



## **FIELD-Support LWA**

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### **Quarterly Report April 1- June 30, 2011**

The Financial Integration, Economic Leveraging, Broad-Based Dissemination Leader with Associates  
Cooperative Agreement No. EEM-A-00-06-00001-00

Submitted By\*:



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\*On July 1, 2011, FHI acquired the programs, expertise and assets of AED.

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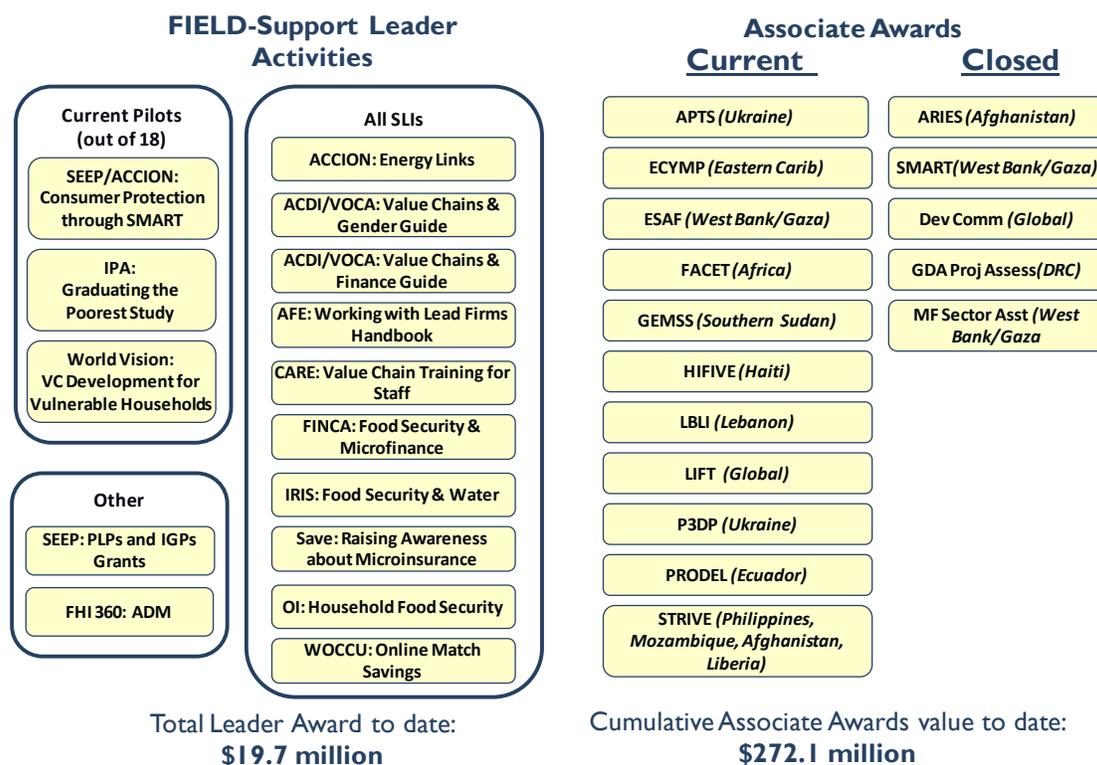
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## Introduction

FIELD-Support is a Leader with Associates (LWA) Cooperative Agreement between the Office of Microenterprise Development in USAID (EGAT/PR/MD) and AED. On July 1, 2011, AED's U.S. government contracts were successfully novated to FHI 360, which is the name of the combined organization of FHI (Family Health International) and a newly formed LLC, FHI Development 360, into which the AED staff, assets and projects were transferred. During the months of April, May and June, all FIELD-Support activities were implemented by AED; starting on July 1, 2011, FHI 360 will be the implementer.

FIELD-Support encompasses both a core **Leader** award and a mechanism for USAID Missions to issue **Associate Awards** and, since its inception, has grown to include 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 USAID MD Office in Washington DC, USAID Missions and Operating Units, and the broader community of development practitioners. FIELD-Support Associate Awards are designed by the consortium with the awarding USAID Missions and Operating Units and are designed to serve USAID's broader economic growth and microenterprise development objectives. (See Section 3 for updates on each of the current Associate Awards.)

As described in Section 2 below, the Leader award includes activities that seed innovation, demonstrate better practices, document results, and disseminate findings that 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, which is 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.



Recent activities and progress to date for current activities, illustrated above, is discussed in further detail in the following sections. The table below provides a quick guide based on key technical sectors.

Sector	Sections in this Report
Enabling Environment/Regulatory Work	2.1; 2.3; 2.9
Innovations in Microfinance	1.2E; 2.3; 2.6
Microfinance Industry Building	1.1A; 1.1B; 1.2E; 2.3; 2.5; 2.6
Rural and Agricultural Finance	1.2E; 1.3A; 2.3; 2.6; 2.10; 2.11
SME Development	1.3B; 2.3; 2.7; 2.10; 2.11
Value Chain Development	1.2A; 1.2B; 1.2C; 1.2D;
Working with Vulnerable Populations and the Very Poor	1.1B; 1.1C; 2.3; 2.6; 2.8; 2.11
Working with Women	1.2A; 2.8; 2.6; 2.11
Working with Youth	2.2; 2.3; 2.6; 2.11

### *FIELD-Support at a Glance:*

In the second quarter of calendar year 2011, current FIELD-Support activities included:

- **3 pilot activities** with a total portfolio valued at **\$773,243**;
- **5 SLIs** with a total portfolio valued at **\$774,768**;
- **2 other activities under the Leader** (including a set of pass-through grants to the SEEP Network and the African Diaspora Marketplace or ADM);
- 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).

## 1 Leader Activities

The Leader staff at FHI 360 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, 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 has 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.

### 1.1 Pilot Activities

Below are progress updates from the two 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 acquisition agreement has been completed.

## **A. ACCION (CFI) & the SEEP Network: Consumer Protection Principles (SMART Campaign)** *(October 2010 – October 2011)*

The SMART Campaign is a global campaign to embed client protection practices into the institutional culture and operations of the microfinance industry. Under the FIELD-Support LWA, the Center for Financial Inclusion (CFI) at ACCION International and the SEEP Network are conducting a training of trainers for over 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 activity 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. Those trained will then, in turn, conduct these workshops for their member MFIs. By the end of the quarter, just over half of the 20 networks participating have carried out the required workshop. Level 1 networks, the most mature networks, are responsible for conducting two full client protection assessments of their member MFIs and to date, 12 assessments of the originally envisioned 20 assessments have been completed.

This quarter, the focus of the project shifted to field work following the completion of the classroom training phase. Both Level 1 and Level 2 networks are responsible for hosting a workshop on the Client Protection Principles (CPPs) and facilitating their members’ completion of the client protection self-assessment tool, the “Getting Started Questionnaire.”

Having completed a majority of the apprentice assessments, a concern has surfaced about the capacity of some network staff to become Smart Certified Assessors. Although the project team requested staff with a background in doing assessments, experience in interviewing, and a commitment to the philosophy of client protection, not all of the trainees possessed the interview and analytical skills necessary to conduct a thorough assessment of their member institutions. Some may require additional training and field experience in order to build up their technical skills and experience to the necessary level. Therefore a mid-course adjustment has been implemented in order to fund a Smart-Certified Assessor to accompany them on their second assessment as well, in order to provide extra support.

The other issue that has surfaced while carrying out the assessments has been in writing the final reports. The initial draft reports have not met the standard of quality set by the Smart Campaign and it has been time consuming for project staff and consultants to revise them up to standard as well as to work with the trainees to achieve the necessary quality in their subsequent reports. As a possible solution, we have considered holding a separate report writing workshop in the form of an online webinar so that everyone may participate and which could be recorded for subsequent viewing by those unable to join the live session.

### *Progress at a Glance:*

The training portion of the project is complete, while the numbers below for the workshops, assessments, and collection of self assessment questionnaires is still ongoing.

- 31 participants from 19 networks completed the “Putting Principles into Practice” training;
- 24 participants from 13 networks completed “Smart Assessors” training;
- 11 client protection workshops held with over 150 MFIs in attendance;
- 9 apprentice assessment conducted with Smart Certified Assessors;
- 3 second client protection assessments conducted;
- 25 Getting Started Questionnaires submitted;
- Over 175 MFI endorsements of the Campaign.

Follow the campaign at [www.smartcampaign.org](http://www.smartcampaign.org)

### ***Learning and Dissemination:***

In this quarter, the main events have been the client protection workshops and assessments. The contents of the workshops include an in-depth review of the six Client Protection Principles as well as a session on how to fill out the Campaign's Getting Started Questionnaire. Each network designed its own workshop with a length and format to best meet its members' needs and interests—some networks decided to hold a one-day workshop with their members, while others chose to hold a multi-day workshop or a training day in conjunction with their annual conference. Several of the networks have used the training materials developed for the training in Mexico City to help provide structure and content for their workshops. At least two networks are planning on hosting a full training on the principles for their members, which is above and beyond the project's original requirements.

Last quarter, the Level 1 networks also began their client protection assessments of member MFIs. During five days in the field, the trainees conducted interviews with MFI staff, observed group meetings and loan disbursements, reviewed institutional documents, and presented preliminary findings to the MFI's senior management. Also, as a result of these assessments and the networks' engagement on client protection, this topic is now gaining traction at the national level in several countries and gaining prominence among networks' member MFIs.

There have been in-depth discussions about the role of client protection in several countries' networks, such as Paraguay and Azerbaijan. In Azerbaijan, the network had a multi stakeholder working group called One Client One Lender, which, as a result of its work with the Smart Campaign has been renamed "Client Protection: Being part of solution but not part of the problem," an initiative that has dropped the focus on one lender per client and instead generated five actions all of AMFA's membership should take to achieve better client protection.

Stakeholders involved this quarter include the network staff carrying out these project activities as well as staff of the MFIs attending the client protection workshops and staff of MFIs that were interviewed during an a client protection assessment. This includes field staff, such as loan officers and branch managers, as well as upper level management and in some cases, members of the Board. Other stakeholders engaged include government officials and policy makers and other industry stakeholders that attended the client protection workshops. In addition, SEEP has held two regional network summits, in Eastern Europe and the Middle East, both of which included presentations on this project. Networks outside of the project were able to learn about the objectives and the activities and were very interested in how to get involved and receive support to carry out activities similar to those undertaken by the project participants.

### ***Next Steps:***

The main priorities for the next quarter are to finalize the schedule with the networks and Smart Assessors for the nine outstanding workshops and remaining client protection assessments. All networks hosting workshops will have technical support available from project staff as they prepare the agenda, content, and responses to questions for their workshops and as they assist their members in completing the Getting Started Questionnaire.

The other priority for the upcoming quarter will be to collect the Getting Started Questionnaires from the MFIs and analyze the data. The information gathered from the questionnaires and the resulting analysis will provide an important window into what the current state of practice is on client protection, including what the main areas of strengths and weaknesses are in MFIs by region. After analyzing the information, the findings will be disseminated among the networks, project implementers and relevant industry partners.

## **B. 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 who 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 is 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 also on who have the potential to engage in economic activities.

During the last quarter, IPA completed analysis of the baseline data and is now continuing to oversee the activities of REST in the field through monthly monitoring visits to ensure that REST's activities comply with the research design and record implementation activities in general. REST facilitators, now implementing the program, have begun conducting individual weekly or bi-weekly meetings with all beneficiaries at the *tabia* level. REST held a business skills/financial literacy training for beneficiaries in February; and added two new components to the program: Voluntary Savings and Loans Associations (VSLAs) to further promote savings and a micro-garden initiative. Beneficiaries have reached the target savings goal (600,000 ETB) in May with savings at DECSI, the MFI partner, and in VSLAs. An international steering committee for the initiative met in May 2011. The Project Coordinator will be leaving at the end of August. IPA will identify a replacement, pending funding renewal. During the next year, IPA will pursue a follow-on award to complete the mid-line and end-line study and analysis of data.

## **C. World Vision: Value Chain Development for Very Poor Households** *(May 2011 – December 2011)*

The goal of the Reaching Vulnerable Households through Value Chain Development Guide is to develop a guide that provides methodologies to improve the down reach of enterprise development programming using the value chain development approach. A particular focus of this approach is on strengthening informal and formal producer groups and facilitating market linkages with the private sector.

Project objectives include having greater market engagement for very poor households through market development activities and to advance the state of value chain development tools for down reach to very poor households using an evidence-based approach through the development of a guide.

This research activity officially began in May and to date, background research has been conducted, current value chain tools have been reviewed, and initial drafts for the introductory and literature review chapters have been written. The team at World Vision is beginning work on drafting the adapted tools for reaching the very poor. The eight case studies (four short and four long) have been selected, and CARE Ethiopia and Cardno Emerging Markets have been secured as partners to write long case studies on their experiences with adapting value chain methodologies for reaching very poor and vulnerable households.

Two of the four short case studies on World Vision's experience (Cyclone Livelihoods Recovery Project in Bangladesh and the PIKA Project in India) have drafts under review. One of the long case studies, Cardno's implementation of the Value Girls Program in Kenya, has also been drafted. The remaining 2 short and 3 long case studies have been chosen but drafts have not yet been completed. The other case studies will include:

- Haiti MYAP: market linkages with export firms (contractor)
- Afghanistan MYAP: market linkages with private firms (Dan Norell, World Vision, Inc.)
- Sierra Leone PAGE program: stakeholder workshops and summits (World Vision Sierra Leone)
- Ethiopia Productive Safety Net Program Plus: graduating from safety net programs (CARE)

- Angola ProRENDA project: working with producer groups (Dan Norell, World Vision, Inc.)

The main goal for the next quarter is to have drafted the actual tools, which have been narrowed down to two:

- strengthening informal/formal producer groups; and
- facilitating market linkages with the private sector.

Working drafts of the eight case studies are also expected to be completed during the next quarter. Additionally, a proposal was submitted to present a workshop at the 2011 SEEP Annual Conference. The workshop would present the case studies of three organizations: CARE Ethiopia and the Productive Safety Nets Program Plus, Cardno and the Value Girls program in Kenya, and World Vision and the PAGE program in Sierra Leone.

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## 1.2 Strategic Learning Initiatives (SLIs)

During the last quarter, Core partners continued to implement SLIs. 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 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. 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 well-respected consultants 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. The tool is being tested in two different field locations (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, which includes Ruth Campbell, Hannah Schiff and consultants Cristina Manfre and Jennefer Sebstad, finalized a framework for applying behavior change perspectives when analyzing gender in value chains, incorporating feedback from experts on the topic gathered through an e-consultation, and finalized a research plan for field testing the framework.

Field projects in Kenya and Ghana have agreed to provide technical assistance with field testing, and in Ghana, the framework was tested in the citrus value chain with ACDI/VOCA's ADVANCE project. A draft preliminary report from the Ghana field work was produced with feedback from the e-consultation (now available for download on [Microlinks.org](http://www.microlinks.org))<sup>1</sup>, and feedback has been given to the consultants for their incorporation into the Kenya field work and synthesis in the final report. In Kenya, the framework

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<sup>1</sup> <http://www.microlinks.org/genderinvaluechains>

has been tested in the sweet potato value chains with local partner FINTRAC. A draft interim report on the Kenya research was submitted by the consultants.

Additionally, a draft of the final synthesis report was submitted and is undergoing review. The report contains many useful insights into analyzing how gender affects three types of behaviors related to upgrading: money management, value chain relationships, and business practices. The research found that many assumptions of gendered roles do not always apply, and there is a need to use good tools to analyze gender's effect on behavior. Implications for gender-sensitive programming are also provided as well as suggestions for further research.

A USAID Breakfast Seminar presentation is scheduled for July 28, 2011 on the research.

## **B. ACDI/VOCA: Value Chain Finance Analysis and Financial Product Guides**

The second SLI led by ACDI/VOCA is to develop and field test two tools for practitioners, including a user guide for assessing financial service needs in priority value chains. This tool will 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 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.

This quarter, ACDI/VOCA's Robert Fries and Dun Grover implemented the analysis tool with the MAJIC team in Jamaica, modifying the format of the analytical tool slightly. The tool and its application allowed staff who are engaged in separate components to more clearly identify a shared strategy and key upgrades and interventions. These were presented to the Ministry of Agriculture, captured in a report, and communicated to the Mission. The improved one page strategy sheets demonstrated its usefulness in defining and presenting a coherent strategy, in addition to helping to prioritize the most critical financial services and related project interventions.

The MAJIC staff (4 in total) learned the VCF process and participated in facilitation of discussion and defining strategies. The methodology and graphic templates were presented to 40 participants in the Value Chain Finance Training delivered by AZMJ and the FAO following the Cracking the Nut Conference.

Next quarter, the project anticipates finishing the final draft of the Value Chain Finance tool. Now that the six-step process is logically mapped and draft tools have been produced, the project will refine these tools for ease of use and clarity of presentation. Additional activities planned for next quarter include:

producing the financial products table with links to existing resources so that financing options can be considered by consulting available online resources; producing a short users guide for the tool that will incorporate and explain the six steps, related graphics and online reference resources; and host a training session that will introduce the tool and guide to ACDI/VOCA staff from the agribusiness, enterprise development and financial services practice areas.

### **C. AFE: Value Chain Facilitation Handbook 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, made significant 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.

Notable activities during the last quarter included review, development and editing of training materials based on the Handbook which include session plans, powerpoint slides, and participatory, adult learning methodologies like cases, skits, group work and question/answer sessions.

#### ***Learning Dissemination and 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.

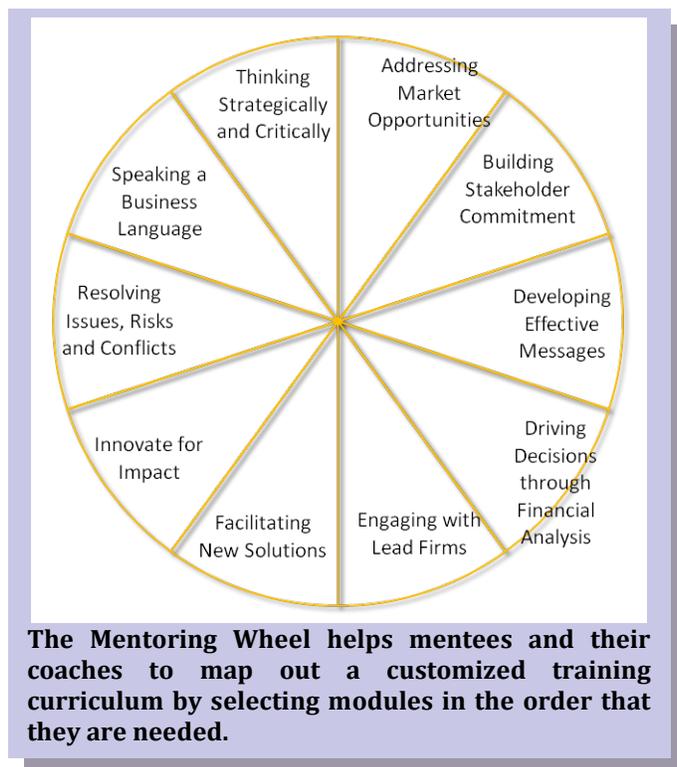
### **D. CARE: Staff Capacity Building in Value Chain Development through Coaching**

CARE’s SLI aims to improve its internal capacity to successfully implement value chain programs using peer mentoring and coaching techniques on market development approaches. CARE’s objectives are broken into two stages of implementation:

- **Phase I:** To develop a formalized coaching system for use by the coaches that will enable remote coaching, supported by one to two visits to the mentee in the country office during that time. The system includes: a kick off training for the cadre of mentees; a mentee self-assessment tool that can be used by coach and the mentee’s manager to determine the mentee’s coaching needs following the intro training and to track progress; and a set of modules/exercises on a range of different hard and soft skills that need to be re-enforced based on the mentees assessment results, which the coach can pick and choose from over the year.
- **Phase II:** To develop the first cadre of coaches in one region of CARE’s operations; promote the scale and continuance of the coaching system by identifying and developing processes to integrate it into CARE’s Human Resources, Field Management and New Business Development operations; and document CARE and MEDA’s learning from this process, both to refine the system to developed and to inform the efforts of other organizations wishing to develop such a system for their own staff or partners.

During the last quarter, CARE and its partners (MEDA, Accenture Development Partners and the GROOVE initiative) finalized the mentoring curriculum (see Mentoring Wheel below) and planning for its launch the week of July 25th in Rwanda. One of the early successes was how engaged the GROOVE members were in the development of the mentoring curriculum and the supporting tools. The other three GROOVE partner organizations (CHF International, Conservation International and Practical Action) participated in reviews of the curriculum, providing meaningful inputs that shaped its direction.

The first week of April, ADP held debriefs on the project with the GROOVE and the participating CARE country offices (Malawi, Ghana and Ethiopia) to gather final thoughts. Amanda Meyer, the ADP lead consultant on the project, also traveled to CARE's Headquarters the last week of April. Upon her return to the U.S. she debriefed CARE's senior management in Human Relations, Strategic Partnerships and Alliances, Program Quality and Impact and Operations on the project and the deliverables.



The rest of the reporting period was spent planning for the kick off training in Rwanda in July as well as finalizing a MOU on the program between the GROOVE members documenting how we would work together in the pilot, co-branding of the mentoring curriculum, and confidentiality.

During the reporting period, CARE also held a meeting with QED and GROOVE to plan for KDMD's support and participation in the event. KDMD will be assisting GROOVE to develop a baseline and monitoring plan for the Capacity Building initiative, as well as supporting documentation of the launch workshop. They will also set up a virtual workspace on Microlinks for the pilot that will be launched next quarter and utilized throughout the next nine months by the mentors and mentees.

### E. Opportunity International: Agricultural Finance Development in Malawi and Uganda

Financial services for smallholder farmers are a critical component for revitalizing agriculture and increasing food security in sub-Saharan Africa yet they are notoriously difficult to provide. Financial products and services for smallholder farmers must address their cyclical cash flows, and need for longer loan periods and bulk financing for investments in inputs for individual crops. Additionally, rural lending, particularly for production, brings a high level of risk related to weather and disease, as well as price risk.

Opportunity International has launched an agriculture finance program that takes a comprehensive view of the farming household's needs, production capacity, crop cycles, and revenue potential. Opportunity International Savings and Loan (OISL) in Ghana and Opportunity International Malawi (OIBM) are included in this pilot project. The program also incorporates 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 its SLI, OI 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 OI's research will be conducted in later periods once agricultural lending activities and data collection are fully in place.

Specific goals of the activity include:

- improving farmer output through **loans for quality inputs and training** in better farming practices;
- developing **strategic alliances** with extension services, agribusinesses, farmers groups and associations;
- creating financial and other mechanisms to **smooth household cash flows** and **discourage side-selling**; and
- providing **access to market information**, and developing linkages to output markets.

In order to meet these goals, the activity focuses on three key areas: **rural lending**, **rural savings**, and **financial literacy**, each of is discussed further below.

### **Rural Lending**

As of May 31, 2011, OIBM and OISL had 4,972 and 2,445 agricultural loan clients respectively. OIBM and OISL are diversifying their portfolios by bringing in new crops. OISL currently loans to farmers whose crops include cocoa, plantains, citrus, and onions and plans to add poultry farmers to the portfolio in the coming season. OIBM's current crops include tobacco, cotton, sugarcane, maize and soybeans. During the last quarter, OIBM mapped and profiled more than 6,000 tea farmers and expects to add those to the portfolio in the next period. OIBM is also considering rice and ground nut pilots later in the year.

The months of April – June represent the harvest period and selling season for many farmers in Malawi. It is also a very critical period for both farmers and OIBM because many of the crops that are sponsored by the bank are very susceptible to side marketing. Reasons for side selling range, from needing cash for a household emergency, to covering basic living costs during the harvest period, to finding that quality of the harvest does not meet the output buyers' standards. Partnerships with extension service providers (ESPs) and contracts with output buyers are effective in deterring some side selling. The benefit of such partnerships was quite evident in Malawi recently where the tobacco auctions opened but due to an oversupply, the tobacco market was very depressed and a large amount of tobacco was going unsold. However, since the tobacco that was sponsored by OIBM was grown on contract, the buyers/ESPs were obliged to buy all the crop.

#### **Key Accomplishments to Date:**

- Opportunity has served **4,972 agricultural loan clients** at OIBM and **2,445 agricultural loan clients** at OISL as of May 31, 2011.
- Financial literacy programs have been implemented in both countries. OISL reaches approximately **19,500 clients each week** with targeted financial literacy topics.
- Opportunity had **284,582 rural savings accounts** at OIBM and **127,469 rural savings accounts** at OISL as of May 31, 2011.
- OIBM has mapped and profiled over **6,000 tea farmers** and will make loans to these farmers in the upcoming season.
- **CRM is live in Malawi.** Testing and data normalization continued in Ghana through June and full CRM implementation is scheduled for July.

### **Rural Savings**

Both countries are experiencing good growth in rural savings. OIBM had 284,582 rural savings accounts as of May 31, 2011. OISL had 127,469 as of this date, already exceeding their December 2011 target. Introduction of new delivery channels such as mobile banks in Ghana and low cost kiosks in rural areas in Malawi have helped drive increased savings.

Despite promising savings growth, Opportunity has identified opportunities to improve savings products and encourage consistent savings behavior. For example, analysis of savings account activity shows that many have a low balance and little activity after opening. Surveys and focus group discussions have uncovered some reasons for underutilization of savings and as a result Opportunity is adjusting marketing plans and products to better meet customer needs. One such product revision under consideration is a “commitment” savings product where, at harvest time a client saves a sum of money which is “locked” and disbursed in agreed installments to cover the clients expenses during lean times. This product ensures clients have funds when needed to meet regular expenses and also promotes good savings behavior. Staff training to increase product knowledge, sales techniques and marketing has also been implemented. Staff training to increase product knowledge, sales techniques and marketing has also been implemented.

### ***Financial Literacy***

Financial literacy training covering basic business management, household financial management, and the benefits of specific financial products has been implemented in both countries. This training is delivered through a variety of mediums including DVDs, comic strips and specialized toolkits which are translated into local languages. The tools and delivery methods are customized to fit each country’s operations and client needs. In Ghana, OISL’s 130 group loan officers train approximately 19,500 clients each week. Loan officers spend 20 minutes on financial literacy at each weekly group meeting. In this manner, each loan officer reaches 150 clients in face-to face sessions using these tools. Malawi’s training is implemented by a dedicated team and encompasses both staff and clients. Staff is trained upon orientation and every six months thereafter. Loan officers train clients as part of the loan application process, utilizing the DVDs and comic strips as appropriate.

### ***Learning and Dissemination:***

Some of the key lessons learned over the course of this project thus far are:

- The quality of the ESPs is essential for project success.
- Many savings accounts show little account activity and low balance after opening. Savings account usage can be improved largely by well trained staff, and appropriate, frequent financial literacy training.
- Mapping and profiling is quite effective in collecting the data needed for agriculture lending but it is most useful and more cost effective after the first loan cycle. This will reduce the number of farmers falling out of the scheme after the mapping process has been completed and also ensures that the loans are utilized effectively.
- Government intervention and/or regulation can interfere with input and output markets and increase the costs of rural lending. An example of this was experienced in Malawi when OIBM had completed the sensitization and selection of more than 2,000 farmers and was prepared to issue loans for farming inputs when the government came in with an input subsidy and the farmers no longer needed loans.
- Side selling remains the largest risk to sustainable lending.
- Agriculture lending generally involves a large number of loans and disbursements that must be processed within a defined period, the planting period, which can be a small window within the entire growing season. The volume of transactions that must be processed within a short time period is a significant challenge in agriculture lending. Technology such as Personal Digital Assistants (PDAs) must be employed to improve and streamline data capture processes.
- Implementation of CRM in Malawi and Ghana as well other Opportunity partners that are part of Opportunity’s agriculture finance project continued to provide valuable learning during this period. Although most Opportunity partners utilize the same underlying banking system, CRM installation is customized in each country to accommodate the specific functionality implemented in each country. Learning from each country installation informs the next and reduces the overall implementation timeline. In addition, learning from these customized solutions will result in a more robust CRM Implementation Document, one of the learning products that will be disseminated upon completion.

### ***Next Steps:***

Both countries will look to expand their portfolios over the next quarter. OIBM expects to make loans to 6,000 tea farmers and 8,000 additional cotton farmers. In addition, OIBM expects to roll –out a soya bean pilot, a partnership with The Clinton Foundation and AGRA, from 120 farmers in the initial pilot, up to 10,000 in the coming season. Through this pilot, OIBM was connected with NASFAM on a similar project of another 10,000 farmers. OIBM is also looking at doing a pilot project with some rice farmers in the north of the country. It is important that all these potential portfolios are explored and the final plans completed during the next quarter so seed and inputs can be sourced in time for the coming season.

CRM will be fully launched in Ghana in the next period. With the CRM tool, OISL will be equipped with quality data to understand their customer base better and will have the capability to quickly and efficiently add new clients and crops to their portfolio.

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## **1.3 Other Leader Activities**

### **A. SEEP Network: Collaborative Learning Networks** *(October 2006 – September 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)<sup>2</sup> on Rural and Agricultural Finance and Food Security (RAFFS) is an action-oriented learning activity that is focused on approaches to and the interconnection of rural and agricultural finance (RAF) and household well-being, including food security. SEEP 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 included five implementing NGO partners:

- Aga Khan Rural Support Programme – India
- Catholic Relief Services (CRS) – Sierra Leone
- Floresta – Tanzania
- Food for the Hungry – Kenya
- Kazhi Kadaimadai Farmers’ Federation – India

During this last quarter, SEEP and the project partners continued to finalize the remaining e-learning product and continued dissemination activities. The final e-learning product to be completed, an online comparative case study, will examine the impact of warehouse receipts activities and delayed marketing on the household food security of rural clients in India. A warehouse receipts system can allow rural farmers to delay sales of recently-harvested crops by providing them with credit, storage space, and market information until the market has stabilized and prices have increased. Project partners the Kahzi Kadaimadai Farmers Federation (KKFF) and the Aga Khan Rural Support Programme—India (AKRSPI) analyzed their own post-harvest activities including warehouse receipts and spot trading to determine whether higher crop prices and increased income for rural farmers could ultimately lead to an

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<sup>2</sup> Find out more about SEEP’s PLP at <http://www.seepnetwork.org/Pages/Initiatives.aspx>

improvement in food security at the household level. Although SEEP experienced unexpected delays in the production of this learning product, it is currently in the final stages of production and will be available by late July/early August 2011.

### ***Learning and Dissemination:***

Dissemination of the suite of RAFFS learning products will continue into the next quarters. Activities include:

1. Creation of a CD with learning products (August 2011)
2. Advertisement of learning products on external industry websites including Microlinks, CGAP's Microfinance Gateway Library, IFAD's Rural Poverty Portal, USAID's FS Share and FAO's Rural Finance Learning Centre (August 2011)
3. Announcements about learning products through regular SEEP communication channels like the monthly news bulletin and quarterly SEEP member newsletter (continuous)
4. Translation of selected learning products into one or more languages (August – September 2011).

## **B. African Diaspora Marketplace (ADM)**

**(April 2009 - September 2011)**

The African Diaspora Marketplace (ADM) is a business plan competition managed by 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 in viable small and medium enterprises (SMEs). Specifically, ADM is intended to be a 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/Foundation, ADM was launched in response to the Diaspora's significant and growing contribution to Sub-Saharan Africa's development.

During the last quarter, there was a lot of activity for the African Diaspora Marketplace. Alden Zecha, CFO and Strategist of Sproxil, participated in the Secretary's Global Diaspora Forum (May 17 – 19) that was held in Washington DC. This event hosted over 300 leaders in the Diaspora community. Mr. Zecha was able to represent both ADM and his successful Nigerian venture at the event. Three grantees—TAF Plc., AMAD Metal Manufacturing and Earthwise Ferries— received grant extensions from May 26th, 2011 to November 26th, 2011. Due to deviations in the business plan, that were the basis of the award that have not been able to be corrected during the life of the grant MicroClinics out of Ghana had their grant end as of April 30, 2011 with a de-obligation of \$30,000.

Many of the grantees have been able to move out of "start-up" mode and begin focusing more on the growth of their business. Highlights of grantee progress this quarter include:

- **Earthwise Ferries Uganda, Ltd.:** Earthwise Ferries formally launched on May 28, 2011 at the Speke resort in Uganda. Ugandan President, his Excellency Yoweri Museveni was presented with the MV Amani by Rob Smith and Calvin Echodu. The First Lady of Uganda visited the MV Amani and crew on June 4, 2011. Her visit spurred her to encourage investors and people that do business in Uganda to speak out about the strong business environment in Uganda.



**Uganda's First Lady Janet Museveni, shown with Earthwise Ferries Staff, visits the MV Amani, Earthwise Ferries' flagship in June 2011. Photo Courtesy of Earthwise.**

Earthwise will be utilizing SlimTrader to facilitate a paperless mobile ticketing service. This is a great combination of innovate businesses working together to help move the passenger ferry service in Uganda forward.

- **Aceritas Goat Ltd.:** The first breeding season has occurred. One of the goats gave birth to twins, however, one died, although 27 of the goats are believed to be pregnant. The veterinarian has a hard time confirming pregnancy due to the already large size of the goats. During the next quarter they will start to grow their own fodder on the farm and are hiring an assistant manager.
- **AACE Foods:** Gained a new customer, UCC, this quarter who has agreed to order jam satchels and provide advertising for the product. Indome, a potential spice producer, has high safety requirements for microbes within the spices. Currently AACE is looking at a healthy (American FDA-approved) method to address these requirements. Most competitors use ethylene oxide which is not FDA approved but allowed within Nigeria. They hope to resolve this issue in the next quarter. AACE won a DFID business innovation fund award this quarter that provides them with 40 days of technical assistance in the areas of jam and baby food.
- **Sproxil, Inc.:** This quarter saw a number of expansions for Sproxil into Ghana (through a hired consultant), a regional office in Kenya (opening an office and bank accounts), and India (where they also hired a consultant). They are continually adding new products and customers. Next quarter will see solid footing for Sproxil in their expanded countries.
- **Palm Fruit Processing:** Needed equipment was shipped and has cleared customs this quarter. Installation of the equipment began this quarter and will continue into next with a potential launch date of July 2011.
- **ANSA Systems, Ltd.:** This quarter ANSA attended The Ghanaian Trade Show with their supplier Eaton. The fair produced a database of potential customers and it showcased ANSA as the main distributor of Eaton products within Ghana. Two technicians have been trained to date.
- **Ghanaian Student Card:** A formal agreement was signed with Fidelity this quarter which will allow access to banking services throughout Ghana. A new office manager was also recently hired and discussions have begun with several private schools to use the Student Card solution. Discussions also continue regarding the Ghana School Feeding Program (which has not yet fully solidified). Pilot programs hope to start next quarter that will be able to leverage the Ghanaian government to utilize the solution for the Ghanaian School Feeding Program.
- **AMAD Metal Manufacturing:** Unfortunately, this quarter saw a continued delay of cement. They purchased cement from a private company outside of Ethiopia and are now waiting for delivery. The building should be completed next quarter.
- **Global Telecommunications/Fleet Management System:** Global Tracking has gained a new pilot, a construction company, which has as many as 2,400 cars as potential units purchased this quarter. 50 more devices were ordered this quarter that will be utilized for pilots. They have partnered with Gilat (an Israeli company) to participate in an electronic cargo tracking system. Discussions began this quarter with Midrock (which owns Sheraton and Pepsi Cola in Ethiopia) and they are expecting to bring in 1,000 trucks to transport the cement to the market. In addition, two more staff members were hired.
- **Cooking Solar Ovens/Tek Consultants:** Factory construction experienced slight setbacks this quarter. A major component of the equipment is the requirement that it be on 100% flat, even ground. Normally a base is included with the equipment, but this was not part of what was delivered in the first shipment so will come in the next shipment in August, along with components for approximately 300 more solar ovens. Mr. Mutebi also attended a conference at the start of June in Germany (14th International Business Forum on Clean Technology).
- **TAF Biotechnology Plc:** The building was completed this quarter with staff identified for hire next quarter. There have been unexpected issues in relation to the delivery of equipment this quarter that is expected to be resolved next quarter. During this quarter TAF travelled to South Ethiopia and talked with different cooperatives that are interested in buying their seedlings, as currently the Government is the only other supplier of seedlings.

- **E&M Capital Tek's Uza-Mazao:** One of the biggest millers, Golden Harvest Millers, has agreed to use Uza-Mazao to find sellers of Maize, wheat and other cereals. Refinements are still occurring and it is hoped that market transactions will occur in the next quarter.
- **AA DT Consultants:** This quarter the foundation was finished and the building should be finished next quarter. The equipment will also be ordered next quarter.
- **AA DT (ESM Engineering):** The building was completed this quarter. The equipment will be purchased and installed next quarter with business expected to begin during the next construction season (after the rainy season).

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## 1.4 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 18 months 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 consistent and well above industry standards.

### B. External Communications

In coordination with the QED Group's efforts to redesign the Microlinks platform, FHI 360 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:

- **HIFIVE Success Story:** "Expanding Agricultural Lending to Help Feed Haiti"
- **PRODEL Success Story:** "Brewing Success for Small Farmholders"
- **PRODEL Success Story:** "Bringing Guayusa to the World Market"
- **LBLI Success Story:** "Investing in Business Linkages: A Lebanese SME Expands into new Markets"
- **LBLI Success Story:** "Women's Rural Development Association in Lebanon Grows out of Seasonal Success"
- **ESAF Report:** "Review of the Current State of Practice of Consumer Protection and Financial Literacy for Financial Services in the West Bank"

All of FIELD-Support's learning products have been transferred from the original microLINKS website to the KDID 2.0 website: [www.kdid.org/projects/field-support](http://www.kdid.org/projects/field-support). The new website is more robust,

interactive and intuitive for users and provides an improved platform from which to showcase our portfolio.

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).

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## 2 Associate Awards

As mentioned, 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.

During the last quarter, FIELD-Support continued 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.

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### 2.1 APTS (Ukraine) (September 2010 – May 2011)

The Agricultural Policy Transition Support (APTS) program in the Ukraine was designed as a bridge grant to build on the work done to date by USAID and other stakeholders to fill some necessary gaps in agricultural development in Ukraine through locally-driven policy research and reform. The nine-month long project was completed on May 31st, 2011. AED implemented 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. The project provided targeted assistance to AMDI in its long-term efforts to support Ukraine in realizing its untapped economic potential in the agriculture sector and therefore strengthen broader economic growth for the country.

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### 2.2 ECYMP (Eastern Caribbean) (May 2010 – November 2011)

FHI 360 has continued the implementation of 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 livelihoods and self-employment opportunities for vulnerable youth. The program is being implemented in two distinct components:

- Component 1: 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
- Component 2: Strengthening **livelihood and self-**

#### *Progress against Select Indicators*

- Established **22 strategic partnerships** between ECYMP and local partners across 5 targeted countries;
- **73 partner staff** members participating in Youth Market Opportunity based Program Design Workshops (PDW);
- **10 youth-serving organizations** have received one-on-one TA;
- **5 Youth Livelihood Training Tools** (YLTT) have been identified and adapted for local partner youth organizations and **20 organizations** have participated in a TOT for the tools.

**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 eight strategic members of the Barbadian business and education community to comprise the Junior Achievement Advisory Task Force (JAATF). This past quarter, the team had meetings with representative from JA Worldwide and the Trustees of the original Junior Achievement Foundation of Barbados. Two departments of the Barbados Government, namely the Ministry of Education and Human Resource Development, and the Youth Development Department in the Ministry of Youth have fully embraced the re-establishment of JA in Barbados and have demonstrated support by bringing publicity and resources to the project. An official announcement of the re-establishment of JA in Barbados was made by the Minister of Education last quarter.

Under the second component, during this quarter key ECYMP activities included the review of concept papers for **Youth Livelihood Development Accelerator Fund** from all six participating ECYMP countries, and the review of applications for Technical Assistance and funding to strengthen Youth Serving Organizations in three countries (Barbados, Dominica and St. Vincent). A very competitive process has resulted from the initial submission of approximately 60 Expressions of Interest to apply for funding for Youth Microenterprise Development. 31 Concept Papers have been received and are being reviewed and evaluated. The first concept recommended for funding will assist seven young entrepreneurs if approved.

### *Lessons Learned and Next Steps*

The transition of ownership of Junior Achievement Foundation of Barbados to Junior Achievement of Barbados, managed by AED until established as an independent entity, has been delayed due to the desire of the old Trustees to vet the new candidates. The project team will address this concern by working more closely with JA Worldwide to establish criteria and identify ideal candidates for the new Board of Directors.

A need was identified to strengthen concept papers from Youth Serving Organizations which do not typically undertake grant writing and funds distribution to clients. The project team will refer candidates for funding to YSOs which are stronger in funds management while developing strategies for continuing to strengthen other YSOs in their areas of expertise. Final approval of the ECYMP Grants Manual is expected in next quarter.



**To support the strengthening of school-to-work transition strategies and pre-employment programs at schools, ECYMP held an official re-launch event of Junior Achievement on June 13, 2011. After two successful pilots in the spring, ECYMP plans to roll out the program in additional schools in September. Photo courtesy of AED/ECYMP**

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## **2.3 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*

- The microfinance institution (MFI) FATEN received an A- rating from Planet Rating, placing it among the top 5% of MFIs globally, as a result of the wide-ranging technical assistance from ShoreBank International (SBI) on business plan and financial statement preparation, human resources development, marketing strategy, and staff training. FATEN also obtained a \$3 million loan from the International Finance Corporation, which SBI helped to facilitate through technical assistance.
- SBI developed a loan officer incentive plan tailored to the needs of REEF, and received the support of the management team pending final approval from the chairman.
- CHF Ryada received verbal approval from the Ministry of Interior and Ministry of National Economy to grant CHF (a non-profit) the authorization to become a majority shareholder in a for-profit entity. This clears a major hurdle in Ryada's planned transformation into a for-profit company, which has been supported by a grant from ESAF. The process is now pending adoption of new microfinance regulations by the Palestinian Monetary Authority, expected later in the year.
- Ryada launched its start-up loan product for youth, designed with support from a grant from ESAF, and approved nine loan applications. Making Cents International conducted a field visit to assess results from the pilot and make recommendations for strengthening the product moving forward.
- The Palestinian microfinance network Sharakeh published its first Arabic newsletter which included two papers prepared by SBI: "Overview of Microfinance in Palestine" and "MSMEs and the Palestinian Economy."
- Sharakeh's MFIs members increased their annual financial contribution to the network, fulfilling a key condition of ESAF's capacity building grant, and thereby strengthening the network's financial sustainability.
- AED and subcontractor the IRIS Center adjusted the Lending and Finance Companies Regulation in response to the PMA Executive Committee's feedback, prior to final approval, which is anticipated to happen in the coming quarter. IRIS also prepared a draft strategy paper to the PMA on Specialized Microfinance Banks, which will be used as a basis for new regulations and/ or instructions.

#### *Key Results for Quarter*

- **148 workshops** were conducted by ESAF partners, the equivalent of 6,194 training days, and **benefited 2,375 participants.**
- **\$18,874,581** in loans were disbursed through financial institution partners.
- **8,253 jobs created** or sustained by program activities.

### ***Banking Sub-Sector***

- Bank of Palestine's (BOP's) microfinance unit further improved its microloan processing, disbursing 79 loans with a value of over \$240,500 during this quarter, with extensive technical assistance from SBI. BOP also adopted an expansion plan for the unit, prepared by SBI, to be implemented over the near to medium term.
- PCB conducted a full launch of their new children's savings account—designed with technical assistance from SBI—and opened 68 new accounts with total savings of \$29,495 (\$430 on average).
- CHF Loan Guarantee Facility's Technical Assistance and Training (TAT) program collaborated with the IFC on an Executive Management SME Banking Roundtable to present case studies highlighting best practices of SME Banking in markets with similar characteristics to Palestine. The event was attended by General Managers of most Palestinian banks.
- CHF TAT initiated ten new Small and Medium Enterprise (SME) Accounting engagements, which will assist SMEs to access bank financing on the basis of improved financial statements.
- Subcontractor Solutions for Development trained 62 staff of partner financial institutions on agricultural subsectors, value chains, and risks. Four two-day workshops were held, reaching the northern, middle, and southern West Bank as well as in Gaza. Solutions also led partner credit staff on a series of 12 field visits to existing clients in the West Bank and Gaza to learn more about their businesses and identify bank financing opportunities in their value chains. Bank of Palestine's Microfinance Unit developed a new agricultural loan application form, with support from SBI, as a result of its participation in the agricultural finance initiative.
- CHF Mortgage Market Development Program (MMDP) designed and launched its second phase of bank training workshops. The workshops covered mortgage product marketing and customer service, and were delivered to 77 participants from three participating banks.
- CHF MMDP translated and finalized Model Homeowner's Association By-Laws and Articles of Association, and trained 58 members from 11 condominium buildings around Ramallah on the formation of Homeowner's Associations.
- WDI's Wealth Management Specialist Dr. Bahbah taught the "Advanced Investment Strategies" course to 29 students at Al Quds University, and the pilot course on "Advanced Financial Management" at Bethlehem University to 25 students.
- With WDI's support, the Palestinian Institute for Financial and Banking Studies (PIFBS) completed five one-week sessions and six courses for the Auditing Diploma certification programs, for an overall total of 246 participants trained from the banking, finance and public sectors.

### ***Insurance Sub-Sector***

- Subcontractor Microinsurance Centre provided technical assistance to two insurance companies, analyzing the current organizational structure and recommending a full Internal Dispute Resolution structure that would form part of each company's claims department.
- The Palestinian Insurance Federation conducted three workshops for industry stakeholders, covering the subjects of ethics, effective negotiations skills and effective communications skills. Workshops were delivered with the support of a capacity building grant from ESAF.
- The Bahrain Institute of Banking and Finance (BIBF) in conjunction with WDI's Actuarial Specialist and Insurance Specialist delivered a two-week training program to 11 staff from the Palestinian Capital Markets Authority (PCMA) Insurance Directorate and representatives from 3 Palestinian insurance companies. Participants received a BIBF Motor Insurance Certificate and 30 learning credits from the Chartered Insurance Institute (CII) of UK.

### ***Gaza Livelihoods***

- CARE distributed 85,000 chicks and related inputs to 85 poultry farmers, and distributed 324 lambs to 81 farmers. CARE's veterinary specialist conducted 691 on-site farm training visits to the beneficiaries to improve their animal care practices.

- Save the Children trained 1,163 youth and TVET graduates on financial literacy and life skills through a 30 hour course, and disbursed 483 start-up business grants based on a competitive selection process. Participants received \$600 up front and an additional \$350 upon meeting grant conditions. To date around 70% have qualified for second grants.
- AED's bank partners issued transferred a first round of matching funds to 1,778 Individual Development Accounts matched savings participants, based on their performance during the first six months of participation. The activity mobilized an additional US\$600,000 in participant savings, for a cumulative total of over US\$1,200,000.
- AED and Subcontractor Talal Abu Ghazaleh facilitated three half-day workshops on SME credit preparedness for 71 entrepreneurs and representatives of private sector associations.

### ***Fixed Capital Financing (Palestine Investment Partnership PIP)***

- Grantees increased revenue against the baseline by US\$5.5 million, and created 23 permanent job opportunities. Grantees increased revenues against the baseline by US\$6 million.

### ***Cross Sector Activities to Raise Awareness***

- AED and subcontractor Making Cents International conducted an evaluation of the pilot results for the financial literacy companion curriculum developed for the 11th Grade Management and Economics course in public schools. Based on the positive results and approval of the Ministry of Education and Higher Education, Making Cents facilitated the first phase of cascading the companion curriculum to train 100 teachers. The curriculum will be taught to 48,000 students during the coming school year.
- CHF MMDP finalized a Homebuyer Education Manual customized for the Palestinian mortgage market, and ordered 5,000 copies for use in upcoming trainings and public distribution.
- As part of AED's capacity building initiative on behalf of the PCMA, PriceWaterHouse Coopers finalized an internal audit policies and procedures manual for the agency.

### ***Learning Agenda***

- ESAF organized a conference on SME Financing, presenting results from the PIP and CHF TAT components and discussing priorities and next steps on Financial Literacy and Consumer Protection. A film and booklet showcasing PIP success stories, and an initial evaluation of PIP, were presented to attendees.
- ESAF collaborated with its national financial consumer awareness campaign partners (the PMA, PCMA, and the PIF) and the World Bank on a conference on Financial Literacy and Consumer Protection.
- Making Cents International accepted ESAF's proposal to facilitate a panel presentation on the program's youth activities for the Youth Economic Opportunities Conference in Washington DC, in September.

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## **2.4 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 | • farm extensions     |
| • supply chains              | • m-payments          |
| • index insurance            | • commodity exchanges |

### ***Knowledge Sharing, Analysis, and Toolkits***

In partnership with USAID, key project activities this quarter included: hosting a brown bag lunch at USAID entitled “Using ICT to Strengthen Farm Extension Services: An Update,” disseminating an ICT demand survey to Feed the Future Mission contacts in sub-Saharan Africa, and drafting four new briefing papers to be finalized next quarter.

### ***Next Steps***

Next quarter FACET will facilitate a webinar presentation on at least one topic related to ICT and Agriculture; continue to produce briefing papers and ICT and Ag profiles; attend the 17th annual European Conference of Information Systems in Agriculture and Forestry with the goal of expanding outreach opportunities with other practitioners in the field, and distribute FACET briefing papers to increase exposure among European practitioners.

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## **2.5 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, the project continued to deal with challenges in support being extended to the Sudan Microfinance Institution (SUMI). SUMI has indicated that it is not interested in further GEMSS technical assistance beyond the data quality assessment and ongoing grant support for the partnership consultancy. The GEMSS team has been working with SUMI to encourage the institution to accept a complete package of holistic technical support.

GEMSS continued to support SUMI in the implementation of the ongoing Fixed Obligation Grant (FOG), working closely with SUMI to help the institution achieve the FOG milestones, as initial indications were showing that SUMI will have trouble meeting the revised and agreed upon dates. The project revised the FOG increasing the total grant ceiling through the addition of two additional milestones. These two milestones have been tied to SUMI’s hiring and management of a partnership consultant. The decision as to whether to provide loan capital to SUMI will be made following implementation of the FOG.

During the quarter, SUMI submitted the MIS procurement documentation as a requirement of the operations FOG and to facilitate discussions with GEMSS on funding. The implementation period for the new MIS software goes beyond GEMSS’ end date, and this calls for innovation in structuring the MIS funding. GEMSS held discussions internally with ACDI/VOCA and consulted with USAID to determine the best approach that would meet USAID grant rules and conditions. GEMSS developed a FOG with payments structured upfront to SUMI to enable them to manage the installation of the MIS software after GEMSS closes in September. The FOG will be submitted to USAID early in the fourth quarter for concurrence.

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## **2.6 HIFIVE (Haiti)** **(June 2009 – May 2012)**

The Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE) Project was launched in 2009 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.

#### ***HIFIVE Catalyst Fund (HCF) Results:***

- **38 grants approved**, totaling \$9.2 million
- 20 grants directly supporting value chain finance and **rural expansion of financial services**;
- 3 grants supporting **ICT improvements** that will expand financial inclusion/client outreach;
- 3 grants supporting **HMMI objectives**;
- 6 MFI **Earthquake Recovery and Stabilization grants**.

During this quarter, the financial sector and our counterparts have continued to move beyond the earthquake recovery stage and have returned to normal operations, including development of long term strategic and capital plans and their implementation, new product development, client service improvements, and technology investments. Larger MFIs and the federation of *caisses* Le Levier have recapitalized, stabilized their financial structure and are moving forward. Some of the smaller, weaker MFIs and *caisses* have been unable to find the resources necessary to do the same. The MFIs and *caisses populaires* in the zone of greatest impact continue to face significant challenges as the economic constraints imposed by the earthquake damage continue to hurt both the clients and the institutions.

Activities that focus on the creation of new products or extension of services to new areas/groups continue to increase for HIFIVE counterpart MFIs, both inside and outside of the impact zone. Major financial institutions are showing increased interest in targeting two key groups that are a part of USAID strategy: SMEs and agricultural and other value chains. For those institutions located outside of the impact zone, primarily the *caisses populaires*, a large demand continues for support to launch new products addressing the needs of enterprises in agricultural value chains and to extend outreach in rural zones.

#### ***Key achievements***

- The BDS activities of HIFIVE via its Technoserve team have struck a responsive chord, resulting in notable advances in improving access to finance for the selected recipients. Tourism activities in the north along with targeted agricultural value chains have been the successful recipients of BDS services.
- HIFIVE has awarded three grants from the HIFIVE Catalyst Fund to support the development of applications and solutions that will contribute to reaching Haiti Mobile Money Initiative (HMMI) goals.
- HIFIVE also successfully completed work with 20 women growers who had received support from the USAID project DEED but needed finance to expand/improve their production. The women have now received credit from SOCOLAVIM in St. Marc.
- HIFIVE has awarded three grants from the HIFIVE Catalyst Fund to support the development of applications and solutions that will contribute to reaching HMMI goals.

## *Development and implementation of financial products and services*

The response to HIFIVE's value chain finance efforts has been striking. Promising pilot projects have been implemented with financial institutions working in coffee, cocoa, mangos, handicrafts, poultry, shallots, tourism/handicrafts and others. 15 grants have been made to support the development of these value chain finance solutions. Additional projects are underway in value chains as diverse as salt, peas, poultry, and peanuts, rice, market gardens, and small equipment finance. The impact of two large grants to our DCA partner DID is now being realized, as the first products were launched: production cycle credit, equipment finance credit, transformation credits. The first loans were made at one participating *caisse* (CAPOSAC) prior to March 31 while additional participating *caisses* began their pilot programs during this quarter. Mango Value Chain Finance Workshop (November 2010) prompted enthusiastic participation by 53 sector participants. HIFIVE has seen substantial grant activity for projects that support these two objectives.

### *Learning and Next Steps*

Moving beyond "recovery," HIFIVE's activities will continue to support the expansion of the financial products and services adapted to the needs of Haiti's MSMEs operating in agricultural sectors, productive sectors, and rural zones. Renewed emphasis on SME lending is critical in helping 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 have been very productive to date. HIFIVE 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. Finally, risk mitigation solutions to stabilize the MSMEs/poorer populations of Haiti and the financial institutions that serve them will be prioritized.

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## **2.7 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 ACIDI/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, which is currently focused on two key industries—Agribusiness and Tourism—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.

### *Progress to date against Select Indicators*

- 12 supplier firms in **agribusiness** and 16 in **tourism** have established business linkages to larger-scale firms
- **55 SMEs** have applied for bank loans or private equity as a result of USG assistance
- An estimate **570 jobs** have been created as a result of expanded business by the participating firms
- **271 agricultural and food related enterprises** have directly benefited from activities (including training and assistance).

During this quarter, the LBLI team reached tangible progress in two tracks of intervention to improve the agricultural sector in Lebanon: access to finance and progress towards Global GAP.

LBLI identified access to finance as a major constraint. Close follow-up with banks and farmers revealed that insecurity related to crops loss, and inability to pay back the loans reduced the demand and supply for agro-finance contracts. LBLI took a step to initiate the basis for what could be a pioneer development project in the Middle East, by facilitating a roundtable with major stakeholders in the agribusiness, finance and insurance sectors. The roundtable aimed at finding common ground for future collaboration and a possible pilot project to test agro-insurance as a linked product to agro-finance, in order to boost farmers' access to loans and thus enable them to improve their crop production.

On another level, the LBLI Global GAP (GG) team made significant progress in preparing GG manuals for the seven participating firms, and followed on site the implementation of infrastructural improvements that will allow them to receive the GG certifications. Moreover, the GG team worked on finding marketing opportunities for the to-be-certified produce. Negotiations are ongoing with Del Monte for possible cooperation.

The LBLI team also helped strengthen the Lebanese agribusiness sector through capacity building and learning sessions that are creating new market opportunities in the US specialty food market and Gulf Cooperating Countries (GCC) markets, by facilitating backward linkages from processors to farmers to product volume and quality, and through identifying and addressing key value chain constraints. The quarter was also marked by new and expanded market opportunities in the U.S. specialty food market through LBLI cost contribution to host significant promotional events for Lebanese food products.

In tourism, Beyond Beirut (BB) undertook measures to attain four out of six milestones of the subgrant agreement that was issued last quarter. "Destination Development" support and "Grass Root Expansion" are two themes that BB provides as a responsible tourism product that marks their presence at the municipal and village level. BB held workshops in the regions for Upper Metn and Jezzine with representatives from local communities, municipalities and tourism stakeholders. At the workshops topics included partnership opportunities for the local communities with BB, developing quality tourism sites and marketing channels. BB subsequently developed specific destination development proposals for the communities.

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## 2.8 LIFT (Global)

(September 2009 - September 2014)

The Livelihood and Food Security Technical Assistance (LIFT) project, a five-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** technical assistance services to U.S. 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**

LIFT and USAID/PEPFAR finalized the 2010 assessment report and began planning for a dissemination workshop with USAID implementing partners to be held in Addis Ababa in August 2011.

### Swaziland

LIFT finalized the Swaziland 2010 assessment report.

### Nigeria

Following up on its scoping mission to Nigeria in February 2011, LIFT continued to consult with USAID Nigeria to clarify its scope for providing technical assistance to PEPFAR partners. USAID identified priority partners for technical assistance and LIFT reached out to these partners and began preliminary discussions about their objectives, capacity and proposed approaches to economic strengthening. The most in depth discussions were with MSH, which is implementing the Community Based Support Project for Orphans and Vulnerable Children (CUBS) with Africare. LIFT evaluated their proposed program with input from USAID in Washington and Nigeria, intending to follow up more closely with MSH on their next trip. LIFT also contacted Save the Children-UK, Hope WorldWide and CRS.

LIFT planned a second visit to Nigeria for July 2011. The purpose of this visit would be to meet with select partners one-on-one to discuss their programs in greater detail to determine what support LIFT could provide; meet with USAID to clarify criteria for providing assistance to select partners and to discuss modalities for delivering assistance; and provide a two-day training in economic strengthening for all PEPFAR partners who are implementing or plan to implement these activities.

### Democratic Republic of Congo (DRC)

At the request of USAID/DRC, LIFT and FANTA-2 developed the scope of work for a joint assessment to take place in July 2011. Objectives include: (1) reviewing existing nutrition, food security and economic strengthening activities in the DRC targeting HIV-affected populations, linking to HIV services, or operating in areas of high HIV prevalence, (2) identifying opportunities to strengthen programming; and (3) preparing a scope of work with PEPFAR/DRC detailing future food security, nutrition and HIV technical assistance activities, to be implemented using PEPFAR resources.

### Global Activities

**Global Fund Toolkit:** LIFT has been asked to provide technical expertise to country teams on Global Fund proposals toolkit to build capacity of consultants working in the field. LIFT will team with FANTA-2, WFP and other international organizations to incorporate livelihoods into the nutrition model.

**MicroLinks Wiki:** LIFT has been invited to contribute to the development of a MicroLinks Wiki related to Vulnerable Populations. LIFT Consultant Ben Fowler has been working together with Technical Specialist Ben Rinehart, beginning with a focus on the Food Security component. LIFT has also been requested to provide additional resources and technical expertise related to Value Chain and Enterprise development areas of practice.

**Promising Practices Linking Livelihood Interventions and Clinical HIV Services:** LIFT has been conducting a research activity in Ethiopia to identify promising practices and challenges in linking livelihood interventions and clinical HIV services. The findings of this research are expected to be available by September 2011. LIFT also held several discussions with USAID to begin planning the implementation of a Nutrition Assessment Counseling and Support (NACS) referral system, where LIFT would play a role in conducting research, developing models, and providing assistance with their implementation, monitoring and refinement. Finally, LIFT discussed plans with FANTA-2 for conducting an assessment of opportunities for implementing similar referral systems in Namibia.

## *Plans for Next Quarter*

### **Global**

- Hold a two day Partners' Meeting in Washington DC to refine LIFT's strategic and work plans, and clarify the role of consortium members.
- Deliver proposal for implementation of the NACS Referral Systems activity.
- Provide training to USAID and partners in Washington DC on economics strengthening for OVC.

### **Country Specific**

- Conduct a joint LIFT/FANTA-2 assessment in DRC to review existing ES/L/FS activities and identify opportunities for new activities.
- Plan technical assistance activities in Namibia for PEPFAR partners to improve the quality of economic strengthening, livelihoods and food security activities and develop referral systems linking these to clinical nutritional services.
- Conduct a follow up mission to Nigeria to provide a two-day training to PEPFAR partners, consult with USAID/Nigeria on the longer-term role for LIFT, and provide one-day consultations to select partners.
- Conduct an evaluation in Rwanda of the capacity of government partners to manage and support OVC programs and determine technical assistance needs.
- Conduct a one-day dissemination workshop with partners in Ethiopia.
- Save the Children will conduct field-based research in Ethiopia into promising practices in linking livelihood strengthening and clinical HIV services. LIFT received funding from the PEPFAR Care and Support Technical Working Group for this activity, which will involve a global literature review in addition to the field work, and will result in a summary presentation of finding, a guidance document on promising practices, and a brief case study on referral systems between clinical services and livelihood programs.

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## **2.9 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.

### *Illustrative Indicators and Life of Program Targets*

- 13 laws will be reviewed in light of PPP Law requirements
- 70 stakeholders will participate in familiarization tours regarding PPP Unit implementation and operations
- 125 government employees and 55 nongovernmental employees will receive training in PPPs
- 10 PPPs will be USAID- approved for implementation using P3DP resources

P3DP received accreditation approval on April 13, 2011 by the Ministry of Economic Development and Trade (MOEDT) of the Government of Ukraine (GOU). This accreditation allowed many long-term activities previously held in abeyance to be initiated or proceed after the first two quarters of P3DP's "unofficial" startup status. However, even while awaiting accreditation, sound progress in the field with both counterpart personnel and potential PPP pilot project initiatives was made. Further progress

should be accelerated when Implementing Partner resources become available to augment the P3DP staff contributions.

### *Key achievements*

Two of the most significant achievements of the quarter were: 1) the level of agreement between P3DP and MOEDT personnel on the incorporation of activities from the MOEDT Action Plan into the updated P3DP Work Plan for Year 1; and 2) the positive acceptance of USAID regarding the continued development of six potential PPP pilot projects. Each of these items sets the stage for next quarter's activities and portends of continual future cooperation among important P3DP partners.

On June 26-29, 2011 P3DP organized a PPP study tour to Zagreb, Croatia for a group of 12 governmental officials involved in PPP development in Ukraine. Participants were represented by the Ministry of Economic Development and Trade of Ukraine, Ministry of Finance, Ministry of Housing and Communal Services of Ukraine, State Agency for Investment and National projects, and experts of the PPP Interagency Working Group. The goal of the study tour was to introduce participants to successful PPP unit and PPPs in order to assist them in formulating educated opinions on the roles and functions of PPP unit in Ukraine.

Participants were exposed to models, functions, roles and practices of the PPP unit operation in Croatia that have resulted in successful PPP implementation, with the expectation that they will be able to decide what principles and practices observed and discussed are applicable to PPP unit to be established in Ukraine. The group was hosted by the Croatian Agency for Public-Private Partnerships. In addition to meetings and presentations at the Agency, participants visited schools that were built under PPP model in the city of Varazdin and met with the leaders of Varazdin City and representatives of private company involved in PPPs.

### *Next Steps*

P3DP will conduct additional study tours to St. Petersburg (regarding PPP Unit design considerations) and perhaps to one or more cities in Poland (regarding assessment of successful PPP projects that might be replicable in the Ukrainian legal and governmental environment). Post-tour activities will be developed to assure that knowledge gained from the trips is captured as part of the future resources needed to establish the PPP environment in Ukraine.

A knowledge management strategy will be developed to include the design and dissemination of capacity development and pilot awareness campaigns as well as a learning component to share P3DP's work with the FIELD-Support consortium. Other activities include assisting the GOU in drafting a "PPP Strategy;" serving in and gaining support through P3DP representatives' memberships in the MOEDT PPP Interagency Working Group; and the continued development of understanding and relationships with both international and Ukrainian financial sector entities to define their potential interests and capabilities in financially supporting PPP pilot projects.

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## 2.10 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.

### *Progress to date against Indicators*

- 43 urban and rural anchor firms engaged (includes 20 from PRODEL I and 23 from PRODEL II)
- 17 PRODEL anchor firms have provided technical assistance to 7,038 producers, through 277 Farmer Field Schools (FFS)
- 12 Municipalities served and are contributing to improving the business environment
- 9,007 beneficiary families
- 5,175 new full-time jobs created

### *Key Achievements:*

- 1,715 new beneficiary farmer families were linked to the 23 participating anchor firms, increasing new and improved hectares of licit crops by 1,171.
- Participating farmer groups' sales to anchor firms increased by 17% from \$3,711,888 to \$4,352,327.
- A total of \$444,073 USD was disbursed through the EDF to benefit 20 anchor firms and their producer groups.
- PRODEL reached 734 producers through the Financial Literacy Farmer Field Schools this quarter and all 677 producers who have successfully completed the Financial Literacy Program to date, are now linked to a financial services institution.
- As of June 30, 2011, PRODEL-assisted anchor firms had organized 277 Farmer Field Schools, reaching 7,038 producers linked to 17 anchor firms. There are currently 51 technical trainers facilitating the FFS.
- CQI's barista training expert, Roukiat Delrue instructed 43 Ecuadorian barista candidates in Quito and Guayaquil in an effort to improve product quality and build a consumer culture for the coffee value chain in Ecuador.

Additionally, PRODEL worked with the French-Ecuadorian Chamber of Commerce, Fedexpor, Pacari Chocolates, and the Catholic University to organize and host the first national Chocolate Salon held in Quito. Approximately 6,300 people visited the event that featured 24 stands from local providers including eight PRODEL anchor firms. The Ministers of Agriculture, Livestock and Fisheries (MAGAP) and Industries and Productivity (MIPRO) attended the inauguration of the event.

PRODEL also worked closely with ProEcuador of the Ecuadorian Ministry of Foreign Affairs to co-sponsor an Ecuadorian pavilion at the Specialty Coffee Association of America (SCAA) Trade Exposition in Houston, Texas. The top five finishers from the 2010 Ecuadorian Golden Cup specialty coffee competition, all of which currently participate in PRODEL, were represented at the Exposition, in addition to Café Río Intag, Café Galapagos and Café Galletti.

## *Learning and Next Steps*

Due to financial constraints experienced by USAID during this past quarter the decision was made to limit the number of anchor firms for the current fiscal year to 28 instead of the 34 as originally planned. As a result, the PRODEL team has made the effort to prioritize four firms to be selected in the early part of the 4th quarter of FY 2011. Emphasis will be placed on selecting anchor firms linked to producers in the northern border region of the country as a result of interest expressed by local Ecuadorian government counterparts. In addition, late in this 3rd quarter of FY 2011 the Agriexell anchor firm made the decision to withdraw from the program due to more favorable market conditions with a group of producers outside of the PRODEL area of influence. The PRODEL team had worked closely to develop strategic and business plans over the past year with Agriexell as well as a proposal for the project for the Economic Development Fund. PRODEL has begun the process to search for a replacement for Agriexell, but due to this withdrawal the number of anchor firms decreased this quarter from 24 to 23.

Next quarter, the project will work to further develop and prepare documents for publishing as part of the knowledge management component; facilitate a Training of Trainers workshop using the FFS methodology for the technical personnel of new PRODEL anchor firms; lead a workshop on cacao grafting in the Northern Amazon region and produce technical materials to support follow-on actions in the field; continue working with the CoDesarrollo and Mushuk Kawsay Savings and Loan Cooperatives to develop and offer the value chain financing mechanism among their local producer partners, focusing on the agricultural credit review process; and, in close coordination with its financial services partners, including the Rural Financial Network and the pilot project financial institutions, identify new and alternative financing mechanisms for value chain stakeholders that will further facilitate their access to appropriate financial resources and increase cash flow within each value chain.

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## **2.11 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. Under STRIVE, FHI 360 manages 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. The four country-based programs being implemented under STRIVE are:

- **STRIVE Philippines**, a value chain development project managed by **Action for Enterprise (AFE)**, that seeks to measure the effects of increased household income on children's health and education outcomes in poor coastal communities in the Philippines by applying a "lead firm" approach that is working through larger scale firms to create more sustainable economic opportunities for vulnerable producer groups and households;
- The **Afghanistan Secure Futures (ASF)**, implemented by **MEDA and AED**, is a construction value chain project that is focused on strengthening workshops that employ youth apprentices to increase their business opportunities and improve youth workforce development opportunities.
- 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
- **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;

## ***Highlights from Last Quarter***

### ***STRIVE Philippines—AFE***

The approach taken in STRIVE Philippines is to upgrade key private sector actors (exporters, suppliers, etc.) and thereby expand opportunities for rural producers/collectors to increase income and improve the well-being of their families. The project develops and promotes sustainable private sector-driven solutions to increase the growth of selected value chains; builds on existing market-based activities and relationships; and serves as a catalyst for private sector innovation and competitiveness.

This quarter, STRIVE Philippines facilitated a workshop (which is potentially the first of a series of workshops) targeting housewares exporters on topics related to market sustainability, expansion, and development. This workshop, entitled “Sustaining Your Market,” took place in June and brought 26 export companies (including all the STRIVE lead firms) from Cebu, Bohol, Bicol, and Manila together with relevant support organizations. A panel of guest speakers from a range of buyer/market segments presented their requirements for vendors/suppliers, key drivers of their sourcing criteria, and trends in the market. Using these common performance requirements, participants then completed a brief self-assessment to help gauge their ability to respond to the needs of their current buyers. Based on the results of this initial workshop, there may be scope to conduct follow-up workshops on other topics including market expansion and ensuring raw material supply.



**Training for new weavers in Masbate.**  
*Photocredit AFE*

Next quarter, STRIVE Philippines is planning to cost-share targeted lead firms’ attendance at the upcoming New York International Gift Fair (NYIGF) in August. Attending NYIGF will enable them to gain exposure to and begin networking with a new distribution channel of importer-wholesalers in the U.S. Most STRIVE Philippines lead firms have the scale and production capacity to take advantage of opportunities for U.S. market expansion with these importer-wholesalers.

### ***Afghanistan Secure Futures (ASF)—AED and MEDA***

ASF promotes business development and market linkages in the construction industry (primarily in the carpentry and metal working sub-sectors). The project works to build workshop capacity in a range of areas and to link strong and strengthened workshops to higher-value markets. In addition to strengthening Afghan markets and improving income for workshops and apprentices, the project seeks to enable improvements in the safety and well-being of children working as apprentices in these businesses. ASF is currently reaching 363 workshops and 1,080 apprentices. To date, all workshop owners who have received loans and capacity building trainings through ASF have received multiple business contracts. In addition, ASF has helped establish seven literacy centers that are providing supplementary education to youth apprentices. The centers have trained 220 youth and the tailored curriculum will eventually be approved by the Ministry of Education. Once approved, the curriculum, which is the first of its kind for street and working children in Afghanistan, will be printed and disseminated to all agencies and NGO partners working with children.

Building on the success of the local product exhibition last year, ASF is planning another large local product exhibition in July, to raise awareness of the quality and variety of products being produced by Afghan workshops.

## Supplementary Education for Apprentices



The ASF program has been supporting a literacy class in the Koti Songi area of Kabul for the past four months. Twenty six students – ranging in ages from 10 the students, this is their first formal learning experience. All work as apprentices in metal or carpentry workshops and many plan to eventually open their own shop. In a recent focus group led by MEDA M&E staff, the apprentices in the literacy programs spoke of how positive the experience of has been for them. They realize that by attending classes, and learning to read and write, they can overcome a significant barrier in their lives.

Improving apprentices' skills and earning potential has the potential for significant follow-on effects. In one-on-one interviews, the apprentices said that the money they make is a significant portion of their household income. Most live in households of 6 or more, where only one or two members are working.

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

Agriculture for Children's Empowerment (ACE), managed by ACDI/VOCA, is developing the entrepreneurial mindsets and skill sets and linking Liberian farmers into profitable value chains with the goal of increasing income, improving nutrition, and reintegrating families by enabling caregivers to support their children. The project aims to: increase local production of key staple foods by strengthening the vegetable and rice value chains in Liberia's Bong and Nimba counties; and magnify impacts on child well-being by targeting communities with public information campaigns about children's nutrition and the value of education.

To that end, activities focus on improving agricultural upgrading in targeted communities, integrating the value chain system and facilitation tactics to foster incentives and relationships that result in on-going upgrading. One way ACE does this is by strengthening the linkages between input providers and farmers, for example through crop trials for farmers.

Major activities during the quarter include the procurement of improved seed rice (LAC 23), which was not readily available even through the Ministry of Agriculture and other government institutions. The seeds were obtained through a previous relationship with LIFARCO, who facilitated a linkage with the only supplier in-country who could meet ACE volume requirements, allowing the provision of rice seed within the principles of value chain facilitation.

Smallholders have demonstrated their trust in ACE and their investment in rice production in two key ways. First, they agreed to collect seed from centrally located distribution points, rather than expect it to be delivered directly to their door, as has traditionally been the case in other projects. Smallholders were responsible for transportation costs from the distribution points to their communities, and they organized representatives to collect and transport the seed to their communities. Secondly, smallholders were asked to take direct ownership of risks by signing for the seeds individually, as opposed to entering collective contracts, as had been done for the pilot. This indicates smallholders' willingness to be accountable for performance and to allocate personal resources such as land and labor, to the activity. In addition, the roll-out of the Farmer Financial Diary to track farmers' income and expenditures has boosted farmers' confidence in the project, strengthening the relationship between farmers and the project. ACE is working through lead farmers and cluster heads to strengthen farmer-to-farmer relationships and increase extension outreach.

Many smallholders are reporting increased sales to repeat buyers, and a key element of sales is the adoption of improved practices. Vegetable productivity has reached 355 kg/household, just under the target of 360 kg/household. These gains are largely the result of adoption of improved practices among smallholders. Since October, ACE has observed that smallholders who have successfully followed technical guidance have seen gains in productivity. The project has consistently tracked at least 292 smallholders who report a correlation between their productivity and the skills they have acquired through project extension efforts. The majority of these smallholders report gradually investing in upgrading practices after experiencing productivity and income gains linked to their collaboration with the project. Most smallholders working with ACE averaged only 120kg at baseline and now have reached 355kg, only 5kg short of the target value, which was set based on the average production for larger-scale or wealthier smallholders. The project is confident that it will reach over 90% of its productivity and income targets in 2012.

### ***STRIVE Mozambique—Save the Children***

The STRIVE Mozambique project is designed on the premise that village savings and loan (VSL) groups and rotating labor groups (called Ajuda Mútua, or AM) reduce food insecurity for households and thereby improve nutritional outcomes for children. The project will measure, evaluate, and document the impact of VSL groups on participating households, while comparing outcomes for households who participate in smaller Ajuda Mútua rotating labor groups and households that do not participate in either type of group. Through the project's experimental design, a new body of evidence will be generated to document the specific impact that VSL and Ajuda Mútua groups have on child nutritional status, household income, and social capital.



***Women of a VSL learning lessons about business skills. Photocredit Save the Children***

To date, the STRIVE project has 11,674 members in 551 groups, an increase of approximately 2,424 new beneficiaries since last quarter. Of the total number of beneficiaries, about 8,296 belong to independent groups that have graduated from direct oversight by STRIVE Mozambique. To date, a total of 2,143 loans have been given to VSL members. This corresponds to a cumulative figure of 1,954,330 metcals with the approximate value of \$69,797. In the reporting period, 674 loans were given to VSL members. The 674 loans were used for developing business activities such as: selling peanuts and vegetables, selling basic necessities (soap, sugar, salt, cooking oil and lighting fuel). Women often take loans to undertake domestic production of bread, cakes, alcoholic beverages, and fried and dried fish, some of which are consumed by the household, and some of which are sold in the local weekly markets.

In managing the Ajuda Mutua rotating labor schemes, STRIVE Mozambique has learned that giving freedom of choice to determine what projects they will undertake is vital. There should be no expectation that projects will be “equal” among groups or among member households within the same group. Groups should set their own criteria for how they will work together, and households should have the ability to identify their own needs and determine their own priorities when it is their turn to receive shared labor. Freedom of choice empowers households and contributes to sharing the gains of the pooled labor amongst all the participants. It opens a window of opportunity for other households to learn about activities that they were unaware of previously.

Examples of learning that has been shared among Ajuda Mutua households and groups include weaving baskets, which has become an income generating activity for an Ajuda Mutua group in Mogincual; and building houses with separate rooms, which is not a traditional practice in coastal districts of Nampula but which is spreading, since some group members advocate for the style, and participating households now have the labor to partition their houses, if they so desire. This method of implementing mutual aid,

which does not obey the rigid criteria of obligation and which depends on the households themselves deciding which activities will be carried out, can be replicated or used as a model for other projects similar to STRIVE.

### **STRIVE M&E:**

IRIS has begun work on a child-focused M&E component to PRODEL, an existing FIELD-Support economic strengthening project in Ecuador (see Section 3.10). PRODEL, which is also managed by ACDI/VOCA, is expanding activities to new lead firms, which offers an opportunity to create an evaluation design with a counterfactual, and thus add value to STRIVE learning through an additional rigorous evaluation. In this quarter, IRIS conducted a survey firm competition and hired a local program manager to gain buy-in from the anchor firms and track the treatment and control producer groups. IRIS began revising the Ecuador research plan based on PRODEL’s activities. A revised research plan is in process and will be submitted once producers are selected, which is due to start in August and go through October.

IRIS has also been involved in discussions with all the other partners throughout the quarter around a variety of issues, such as producing several tools for impact assessments efforts related to the ACE project including a quantitative household questionnaire, multiple qualitative protocols, training materials, a computer-assisted personal interview (CAPI) data entry template, and a sampling frame for the ACE-run farmer diary.

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## **3 Staffing**

The staffing structure for the FIELD-Support AED HQ staff (as of **May 1, 2011**) is presented below by the Projects they support:

<b>Person</b>	<b>Title</b>	<b>Project(s)</b>
Paul Bundick	FIELD-Support LWA Project Director	All
Carrie Keju	Associate Award Project Director	ESAF, GEMSS, LBLLI, APTS
Laura Barland	Program Officer	LBLLI, ESAF (PIP)
Rada Lankina	Program Officer	GEMSS, APTS, ESAF
Sarah Mattingly	Associate Award Technical Director	ECYMP, HIFIVE, PRODEL
Kelly Keehan	Program Officer	ECYMP, HIFIVE, PRODEL
Ben Rinehart	Technical Specialist	LIFT
Jennine Carmichael	Program Officer	LIFT, STRIVE
Clint Curtis	Program Officer	LIFT, STRIVE
Jason Czyz	Associate Award Project Director	P3DP
Liz Layfield	Program Officer	P3DP
Nussi Abdullah	Technical Manager	Leader
Samantha Ackerson	Program Officer	Leader
Jeffrey Mau	Operations Officer	Leader, PRODEL, HIFIVE

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## **4 Next Steps**

On July 1st, AED's US government contracts—including the entire FIELD-Support LWA and its portfolio of Associate Awards—will novate to FHI 360, which is the name of the newly combined organization of FHI (Family Health International) and a newly formed LLC, FHI Development 360, into which the AED staff, assets and projects were transferred. While we anticipate that the next quarter will include

administrative tasks to ensure the successful acquisition and novation of US government contracts to FHI 360, FIELD-Support will remain focused on the job at hand, effectively manage our current portfolio and learning agenda and make preparations to re-launch the program when it becomes possible to do so. To that end, AED's priorities for the FIELD-Support LWA are as follows:

- **Associate Award Development:** As soon as novation is complete, inform USAID missions and operating units about the novation of FIELD-Support from AED to FHI 360 management and re-start outreach and prime funds for associate award development.
- **Associate Award Management:** Continue oversight and management of existing Associate Awards to ensure best possible results and client satisfaction.
- **African Diaspora Marketplace (ADM):** Continue phone and site monitoring of grant recipients and prepare for second tranche of payments
- **Pilots and Strategic Learning Initiatives (SLIs):** Continue to monitor and support pilot projects and SLIs.
- **Knowledge Management:** Continue developing, reporting and disseminating learning from leader activities and AA, through FIELD Briefs, FIELD Reports and events, etc. Engage consortium experts to develop state-of-the-practice overviews in emerging areas of interest for microenterprise development.
- **Partnership Relations and Re-Launch:** Continue to strengthen internal communication, and discuss and implement recommendations from the FIELD-Support internal review process. Hold consortium workshop in September to re-start FIELD-Support and re-energize partner commitment to and USAID confidence in the LWA mechanism.

## Annexes

### Annex A: List of Current Pilot Activities

(Current as of March 31, 2011; presented in alphabetical order by implementing partner)

	Pilot Activity	Implementing Partner(s)	Country	Period of Performance	Status	Award Value
<b>A</b>	<b>Consumer Protection Principles (SMART Campaign)</b>	<b>ACCION (CFI) and SEEP</b>	<b>Global</b>	<b>10/15/2010 – 10/31/2011</b>	<b>Open</b>	<b>\$199,361 (ACCION) \$199,658 (SEEP)</b>
	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.					
<b>B</b>	<b>Graduating the Poorest into Microfinance: Linking Safety Nets w/ Financial Services</b>	<b>IPA</b>	<b>Ethiopia</b>	<b>8/3/2009 – 08/30/2013</b>	<b>Open</b>	<b>\$224,224</b>
	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.					
<b>C</b>	<b>Value Chain Development for Very Poor Households</b>	<b>World Vision</b>	<b>Bangladesh India Kenya Haiti Afghanistan Sierra Leone Ethiopia Angola</b>	<b>3/1/2011 – 12/31/2011</b>	<b>Open</b>	<b>\$150,000</b>
	For this activity, World Vision will develop a “Reaching Vulnerable Households through Value Chain Development Guide” which is designed to provide methodologies to improve the down reach of enterprise development programming using the value chain development approach. A particular focus of this approach is on strengthening informal and formal producer groups and facilitating market linkages with the private sector. Project objectives include having greater market engagement for very poor households through market development activities and to advance the state of value chain development tools for down reach to very poor households using an evidence-based approach through the development of a guide. The guide will include 8 case studies from a range of USAID- and non-USAID-funded programs.					

## Annex B: List of Strategic Learning Initiatives (SLIs)

(Current as of March 31, 2011; presented in alphabetical order by implementing partner)

	Partner	SLI Title	Activity Budget
<b>A</b>	<b>ACDI/VOCA</b>	<b>Increasing Awareness of Gender Issues in Value Chain Development</b>	<b>\$149,208</b>
	<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>		
<b>B</b>	<b>ACDI/VOCA</b>	<b>Value Chain Finance Analysis and Financial Product guides</b>	<b>\$151,268</b>
	<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"> <li>• What are the key opportunities for expanding sales and upgrading in this value chain?</li> <li>• What are the key financing requirements to pursue these opportunities?</li> <li>• What are the key constraints to their delivery?</li> <li>• Who has the incentives to deliver the services?</li> <li>• What project interventions are necessary and with whom?</li> <li>•</li> </ul> <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 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.</p>		
<b>C</b>	<b>AFE</b>	<b>Facilitation Working Group Phase II</b>	<b>\$144,571</b>
	<p>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,</p>		

	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.	
<b>D</b>	<b>CARE</b>	<b>Capacity Building Concept for CARE Staff on Implementation of Value Chain Programs</b>
	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.	
<b>E</b>	<b>Opportunity International</b>	<b>Smallholder and Rural Household Agriculture Study</b>
	<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"> <li>• 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?</li> <li>• What is the impact of these strategic partnerships on farmer households? Has crop productivity increased? Have household incomes increased?</li> <li>• How do key value chain interventions mitigate risk and support the extension of financial services into rural areas and into the agriculture sector?</li> <li>• What are the critical success factors to delivering financial services in rural areas and to agriculturally-dependent households?</li> </ul>	

## Annex C: List of Current Associate Awards

	Implementing Partner(s)	Countries of Implementation	Period of Performance	Award Value
1	<b>Agricultural Policy Transition Support (APTS)</b>			
	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 <b>Agrarian Markets Development Institute (AMDI)</b>, 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	<b>Eastern Caribbean Youth Microenterprise Program (ECYMP)</b>			
	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	<b>Expanded and Sustained Access to Financial Services (ESAF)</b>			
	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	<b>Fostering Agriculture Competitiveness Employing Information Communication Technologies (FACET)</b>			
	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>				

<b>5</b>	<b>Generating Economic Development through Microfinance in Southern Sudan (GEMSS)</b>			
	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.				
<b>6</b>	<b>Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE)</b>			
	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.				
<b>7</b>	<b>Lebanon Business Linkages Initiative (LBLI)</b>			
	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.				
<b>8</b>	<b>Livelihood and Food Security Technical Assistance (LIFT)</b>			
	AED, CARE, SAVE	Sub-Saharan Africa	9/2009 – 9/2014	\$4,135,862
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.				
<b>9</b>	<b>Ukraine Public Private Partnerships (P3DP)</b>			
	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.				
<b>10</b>	<b>Ecuador Local Business Development (PRODEL)</b>			
	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	<b>Supporting Transformation by Reducing Insecurity &amp; Vulnerability with Economic Strengthening (STRIVE)</b>		
	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>			