, and more effectively engage civil society in the policymaking process. This nine-month long project includes providing targeted assistance to AMDI support its long-term efforts to support Ukraine realize its untapped economic potential in the agriculture sector and therefore strengthen broader economic growth for the country.</p>				
2	Eastern Caribbean Youth Microenterprise Program (ECYMP)			
	AED, EcoVentures International	Barbados, St. Kitts & Nevis, Antigua & Barbuda, Dominica, St. Lucia, Grenada, St. Vincent & the Grenadines	5/2010 – 9/2011	\$1,848,000
<p>ECYMP is designed to accelerate the creation of sustainable livelihoods and self-employment opportunities for vulnerable youth (ages 10-24) by supporting both increased income-generating opportunities and the establishment of micro-businesses by and for youth in Barbados and 6 OECS countries. ECYMP will develop partnerships with local youth-serving organizations and the private sector, and apply proven evidence-based and market-driven approaches to support local institutions to design and deliver market-oriented youth entrepreneurship programs.</p>				
3	Expanded and Sustained Access to Financial Services (ESAF)			
	AED, the William Davidson Institute (WDI), Shorebank International (SBI), Save the Children, CARE, CHF International	West Bank/Gaza	9/2008 – 9/2011	\$36,299,966
<p>The Expanded and Sustained Access to Financial Services program (ESAF) supports USAID in its efforts to build a more inclusive financial sector that increases the sustainable access to financial services for Palestinian households and MSMEs. Through a variety of interventions, ESAF will address identified weaknesses in the financial system at the consumer, institution, and enabling and regulatory environment level input.</p>				
4	Fostering Agriculture Competitiveness Employing Information Communication Technologies (FACET)			
	AED, ACDI/VOCA, AFE, IRIS	Sub-Saharan Africa	10/2009 – 9/2011	\$400,000
<p>FACET will help USAID Sub-Saharan Africa Missions to improve competitiveness and productivity across the agriculture sub-sectors through the use of information and communication technologies. FACET is designed to provide expert technical support to USAID missions and their implementing partners. The project will develop analytical tools and provide technical support to assist development practitioners in the field on how to design and employ various kinds of ICT to upgrade agricultural value chains being supported by mission programs. The project will also establish a learning network to share results, detail what works, what doesn't and how to improve ICT applications in value chain development.</p>				

5	Generating Economic Development through Microfinance in Southern Sudan (GEMSS)			
	AED, ACDI/VOCA	Southern Sudan	12/2008 -9/2011	\$11,999,162
AED, in partnership with ACDI/VOCA, aims to support USAID in its effort to build the foundation of an inclusive financial sector in South Sudan that provides poor entrepreneurs and households with permanent access to a range of financial services delivered by a number of MFIs. It is the projects goal to give entrepreneurs access to financial services that will enable them to mitigate risk and invest in a variety of livelihood activities that will increase household income and employment, and thus, contribute to economic growth in South Sudan.				
6	Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE)			
	AED, World Council of Credit Unions (WOCCU), TechnoServe	Haiti	7/2009 – 5/2012	\$37,169,702
HIFIVE is a financial sector service project designed to encourage a dynamic Haitian economy by increasing the availability of financial products and services to its people and to its enterprises. A catalyst and a facilitator, HIFIVE will work primarily on the supply side of the financial sector to empower Haitians by providing access to innovative financial products and services with a focus on rural areas, targeting high potential value chains, encouraging Diaspora investments, supporting the use of technology while maximizing synergies with other USAID projects.				
7	Lebanon Business Linkages Initiative (LBLI)			
	ACDI/VOCA, AED, Action for Enterprise (AFE)	Lebanon	8/2008 – 12/2011	\$7,528,332
In support of achievement of USAID/Lebanon's goal of fostering growth and reducing poverty in rural Lebanon by building on previous activities in agribusiness, tourism and ICT, the Lebanon Business Linkages Initiative program will be implemented through activities focused on objectives including expansion of market access, improvement of access to financial markets, and elimination of restraints to industry and SME growth.				
8	Livelihood and Food Security Technical Assistance (LIFT)			
	AED, CARE, SAVE	Kenya, Namibia	9/2009 – 9/2014	\$4,136,862
LIFT is five-year project provides rapid technical support, in close collaboration with PEPFAR USG collaborating agencies, on the integration of food/nutritional security and livelihoods strengthening with HIV/AIDS interventions in order to sustainably improve the economic circumstances of highly vulnerable children and the families and communities that care for them.				
9	Ukraine Public Private Partnerships (P3DP)			
	WDI, IRIS Center	Ukraine	9/2010 – 9/2015	\$12,500,000
The goal of the Public-Private Partnership (PPP) Development Program for Ukraine is to promote the use of public-private partnerships, with an expanded role of private sector finance and operational expertise in public infrastructure development, to improve infrastructure and public services in both urban and rural areas. The program is promoting the use of public-private partnerships through: 1) undertaking necessary legal and institutional reforms; 2) establishing a national public-private partnership unit to serve as a bridge between government and private sector interests; 3) undertaking a capacity building and stakeholder communications program; and 4) creating a project development facility to build and finance a sustainable pipeline of PPP projects.				
10	Ecuador Local Business Development (PRODEL)			
	ACDI/VOCA, CARE, AED	Ecuador	11/2007 - 9/2012	\$16,093,000
PRODEL promotes the competitiveness of Ecuadorian enterprises along the southern and northern borders and create licit employment opportunities. The overall objective of PRODEL is to increase income and employment for families along the southern and northern borders by supporting the expansion of private enterprises that will rapidly generate income and employment.				

11	Supporting Transformation by Reducing Insecurity & Vulnerability with Economic Strengthening (STRIVE)		
	CARE, SAVE, World Vision, MEDA, AFE, IRIS, ACDI/VOCA, DTS	Philippines, Afghanistan, Mozambique, Liberia	9/2007 - 9/2012
<p>Through the STRIVE program for the benefit of Orphans and Vulnerable Children (OVC), AED is working to demonstrate an effective means to strengthen the economic circumstances of highly vulnerable children and the families and communities that care for them. To achieve this, AED works in close collaboration with the Displaced Children and Orphans Fund (DCOF) and a team of leading child-focused organizations and economic strengthening (ES) organizations to partner on producing a replicable methodology for economic development that demonstrably benefits vulnerable children.</p>			