



FIELD-Support LWA

Quarterly Report October - December, 2011

The Financial Integration, Economic Leveraging, Broad-Based Dissemination Leader with Associates
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*On July 1, 2011, FHI acquired the programs, expertise and assets of AED.

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1 Introduction

FIELD-Support is a Leader with Associates (LWA) Cooperative Agreement between the Office of Microenterprise Development in USAID (EGAT/PR/MD) and FHI 360.¹ FIELD-Support encompasses both a core **Leader** award and a mechanism for USAID Missions to issue **Associate Awards**. Since its inception, the LWA has grown to include a portfolio with a total value of more than \$272 million, which includes both the Leader cooperative agreement (\$19.7 million over eight years), and 16 Associate Awards.

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 in close collaboration 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 FHI 360, and a series of pass-through grants to the SEEP Network in support of their Practitioner Learning Programs (PLPs) and Implementing Grants Programs (IGPs). See Annexes A, B, and C for an overview of all of FIELD-Support's current Pilot activities, SLIs, and Associate Awards, respectively.

2 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 assist 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 19 leader activities plus 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 leader activities and SLIs that are still currently being implemented are discussed in Sections 2.1 and 2.2 below.

¹ 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.

2.1 Leader Activities

A. ACCION CFI & the SEEP Network: Consumer Protection TOT (SMART Campaign) (October 2010 – March 2012)

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. This activity was designed to work with microfinance networks and associations to enhance their capacity to educate, assess, and change actual practice on the Client Protection Principles with their member MFIs. One of the main goals of the project is to build capacity within the local microfinance associations so they can move this work forward through outreach, training, and assessment of their members. The activity delivers these skills through a mix of classroom training and field work. All participating networks receive the classroom training while a subset also nominate an individual staff person to learn the client protection assessment methodology in depth, which includes an apprentice assessment by accompanying a “Smart Certified Assessor,” and then, depending on their level of certification, either implementing full assessments for their member MFIs or more generally supporting the assessment process and preparing MFIs for assessments and/or the upcoming certification of Client Protection Practices.

Progress at a Glance:

- 31 participants from 19 networks completed the “Putting Principles into Practice” training;
- 24 participants from 13 networks completed “Smart Assessors” training;
- 19 client protection workshops held with over 300 MFIs in attendance;
- 13 apprentice assessment conducted with Smart Certified Assessors;
- 11 second client protection assessments;
- 158 Getting Started Questionnaires submitted;
- 233 MFI endorsements of the Campaign. and
- 2 Smart Notes in production, 3 in development.

Follow the campaign at www.smartcampaign.org

It was originally thought that the project would end at the end of 2011, but due to unexpected circumstances in several countries, a few assessment activities were delayed and a second no-cost extension was granted in order to complete all of the project deliverables. The objective for last quarter was to complete the remaining workshops and assessments and to finalize as much of the trainee evaluations and expense reporting as possible. One additional client protection principles workshop was held in Yemen after being postponed for months due to the unstable environment in the country. Similarly, Sanabel, the Microfinance Network of the Arab Countries based in Egypt, was able to carry out its first external client protection assessment which had also been delayed due to the political unrest earlier in the year. Five additional external CP assessments were conducted in the last quarter and only three remain for Q1 of 2012 (Jordan, Russia, and Nepal).

At the end of Q1, SEEP conducted a survey with all the project’s participants to gather feedback on their views of the project’s implementation and the role of networks in client protection for the future. Overall, the responses were positive and 50% of the respondents were very satisfied with the project, while none reported being dissatisfied with the project. The responses indicate that although the networks invested a lot of staff time and resources, the project provided increased value. All of the networks surveyed plan to continue to work in the area of client protection in some manner in the future.

Learning:

One of the lessons learned that has surfaced at the end of the project is in connection to the report-writing process for external client protection assessments. The actual writing of the reports has been an issue in terms of quality and adherence to the standards to which the Campaign holds its assessors. However, another issue that has surfaced is related to the timeline for the completion of the assessment reports. The original timeline for report production was discussed at the training in Mexico and it entailed:

1. Create the draft report within one month after completing the field work for the assessment;
2. Submit the draft report to the Campaign for comments;
3. Incorporate the Campaign's comments and proposed changes;
4. Send it to the MFI for review;
5. Incorporate any corrections from the MFI; and
6. Submit final report to the Campaign.

The total timeline for the process was to be a maximum of two months. However, the amount of time and effort required to write a substantive, high quality report combined with regular full time responsibilities of the association staff has resulted in delayed reports in many cases. Similarly, the review by the Campaign is a time consuming task as it is an additional task for the project coordinators and this has required a level of effort and resources by the project staff above what was originally outlined and envisioned in the project design. As a result, there have been delays in returning reports to the assessors with comments, all of which extends the timeline for the completion of the reports and their submission to the MFIs. To help address this problem, an external consultant approved by the Campaign has been hired to review the reports and provide comments. This is an important step not only for standardization and quality control for the application of the scoring methodology, but it also increases the speed with which reports can be reviewed.

Another critical issue concerning the timeline for report creation is that the steps have not always been followed in order. There have been cases where the report is submitted to the MFI before being reviewed by the Campaign and this is problematic if the comments are substantive and there's a significant difference in the initial scoring and that proposed by the Campaign. If the report has already gone to the MFI it is difficult to send another report with lower scores since it will be confusing to the MFIs, compromising the reputation of the assessors, and create additional work for network staff. We have developed an official timeline document to help remind assessors of the expected timeframes and steps in the report writing process. This tool has now been distributed to the assessors, but the process has evolved throughout the course of the project, making some participants unsure about what they need to do and when.

Client Testimonials

Quote from Verónica Cespedes, LOCFUND, Bolivia: *“I really enjoyed the event because the speaker used practical examples, showing field knowledge on the principles. In addition the participants felt free to participate, that is to say, it generated a comfortable and confidential atmosphere. With regard to the principles, I found most important to be the question of fair and respectful treatment of customers, as in Bolivia, the poor (non-Spanish speaking indigenous, who can’t read or write) don’t receive adequate treatment due to the limitations discussed, in addition to the existence of improper collection practices.”*



Sergio Guzman, of the Smart Campaign, presents at a workshop on the CPPs in San Jose, Costa Rica, for RedCom, one of Redcamif’s member networks. Photo Credit: Lianna Mora Vargas, Oikocredit.

Dissemination:

In this quarter, two of the first Smart Notes of the project reached the stage of production which signifies that the material has been written and it is in the final stages of copy-editing and layout. A Smart Note is a short publication that highlights an exceptional practice of a microfinance institution so that this practice can be replicated by others. The two Smart Notes developed in Q4 are from AccessBank in Azerbaijan and FMM Popayan in Colombia. Both institutions received a full external client protection assessment conducted by project participants from Azerbaijan Microfinance Association and EMPRENDER as well as Sergio Guzman from the Campaign. Three more potential Smart Notes have surfaced from the external evaluations conducted throughout the project and are currently being developed. The Smart Notes in development are from FUNDESER in Nicaragua, Tameer Bank in Pakistan and a Baoshang Bank and Ningxia Huiming MCC in China.

In addition to the Smart Notes, a majority of the reports from the external assessments have been finalized. These reports contain the results of an assessment and provide a detailed description of an institution’s practices for each principle and even more specifically on each indicator. The 30-40 page reports are written by the assessment team and then reviewed by a Campaign member or a consultant authorized by the Campaign. Although these reports are normally kept private, some MFIs are contemplating making them available publicly to demonstrate transparency and their commitment to client protection.

In Q4, the Campaign released a report “Implementing Client Protection in Microfinance: The State of the Practice, 2011” which reviews the state of client protection practices in the industry and includes a section on “How MFIs are Implementing the Client Protection Principles.” The data from this section contains information and scores gathered from the external client protection assessments conducted in this project and the self-assessments collected by networks from their member MFIs. The report is available on the Campaign’s website and was presented at various industry conferences and events.

Next Steps:

Due to the fact that the next quarter will be the last one for the project, the final workshop and three final external assessments must be completed by the end of March. All of these events have been scheduled and should take place by the end of February.

The assessment to take place in February will be important as it will be the first Pilot Certification assessment. Isabelle Barres, the director of the Campaign, and Cara Forster, Program Manager at SEEP, will travel to Nepal and with trainees from CMF Nepal they will conduct the pilot certification on Nirdhan, the largest MFI in CMF's network. The assessment team will evaluate the MFI against two different sets of indicators: the traditional set of indicators used for the client protection principles and the new set of indicators that is being field tested this year for the Campaign's certification program. The Smart Campaign will be rolling out its certification program this year in which MFIs can choose to have a client protection certification added on to a traditional rating offered by one of the four microfinance rating agencies. If they have adequate practices on all of the new indicators proposed for the certification program, the MFI will qualify to become a "Smart Certified MFI." The new indicators proposed for the certification program were developed by the Technical Subcommittee of the Campaign over the course of the last year and the assessment in Nepal will be the first field test of the indicators. It will also be the first time client focus groups are included in an assessment. The results of how the new set of indicators work in practice will be instrumental in finalizing the requirements for the certification process.

In addition to the completion of the outstanding workshop and assessments, we expect to finish all of the project deliverables by the end of next quarter including gathering final self-evaluations and finishing the three remaining Smart Notes. We will analyze the results of the project and also be looking for ways to continue our work with microfinance associations on the topic of client protection in the future, since there is still a lot of work to be done and associations are capable and want to engage in its promotion and development in the industry.

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

The Ethiopia Microfinance Graduation Pilot, led by Innovations for Poverty Action (IPA), 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.

The goal of the Ethiopia Microfinance Graduation Pilot is to assess the impact of program implementation. The project is at a stage in which all transfers and trainings have been completed and routine work is ongoing. IPA will continue to conduct monitoring visits to ensure that the partner organization's activities comply with the research design and to record implementation activities in general. The baseline survey and data analysis have been completed.

REST facilitators, implementing the program, continue to conduct individual weekly (sometimes bi-weekly) meetings with all beneficiaries at the *tabia* level. In addition to this, they hold a group meeting once a month. These visits will conclude at the end of February, marking the end of two years of intensive follow up and coaching of project beneficiaries by the REST staff.

Key Accomplishments to Date:

- **458 beneficiaries** have received asset transfer and livelihood training
- After a currency reevaluation, the project budget had additional funding to **provide a refresher training course** to all 458 beneficiaries.
- Project beneficiaries have **saved 1.02 million Birr (about 58,300 USD) collectively**, surpassing the joint savings goal (600,000 Birr or 34,300 USD) from May 2011

Learning Dissemination and Next Steps:

Nathanael Goldberg, project researcher and initiative manager, presented the Microfinance Graduation program at the Global Microcredit Summit 2011 conference in November. He has written a paper about the [Ultra Poor Graduation Pilots](#) with the project associate, Arielle Salomon.

IPA is currently awaiting funding approval to conduct the first of two follow up surveys scheduled for April 2012. Contingent on funding, IPA will revisit all households surveyed in the baseline and conduct a follow-up survey. This follow-up survey will provide a statistical snapshot of change since the baseline and implementation and will be used to conduct preliminary impact analysis of the project.

B. World Vision: Value Chain Development for Very Poor Households *(May 2011 – May 2012)*

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.” Particular focus is on strengthening informal and formal producer groups and facilitating market linkages with the private sector.

- Project outcome: “to have greater market engagement for very poor households through market development activities.”
- Project objective: “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.”

Over the past quarter, the Writing Workshop was held, which resulted in a well-planned SEEP workshop, as well as input for the second draft of “Integrating Very Poor Producers Into Value Chains: A Guide for Field Staff.” After the second draft of the two sets of tools was completed, feedback was solicited from several World Vision national offices, as well as from CARE Ethiopia, Cardno EMG, and the project coordination committee, which was then integrated into the final draft. The seven case studies underwent several revisions and are almost finalized. A first draft of the training curriculum for the guide was developed and arrangements were made for the final layout, copy-editing, and printing of the Guide.

Learning Dissemination and Next Steps:

The “Reaching Vulnerable Households with Value Chain Development” workshop was successfully presented at the 2011 SEEP Annual Conference. The workshop presented and discussed 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.

The main goal for the next quarter is to complete two drafts of the Guide and have consultations on the drafts. Training plans have been developed to prepare for dissemination. These include templates for a short day-long training-of-trainers, and two longer more in-depth training on each of the tools that will be held in the field. Four-day workshops have been scheduled for Bangladesh and Ethiopia in February and March, respectively. After the Guide has been finalized a final one half-day workshop will be held in Washington, DC to introduce the Guide and begin dissemination.

To complete these activities, World Vision requested and was granted a no-cost extension through May 2012. With the support of the FIELD-Support KM Team, the activity will also work with QED and the KDMD project to explore additional ways to package and disseminate the final tools and Guide.

2.2 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.

FIELD Report 12: Behavior Change Perspective on Gender and Value Chain Development: A Framework for Analysis and Implementation, prepared by ACDI/VOCA consultants Jennefer Sebstad and Cristina Manfre, has been finalized and approved. It was published on Microlinks and can be found [here](#).

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

The second SLI led by ACDI/VOCA is developing a guide that is designed to help practitioners understand the financial products, strategic alliances, and methodologies that can be adopted to improve access to finance in order to increase value chain competitiveness. The methodology builds on a value chain framework that prioritizes financial needs within the context of particular upgrades that are necessary for actors to benefit from market opportunities. It is not designed to help expand financial services as an end in of itself, but to expand those financial services most critical to the growth and increased competitiveness of selected value chains.

A complete draft of the Value Chain Finance Tool and its User's Guide has been finalized, and a copy has been sent to FHI for review and comments. For dissemination purposes, the tool was presented at the SEEP conference in November, and also internally to ACDI/VOCA staff on December 8, 2011. Participants' feedback and comments were incorporated into the final copy.

Learning and Dissemination:

Dissemination sessions of the VC tool helped the participants to:

- Critically think about the development of a work plan;
- Identify the strategic/critical upgrades/interventions/incentives and capacities of actors in a VC; and
- Understand how to map a VC during the early-on process/design of a proposal.

Nearly ten participants at the SEEP conference and 25 at ACDI/VOCA learned applying the VCF tool for identifying the critical upgrades and strategic interventions in the VC.

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 in the implementation of value chain programs. Materials will be designed in such a way that they can be used with both novice and experienced market development practitioners.

The Handbook and training materials will reflect 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
- Identifying Lead Firm Interventions
- Facilitating Lead Firm Interventions
- Structuring and Managing Collaboration

During the reporting period, AFE conducted three pilot workshops entitled “Working with Lead Firms to Improve Value Chain Competitiveness and Generate Sustainable Impact for MSMEs” for more than 50 practitioners representing 30 development organizations in Zambia, Bangladesh, and Washington, DC. These workshops provided participants with the tools and skills they need to effectively manage collaboration with Lead Firms and foster sustainable impact for the small-scale producers with whom such firms interact. AFE staff tested newly developed training materials, including session plans, case studies, skits, exercises, and group work. The overall response was positive and AFE is now integrating participant and facilitator feedback into a final version of the training materials.

Learning Dissemination and Next Steps:

In the next quarter, AFE will conduct one last test of the training materials during a two-day workshop in March before finalizing the training materials. They will continue work on finalizing “Working with Lead Firms Handbook.”

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

The goal of this SLI is to improve staff capacity to successfully implement value chain programs by developing a cadre of coaches within CARE (as well as its partner organizations in the GROOVE initiative) who can mentor their direct reports and peers in other country offices on market development approaches.

The SLI Objectives are broken up into Stages 1 and 2 of the Program:

Phase 1

1. 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 will include:
 - A kick off training for the cadre of mentees
 - A mentee 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
 - 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 2

2. To develop the first cadre of coaches in one region of CARE’s operations

3. To 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
4. To document CARE and MEDA's learnings from this process, both the 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

The last three months saw CARE and its partners (MEDA and the GROOVE Network) actively implementing the mentoring curriculum, monitoring progress and planning for the first mentee presentation to the network. The teams also agreed on a baseline survey tool developed by Practical Action to be completed by mentees to assess impacts of the initiative on the project teams over time.

All mentor/mentee teams are actively using the curriculum and providing feedback, which was the main activity over the reporting period. A number of important lessons and feedback have already come through, including important lessons on how best to integrate the mentoring process with mentee's ongoing work and how to augment the core content with other types of media, including videos and shorter summaries of key concepts.

Despite steady progress being made by the mentor/mentee teams, the initiative has suffered one setback. Following a series of unanticipated staffing changes and departures, CHF will no longer be testing the mentoring curriculum. This outcome is unfortunate but CHF remains committed to participating in the initiative's administration and providing input on the materials used to date. The lessons from the CHF experience will also provide important insights to be shared in the final version of the curriculum about how to mitigate risks associated with staff changes and the potential negative impacts that can have on the overall initiative.

The mentoring curriculum and process was also presented at the SEEP Conference during the Market Facilitation Initiative (MaFI) Day and the M4P Hub Conference with highly enthusiastic responses from participants, who represent the market for the final versions.

The GROOVE Mentoring Task Force held meetings to review progress in November and December to review the GROOVE mentoring work plan, monitor progress, and organize the first quarterly mentee/mentor conference call, which will take place in the next quarter.

Learning and Dissemination:

The initiative is rapidly teaching the GROOVE members what works when it comes to mentoring project managers and other 'rising stars' in market facilitation. The general feedback on the content of the curriculum is that it is valuable but often the 'supporting resources' are too lengthy and mentees are unable to get through them. CARE and the other partners are adapting to this in part by identifying supplemental resources to augment the core content including short videos, technical briefs, and relying more directly on dialogue with mentees. This input is being captured to inform the revisions of the materials planned for the final quarter of the initiative.

Progress Highlights

- 10 mentees and 7 mentors have been applying the curriculum using a range of models; additional interest has been demonstrated by multiple teams within GROOVE member organizations
- Mentoring curriculum presented at both the SEEP Annual Conference and the M4P Hub conference in November, increasing visibility for the initiative and practitioner feedback
- 10 mentees have increased knowledge on the VC approach

On dissemination, as noted above, we have presented the initiative at multiple conferences and have also posted information to the MaFI LinkedIn group, where we provide light monitoring. We will continue to use that forum, particularly as we transition to begin refining the materials in the late-Spring.

Next Steps:

During the next quarter, we will finalize baselines for each mentor/mentee pair, continue to oversee the mentor/mentee progress, initiate a series of mentee webinars to enhance cross-learning, and continue to gather input on the efficacy of the materials and the mentoring models being tested by different teams.

E. Opportunity International: Agricultural Finance in Malawi and Uganda

Financial products for smallholder farmers are a critical component for revitalizing agriculture and increasing food security in sub-Saharan Africa. Services must address farmers' cyclical cash flows, need for longer loan periods, and bulk financing options for investments in inputs for individual crops. Rural lending brings a high level of risk—related to price, weather and disease. 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, to address some of these issues.

The goals of Opportunity International Savings and Loans (OISL) in Ghana and Opportunity International Bank of Malawi's (OIBM) in this activity under OI's SLI 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 enable healthy cash flows and discourage side-selling; and
- Providing access to market information, and developing linkages to output markets.

Rural Lending

The months of July – September represent the post-harvest season for most farmers in Malawi and Ghana. During this quarter, OIBM added groundnuts to the medley of crops currently planted by client farmers. The bank continues to develop crop profiles in order to maintain flexibility in light of changes in commodity pricing. OISL also diversified its crop portfolio further, adding chili peppers, plantains, onions, and fish to an array of other vegetable and fruit crops.

OIBM is partnering with a total of 11 Extension Service Providers (ESPs) as of September, the newest being The Clinton Foundation and Great Lakes Cotton. They have discovered that these collaborations add the most value to lending practices when the ESP has contracts with the output market and when the ESP takes an interest in the volume and quality of farmers' products. OISL

Key Accomplishments to Date:

- Opportunity has served **4,993 agricultural loan clients** at OIBM (Malawi) and **3,567** at OISL (Ghana) as of September 2011.
- OIBM had an agricultural loan portfolio valued at **US\$4.25 million** and OISL had a portfolio of **US\$1.32 million** as of September 2011.
- OI is collaborating with 21 agricultural partners, 11 in Malawi and 10 in Ghana.
- Opportunity had **291,936 rural savings accounts** at OIBM and **85,964** at OISL as of September 2011.
- This year, OIBM has mapped the plots of **4,062 farmers**, while OISL has done the same for 841.
- CRM held 9 functional and technical training days for 5 OISL staff participants as of September 2011.

has found that partnerships with ESPs are most beneficial to farmers when the former are able to provide both technical assistance as well as agricultural inputs – as is the case with stakeholders TechnoServe, Calli Ghana, and The Millennium Villages Project. OISL currently has strategic alliances with 10 ESPs and other partners.

Opportunity's banks in Malawi and Ghana have focused on processes to reduce financial risk in this quarter. Due to the continued economic downturn in Malawi, OIBM has enforced stricter renewal policies for clients with poor repayment histories. Outreach continues to challenge OIBM as evidenced by the slight decrease in agricultural loan clients. In spite of Ghana's comparably good financial climate, OISL is also conducting pre-repayment monitoring exercises to ensure effective loan recovery activities as part of a greater agricultural finance strategy.

Rural Savings

OIBM in Malawi had a total of 291,936 rural savings accounts in September as compared to 284,582 in May. OISL in Ghana had 85,964 rural savings accounts at the end of September. OIBM continues to use technology to provide financial services to rural clients with savings accounts. Clients can currently withdraw funds from savings accounts through Point-of-Sale (POS) devices located with merchant agents (merchants selected by the bank act as agents for financial transactions). The bank is currently working on an application to allow clients to deposit funds using the POS devices located at merchant stores. OIBM has also introduced mobile phone banking (m-banking) to enable clients to access savings balances, make funds transfers, and pay bills with their phones, giving them a competitive advantage over other banks that have not provided innovative savings products or distribution channels.

OISL has learned that to provide effective aid to farmers who use the bank to deposit savings, it is imperative to open bank outlet offices in project areas from the beginning of the bank's relationship with clients. Internal studies conducted by the bank show that the geographic presence of branch offices in the areas where farmers work both boosts client confidence as well as building trust in the agricultural financing program. OISL has also found that the availability of mobile bank vans in and around the agricultural areas helps farmers develop sustainable savings habits.

Mapping & Profiling

Mapping & profiling activities recently occurred in both Malawi at OIBM and in Ghana at OISL. At OIBM, 5,121 plots for 4,062 farmers have been mapped by extension service providers in Malawi. Malawi has found the best technique is where ESPs can map the farmers' land and then provide the data to OIBM. However, when the ESP's lack financial capacity, OIBM has adopted an innovative shared approach to the mapping where they provide the technology (global positioning system devices) and the ESP deploys the team of enumerators to conduct the actual activity. The latter methodology reduces costs (from over \$15 to \$3.50), helps provide data in a timely manner, and enables the bank to make decisions with complete knowledge of the client footprint.

Ghana's OISL bank has profiled 305 farmers in this quarter at roughly the same cost as OIBM, USD\$15 per plot. OISL has found that mapping and profiling is extremely beneficial for three reasons: 1) farmers can understand the exact size of their farms; 2) ESPs can help farmers with proper planning by determining the area of application of the input seed; and 3) bank staff can recommend loan amounts made to farmers based on accurate plot data.

Client Relationship Management (CRM) System

Opportunity's Client Relationship Management (CRM) System is an innovative web-based tool that acts as a way for the bank and the ESPs to collect and track client information on a large scale to

determine sustainable impact. As mentioned in the prior report, CRM is live at OIBM in Malawi following the completion of user acceptance testing and multiple training sessions. Currently, three groups of tobacco farmers and a group of cotton farmers are being tracked through the system. Loan officers will be able to manage the loans for these farmers in CRM once it is fully interfaced with OIBM's core banking system, named T24. In the near future, staff will also be able to access the data from GPS mapping technology used for plot profiling activities, thus ensuring that surveyors actually visited the farmer by checking the time stamp.

In Ghana, OISL has completed all functional development requirements for rolling out CRM and is currently completing final testing. Staff IT developers created an interface between CRM and T24, and final integration to the live environment is anticipated in early October 2011. Final testing centers around functionality built into T24 that prevents the creation of client groups with similar names. However, development staff have already designed a workaround to bypass this problem, are in the process of developing the code, and foresee no further integration issues.

Learning and Dissemination

In September, key personnel from OI implementing the agricultural finance strategy in Africa convened in London for a three-day discussion workshop to identify the learnings gained thus far from the rural finance projects, create action plans to address challenging areas, and work towards what will become the Key Learnings Report. In order to provide an idea of the learnings from these meetings, initial sample learnings from two categories have been chosen.

- **Finance:** Moving farmers out of poverty requires infusing commercially viable incentives to function along the full length of the value chain. For example, farmers should be offered commercial prices in order to keep them fully vested and to avoid side selling. Likewise, there are banks that have leveraged donor funding to offer loans with cheaper interest rates to undercut competition, but this is not necessarily a good practice. Competitive advantage in this case is based on limited donor funding and is not tenable in the long-run. Ultimately such banks will either have to raise their rates or to pull out—after having undermined the market by making it difficult for sustainably-minded microfinance organizations to operate. This results in a regressive development. We acknowledge that competition is healthy to provide the poor with the best interest rates possible. For further action, Opportunity will continue to seek to provide the best rates possible. At the same time, the creation of a healthy value chain requires microfinance institutions and donors engage in industry-wide discussions and collaborate so that practices that are sustainable in the long-term will be accepted in the industry.
- **Field Work:** Implementing agricultural finance requires careful collaboration among key stakeholders providing services. This includes not only in-country actors along the agricultural value chain, but also the flow of services and influence coming from donors, to the various partners seeking to implement changes on the ground. One area where the need for cooperation is especially conspicuous is in the relationship of the extension service providers to the MFIs. Opportunity MFIs have observed a great range in the quality of ESP services. In the best case scenarios, ESPs are deeply knowledgeable of farmers' needs and the necessary financial education that must take place for these farmers to have sufficient capacity to take on loans. But in the worst case scenarios, ESPs do not collaborate sufficiently with farmers or our MFIs and have insufficient understanding of either of these parties. In such situations, fewer than anticipated farmers may actually prove capable of receiving loans because of insufficient training. For further action, Opportunity International must consider ways of profiling and grading ESPs, clarify expectations before memorandums of understanding are signed, encourage greater collaboration so that officers understand the financial literacy required, and initiate broader discussions within the microfinance industry for closer alignment between donors and their grantees in establishing a common standard for the quality of work accomplished.

The topics raised for discussion in September are all broadly relevant for a discussion of enterprise development in the area of rural and agricultural finance as well as specifically relevant for a discussion of the effectiveness of strategic partnerships, risks in the value change, and critical success factors. Dr. Genzo Yamamoto, Opportunity's Director of Knowledge Management, will be synthesizing the lessons from the meetings in a more robust manner and further researching and organizing them into a Key Learnings Report.

Next Steps

In order to reach greater numbers of farmers, Opportunity institutions are always looking to form partnerships with a greater number of extension service providers and key stakeholders. OIBM is discussing future joint ventures with the following stakeholders: Lujeri Tea Estates, Total Land Care (chili, paprika), Paradox (coffee), and the National Smallholder Farmers' Association of Malawi (rice, soybeans). The bank will possibly be collaborating with Armajaro (cocoa), Pinora (fruit), Entrepid Project Solutions (ESP), and Agro Eco (ESP) in the coming months.

In the context of rural lending, OIBM is assessing new client portfolios that may enable them to reach out to an estimated high of 8,000 rural clients by the end of December 2011. The increase would be due to agricultural customers from primarily the tea, soybean, or cotton sectors. However, some Malawians forecast that government intervention in the cotton sector may have an adverse affect on the bank's ability to reach targets.

OISL's main tasks for the fourth quarter center around collecting payments from farmers, most of which will begin in mid-October. Staff have put measures in place to ensure that at least 95% of the expected repayments are collected within 30 days as they anticipate challenges resulting from the fact that the government has not yet announced the yearly cocoa price. In addition to the sharper focus on repayment collections, OISL is also ramping up services for clients: savings orientations, registration and orientation of new and renewing farmers, and a client leadership forum. OISL will also conduct formal financial literacy training to farmers with the assistance of a dedicated Transformation Manager assigned to the Agricultural Team.

OIBM has already captured and inputted significant client data into CRM, while OISL is in the process of loading client profile information into CRM. While the banks have reduced the manual labor initially thought to be required for data capture with time-saving automated solutions, they still plan to analyze the client data, which will occur in the coming quarter.

2.3 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.

FIELD-Support e-bulletin

The KM team continues to draft and disseminate its monthly e-bulletin with brief activity updates. After the overwhelming interest demonstrated by participants at the SEEP conference, the focus of the e-bulletin was shifted to include an external audience as well as the implementing partner representatives. The e-bulletin is now 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 nearly two years 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.

FIELD-Support Learning Products

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, the KM team updated fact sheets for all current Associate Awards, FIELD-Support Leader activities, and an overview of the LWA. Additionally, the following new learning outputs regarding project activities were issued:

- **FIELD-Support Knowledge Series:**
 - [FIELD Report 11: Behavior Change Perspectives on Gender and Value Chain Development: Tools for Research and Assessment](#)
 - [FIELD Report 12: Behavior Change Perspectives on Gender and Value Chain Development: A Framework for Analysis and Implementation](#)
 - [FIELD Brief 13: An Anchor Firm Approach to Strengthening Value Chain Competitiveness: A Look at the PRODEL Program in Ecuador](#)
 - [FIELD Brief 15: Adaptation Options for Smallholders to Enhance Food Security in a Changing Climate](#)
 - [FIELD Brief 16: Facilitating Client Protection, Financial Literacy, and Consumer Awareness in the West Bank & Gaza](#)
- **ESAF Knowledge Series:**
 - [ESAF & Youth Financial Services](#)
 - [ESAF Brief: Ryada Microfinance’s Experience Introducing Financial Services for Youth](#)
 - [ESAF Voices from the Field: Cultivating Young Entrepreneurs in Gaza](#)
- **Additional Learning Products**
 - [HIFIVE Success Story: Haitian Artisans and Merchants Improve Earnings from Tourism](#)
 - [ICT and AG Profile: Literary Bridge](#)
 - [ICT and AG Profile: IKSL’s Green Sim Card](#)
 - [ICT and AG Profile: Nokia Life Tools - Agriculture](#)
 - [ICT and AG Profile: DataDyne](#)

All of FIELD-Support’s learning products have been transferred from the original Microlinks website to the KDID 2.0 website with a new URL: <http://microlinks.kdid.org/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).

3 Associate Awards

As mentioned, FIELD-Support management provides senior-level oversight for all 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 **9 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.

3.1 *ECYMP (Eastern Caribbean)* (May 2010 – February 2012)

FHI 360 has continued the implementation of the USAID-funded ECYMP 21-month, \$1.848m program seeking to strengthen school to work transition strategies for youth ages 10-16 and to accelerate the creation of sustainable livelihood and self-employment opportunities for vulnerable youth.

Key activities during this period include:

- FHI 360 receiving a no-cost extension for ECYMP in August 2011 extending the program to November 30, 2011.
- Approval to use the Junior Achievement of Barbados name by the Registrar's Office to advance the local incorporation of JA in Barbados;
- The selection of Concept Papers for Youth Livelihood Development Accelerator Fund awards from three of the five ECYMP countries; and
- The selection of awardees for Technical Assistance Grant Fund (TAGF) and funding to strengthen Youth Serving Organisations in all three (3) applying countries (Barbados, Dominica and St. Vincent).

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);
- **19 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.

Component A – Strengthening school-to-work transition strategies through Junior Achievement

The trustees of the previous Junior Achievement of Barbados all signed affidavits permitting the use of the name of Junior Achievement by the new entity. The Registrar previously refused the registration of the name of Junior Achievement of Barbados due to the continued status of the Junior Achievement Foundation of Barbados on file with the Corporate Affairs and Intellectual Property Office (CAIPO). Meetings with CIBC-First Caribbean International Bank have been very positive and Junior Achievement Worldwide has been invited to submit an application for renewed funding for the region with permission granted to include Junior Achievement of Barbados in the new proposal.

Component B – Strengthening livelihood and self-employment strategies

- **Technical Assistance by EcoVentures International** – EVI provided 'top-up' training to youth serving organisations whose resource persons received training in the Marketplace Simulation. Feedback from the supported agencies was very positive with some indicating that they used the Marketplace simulation multiple times and were even more confident and committed to repeated use and application since the top-up training.
- **Technical Assistance Grant Funds** - ECYMP is in the process of awarding approximately US\$21,000 in Technical Assistance Grant Funds (TAGF). The awards are to: Marion House in St. Vincent and the Grenadines requesting assistance with the development of a youth entrepreneurship component to existing programming; Barbados Youth Business Trust (BYBT) requesting assistance with the development of a training room; and the Dominica Youth Business Trust (DYBT) requesting assistance with the development of a youth business resource room and training in incubator development and management.
- **Capacity Assessment and Institutional Strengthening to YSO grant recipients** – The weak quality of the Concept Papers submitted was an indication that regional YSOs lacked the

organizational capacity and program management skills needed to thrive. To address this weakness, ECYMP engaged the FHI 360 Capable Partners Program (CAP) to assess and build the institutional capacity and provide technical assistance to build the operational capacity of the YSOs, particularly the ability to manage grants. CAP worked with 4 participating agencies receiving grant funding, specifically in Antigua (1 grantee, 1 grant), Dominica (2 grantees, 2 grants) and St. Lucia (1 grantee, 1 grant).

- **Development of "Toolkit for Working with Private Sector Partners"** - ECYMP will work with an entity with expertise in youth entrepreneurship and deep understanding of the Caribbean context to develop a practical and user-friendly toolkit to provide instructional support for Caribbean Youth Serving Organisations (YSOs) to effectively engage with private sector partners and manage the relationships at the outset. This toolkit will then be presented at the ECYMP workshop on "Private Sector Partnerships to Support Youth Entrepreneurship."
- **Workshop on "Private Sector Partnerships to Support Youth Entrepreneurship."** - ECYMP will work with several key partners to deliver a "capstone" workshop on "Private Sector Partnerships to Support Youth Entrepreneurship" (tentatively scheduled for November 2-3, 2011) with the objective of supporting YSOs and youth entrepreneurs to engage the private sector in order to leverage financial, technical assistance, information support as well as access to competitive markets. The workshop is being designed for representatives from Youth Serving Organizations (YSO) from Barbados, Dominica, St. Vincent and the Grenadines, St. Lucia, and Antigua and Barbuda as well as representatives from regional private sector entities that have the potential to accelerate youth entrepreneurship opportunities.

3.2 ESAF (West Bank & Gaza) (September 2008 – September 2012)

The Expanded and Sustained Access to Financial Services program (ESAF) supports USAID/WBG in its efforts to build a more inclusive financial sector that increases the sustainable access to financial services for Palestinian households and MSMEs.

Based on USAID priorities and ESAF's sectoral analysis, ESAF has implemented 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, financial sector regulatory capacity, and nonbanking financial services. The fifth is a package of **livelihoods activities in Gaza** that aimed 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. ESAF aimed to achieve the sustainable expansion of services to at least 38,000 households over the three-year life of the program.

The program also includes the Palestinian Investment Partners component, a **fixed capital financing** mechanism that has funded Small and Medium Enterprise (SME) equipment upgrades, assisted with creation of joint ventures and technology transfer and facilitated other forms of capital inflow to profitable businesses that can expand immediately and provide expanded economic activity and sustainable jobs. Investments have generally been directed towards key value chains, and by project end were expected to lead to the creation of at least 800 jobs and numerous forward and backward linkages to MSMEs.

Recent progress and major activities include the following:

A. Retail Level:

- **MFI Commercialization:** ESAF is helping MFIs access commercial funding through a variety of capacity building activities. ESAF partner SBI is providing support to FATEN, REEF and ASALA, to

move the MFIs along the commercialization continuum to make them investor-ready and prepare them for eventual PMA oversight. CHF International has been contracted to build the capacity of its microfinance program Ryada, with the goal of transforming it into an independent for-profit company. ESAF also organized a series of industry level workshops, in partnership with microfinance association Sharakeh, to disseminate knowledge and learning to all Palestinian MFIs.

- **Developing Youth Financial Products:** In order to expand outreach to underserved populations, CHF received a sub award to design and pilot a microfinance product for youth through its local microfinance program Ryada. The project had two objectives: 1) introduce a youth-friendly microfinance product which both meets the special needs of youth and can be taken to scale in a sustainable manner; and 2) enhance industry knowledge by documenting the learning from this experience. The MFI FATEN has also benefited from the exposure trip and other activities under this grant, which will help FATEN to refine its existing start-up loan product targeting youth.
- **E-banking and Technology Investments:** Under ESAF's Innovation of Financial Services RFA, ESAF is supporting REEF Finance company with a grant to install a new management information system (MIS)—designed by Palestinian software firm BISAN Systems—that will improve its ability to manage its portfolio. The reporting capabilities offered by the new software will also enable REEF to participate in the credit bureau managed by the PMA. In addition, a cross-cutting technology initiative was added in Year 2 of the project, with the objective of identifying technological innovations that can be utilized by commercial banks to expand service outreach through adoption of new technologies in an efficient, secure, and cost-effective manner. At the beginning of the initiative, six banks' operations were reviewed to identify the opportunities and obstacles to implementation of several possible technological innovations, including branchless or mobile banking solutions. The results of these initial bank assessments were used to identify two key opportunities—the development of a country-wide electronic banking (e-banking) system and improved data mining by banks. On e-banking, SBI researched the acceptability of electronic banking solutions from a holistic viewpoint, examined policy reform options, and developed a feasibility study for a mechanism to enable interoperability between Palestinian banks' ATM and point of sales networks. On data mining, SBI implemented a technical assistance initiative in partnership with three commercial banks – Quds Bank, Palestine Commercial Bank (PCB) and Bank of Palestine (BoP) – to enhance banks' use of data mining to strengthen marketing efforts
- **Insurance:** Insurance companies, banks and microfinance institutions are interested in learning more about the microinsurance market, with the aim of collaborating to expand the outreach of insurance products to households and enterprises. However, there has been a limited understanding of the true supply and demand for services or the delivery methods to serve it most effectively. ESAF provided technical assistance to insurance companies and MFIs to pilot and launch new products to serve this market, through a subcontract to the Microinsurance Centre (MIC).
- **SME Lending:** Financial institutions report that the poor quality of supporting documentation for loan applications (financial statements, business plans, market understanding) hinders their ability to analyze loans effectively and leads to many “false negatives.” Improving the level of information that financial institutions receive will significantly reduce the amount of time they take to analyze loans and lead to better lending decisions. ESAF's Loan Guarantee Fund Technical Assistance and Training (LGF-TAT) launched the SME Accounting Advisory Services program with the goal of improving SME accounting practices, thus enabling banks to make better credit decisions. LGF-TAT is linking accounting/consulting firms with SMEs seeking debt financing. The program targeted senior bank managers with strategic planning and leadership training to better understand and respond to credit and financial services needs of the private sector, particularly SMEs, enhance the utilization of the loan guarantee facility, improve the quality of loan structuring, and develop effective project-based risk management techniques and policies. At the same time, LGF-TAT provided direct, hands-on TA to loan officers through on-the job training.
- **Bank Downscaling:** SBI is working with both the Bank of Palestine and Al Rafah Microfinance Bank to continue to develop their microfinance portfolios. With the adoption of the microfinance policies and procedures outlined by SBI, Bank of Palestine has internalized them and has a respectable microloan portfolio upon which to build.

B. Consumer Level:

- **Savings Mobilization:** ESAF team developed a plan to work with new and existing partners to explore the feasibility of a savings initiative that emphasized development of new products and new delivery channel mechanisms. In response to a competitive RFA process, two banks were chosen to be part of the savings initiative – Quds Bank and Palestine Commercial Bank (PCB). The first part of the plan included conducting a savings demand study in order to have a better understanding of the public awareness and demand in terms of the savings sector. The research provided information to the banks on potential savings products to research, pilot and launch. SBI then supported PCB through the launch and roll-out of a Children’s Savings Account product.
- **Livelihoods in Gaza:** Through a sub-grant to CARE, ESAF has supported the early recovery and financial sustainability of conflict affected farmers in the Gaza Strip with unutilized potential for expansion in the local market, and raising their awareness about savings and credit from MFIs or suppliers. CARE provided 878 small farmers and households with in-kind agricultural inputs to help rebuild their asset base combined with necessary training on integrated pest management, animal care, farm management, finance and credit, and marketing. Through a sub-grant to Save the Children, ESAF has also implemented a microenterprise grants activity in Gaza, which aimed to recapitalize micro-entrepreneurs through small cash grants (approximately US\$750) to clients of five MFIs who defaulted on their loans due to the economic crisis and/or damage sustained in Operation Cast Lead, but who are otherwise creditworthy borrowers with good track records of repayment.
- **Youth Financial Literacy in Gaza:** Palestinian youth have few job opportunities and relatively low understanding of the types of financial services available or how best to utilize them. In response, Save the Children has provided skills such as financial and market literacy (budgeting, savings and planning), identification of market opportunities (market research), managing money (personal/business), business planning, mapping community resources etc., and life skills (decision-making, negotiation, planning, communication, problem solving and critical thinking, responsibility, team-work etc) that could support access to sustainable job opportunities (formal or informal, employed or self-employed). The activity also aimed to support 1,200 TVET graduates (youth as well as adult women and disabled persons) and their households through the same model of financial literacy and life skills training described above.
- **Individual Development Account (IDAs) in Gaza:** IDAs are a tool for encouraging asset accumulation among low-income households. Participants’ contributions to a savings account are matched at some level by funds from an outside source (in this case, on a 1:1 basis from ESAF). The savings generated can then be used to support medium or long term savings goals, or as collateral for loans. By requiring participants to make periodic deposits over a fixed period of time in order to earn the match, IDAs provide an incentive to build disciplined savings habits. In addition, IDAs offer basic financial education as a requirement of participation, in order to ensure that participants have the knowledge necessary to take full advantage of the activity’s benefits.
- **SMEs in Gaza:** SMEs in Gaza need to understand the importance of having proper financial statements, and other bank requirements, in order to obtain financing and take advantage of new market opportunities. The issue was flagged as a need by Gaza private sector leaders in a series of meetings with ESAF during Quarter 2 of Year 3. In response, ESAF contracted local experts in accounting and banking to raise awareness among Gaza SMEs about the importance of sound financial statements and to provide hands-on technical assistance to prepare financial statements for selected SMEs.
- **Client Protection:** ESAF has worked to strengthen the regulatory environment to better protect consumers and increase financial literacy, especially with the regulators and their corresponding industry associations. Early in the program, ESAF conducted a study of the state of consumer protection in the West Bank and Gaza. Based on the findings and recommendations, ESAF carried out a comprehensive package of technical assistance for partner regulatory bodies and industry associations.
- **Consumer Awareness:** Palestinian enterprises and households often do not fully understand the types of financial services available and how best to utilize them. Also, financial institutions do not

always provide sufficient information to consumers about terms and fees. In response, ESAF catalyzed a national media campaign to enhance financial consumer education and awareness, carried out in partnership with the PMA, PCMA, PIF, and ABP.

- **Financial Literacy:** Financial literacy content in public schools is generally weak or altogether lacking. In response, ESAF is strengthening the financial curriculum for the Public Schools' eleventh grade Management and Economics Course, through a coordinated effort with the Ministry of Education and Higher Education (MoEHE). ESAF contracted Making Cents International (MCI) to conduct a pilot phase of the activity, in which sixteen selected teachers tested a set of financial literacy lessons to be integrated into the public schools' eleventh grade Management and Economics Course. Following strong evaluation results, it will be rolled out in the next year to include all eleventh grade classes in the public schools, reaching an estimated 48,000 public school students.
- **Home-buying Manual:** To increase Palestinian households' understanding of the home buying process, CHF MMDP has piloted educating potential homebuyers in the requirements, responsibilities, risks, and benefits of borrowing for a home purchase or home improvement. As part of the Home Buyer Education Pilot, CHF developed the first customized Home Buyer Education Workbook in the Arab World and tested it through a series of home buyer education workshops.
- **Measuring Poverty with PAT (Poverty Assessment Tools):** ESAF is required by law to measure the number of clients of assisted FIs who are "very poor," and must report the results to USAID annually through the Microenterprise Results Reporting system. The IRIS Center developed a Poverty Assessment Tool (PAT) for the West Bank (not Gaza), on the basis of region-specific household data, which was finalized in late 2009. During Year 2, ESAF contracted local consulting firm the Palestinian Center for Public Opinion (PCPO) to conduct the survey and analyze the results in accordance with USAID requirements. The survey found that MFIs are not predominantly serving households below the national poverty line: 11.5% of all clients are poor by that definition, which compares to 16% of the general population in the West Bank according to PCBS data from 2010.² Beyond that, only 4.5% meet are considered "very poor" according to USAID standards, meaning they are in the bottom 50% of all people below the national poverty line.

C. Industry Level:

- **MFIs:** ESAF worked to build the capacity of the Palestinian Network for Small and Microfinance (Sharakeh) to serve as a stronger service provider and advocate for the interests of its members. ESAF support included grant funding for activities and other technical assistance. In addition, SBI provided technical assistance to Sharakeh, including strategic and operational advice to enable the network to provide better services to the microfinance sector and increase its sustainability.
- **Banking:** The Association of Banks in Palestine's (ABP) mandate is to conduct advocacy, information dissemination, and training events on behalf of its members. ESAF provided technical assistance to build the capacity of the ABP to serve as a stronger service provider and advocate for the interest of its members. ESAF support included grants for activities and direct TA provision.
- **University:** Palestinian universities are a major recruiting ground for financial institutions in the West Bank and Gaza and employers are not satisfied with the competencies of new hires, as many arrive with a limited practical understanding of finance and require significant retraining. In response, ESAF's University Strengthening program is expanding and improving curriculum, pedagogical methodologies, and faculty technical capacity within selected universities in the West Bank. The end goal is to improve the depth of knowledge and analytical skills of finance graduates who constitute the future labor pool for the financial sector in Palestine.
- **Financial Training Institute:** The PIFBS, as the leading training institute in the West Bank and Gaza for professionals in the banking and finance sector, has tried to address basic training needs for the financial services sector since its inception in 1999. As the Palestinian financial industry grew more sophisticated, PIFBS fell short of offering the courses that would adequately address the emerging

² Palestinian Central Bureau of Statistics (PCBS) Expenditure and Consumption Survey, 2010.

requirements for professional development. Most of PIFBS' trainers are bank employees, hired on a temporary basis, and industry stakeholders have observed that not all trainers are effective communicators. In response, ESAF and its implementing partner WDI provided technical assistance as well as core capacity building support in order to upgrade PIFBS' role in delivering quality training programs to enhance the skill sets of banking professionals in the work place.

- **Insurance:** ESAF has built the capacity of the Palestinian Insurance Federation (PIF), the key association for the insurance industry, to serve as stronger service provider and advocate for the interests of its members. Support has included grants for activities and direct TA provision. ESAF support has enabled the PIF to successfully organize the first national conference for the Palestinian insurance sub-sector, as well as a series of supportive workshops for industry stakeholders. The PIF has also initiated a hotline and a webpage that will enable it to receive and handle consumer complaints and process them in cooperation with the insurance companies and the PCMA.
- **Land Registry:** Land titling and registration are key contributors to financial sector development because they facilitate the use of property as collateral. In the West Bank and Gaza, however, land registry procedures and regulations have been a long-standing problem, as evidenced by the fact that only 35% of land in the West Bank is titled and registered. Among the reasons for this situation, according to a World Bank assessment, lies in the insufficient number of certified surveyors in West Bank/Gaza. While there are presently about 150 certified surveyors—90 of whom are inactive—the World Bank estimates that a minimum of 200 are needed at this time. In response, ESAF has focused on institutionalizing professional surveyor training through association and university program coordination. A partnership with the Palestine Polytechnic University (PPU)'s Department of Civil and Architectural Engineering was established to build its capacity by updating land surveying curriculum.

D. National/Regulatory Level

- **Technical Assistance to the PMA:** The Palestine Monetary Authority (PMA) is a relatively well functioning institution; however, it needs assistance in a variety of areas where it does not have the capacity or resources to complete its tasks. ESAF worked closely with the PMA and the USAID Modernization of Financial Institutions (MFI) project to achieve the institution's strategic goals. Key contributions included TA for the development of regulations and instructions for microfinance supervision, complementing a capacity building package for the PMA's Non-bank Financial Institutions (NBFI) Unit, which now supervises nonbank entities such as moneychangers and will soon supervise MFIs once regulations are finalized under the new banking law that was approved in November 2010. ESAF has also supported the PMA in its management of a national credit registry, with a focus on enabling MFIs to participate in the system.
- **TA to the PCMA:** The Palestinian Capital Market Authority (PCMA) is responsible for regulating and supervising a wide range of a diverse economic sectors activity including mortgage financing, capital lease, insurance, and capital and securities markets. ESAF has provided a customized TA package to build core PCMA capacity which includes: reviewing the legal framework, developing standard operating procedures based on regional best practices, international training/capacity building, and developing an internal audit unit. ESAF has also provided in-kind support to build the ICT capabilities of the PCMA.
- **Regulating Leasing and Securities:**
 - *Leasing (PCMA):* In response to identified priorities in the PCMA's action plan, ESAF through WDI is building the capacity of the PCMA's Mortgage and Leasing (M&L) Directorate to supervise the Palestinian leasing industry. WDI deployed a leasing expert to train the newly established directorate on the oversight of the leasing industry, review the applicable laws and regulations, develop a regulatory manual, and lead workshops for lessors and the newly formed leasing association. Development and delivery of public awareness workshops on leasing are also included.
 - *Securities (PCMA):* The final technical area of concern for PCMA management is to assist the Securities directorate to better supervise and promote securities and capital markets of Palestine. In the securities sub-sector, ESAF contracted SEER Trade Inc. to help the securities

directorate at the PCMA to improve the settlement system and to assist the establishment of an independent national clearing depository center. ESAF also facilitated a number of international training trips to build the PCMA's capacity to supervise securities.

- *Moveable Assets Registry (MoNE)*: At project start, in anticipation of a Financial Leasing or Secured Transaction law being passed, ESAF and WDI were working with the International Finance Corporation (IFC) to provide the Ministry of National Economy (MoNE) with the appropriate TA to develop a moveable assets registry (a necessary piece of infrastructure to enable the laws to be implemented). Unfortunately, it became apparent that the laws would not be signed within the lifetime of the ESAF project, and the activity was dropped early in Year 2.

3.3 FACET (Africa)

(October 2009 – September 2012)

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

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

Component 1: Knowledge Sharing, Analysis, and Toolkits

According to Google Analytics, from 10/1 to 12/31 the FACET-managed Allnet page received 1,866 total visits (of which 1,231 were unique visitors, a 38% increase over the previous quarter). The website received 57 new registered users during this time period, bringing the total to 148. A new ICT and Ag update was written for distribution by Judy Payne to the FACET mailing list on 11/29.

Component 2: Short term field support technical assistance

The team has developed a SOW to conduct a one-day training for Farmer to Farmer implementing partners at the end of November on strategies for assessing appropriate ICT solutions for agriculture, as well as a SOW for STTA next quarter to Mozambique to provide SIMA/MSU with technical assistance and analysis on appropriate data collection systems for MIS. In addition, the team is working to develop training and resource materials for low-cost video production for agricultural development purposes in sub-Saharan Africa.

Next Steps

By the next quarter, FACET anticipates having hired a new full-time staff person who can help drive forward a lot of its work. We anticipate there to be a lot of work in the coming quarter, but are optimistic that it will represent a shift in our output capacity. In addition, FACET will facilitate a webinar/presentation on at least 1 topic related to ICT and agriculture, continue to produce ICT and Ag profiles, finish and distribute at least 5 new briefing papers, continue to add resources to the USAID Ag and ICT website and Microlinks, conduct STTA in Mozambique, facilitate a one-day working for Farmer to Farmer partners, and develop draft training materials and resources for low-cost video (per above)

3.4 GEMSS (South Sudan)

(December 2008 – December 2011)

The purpose of GEMSS is to build the foundation of 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. In-country implementation for this award was launched in early December 2008 and is being led by FIELD-Support partner organization ACDI/VOCA.

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. Consultants from Management Audit Consulting, Ltd. (MACL) arrived in South Sudan to begin the SUMI data quality assessment. They began work in Juba, and then moved on to SUMI's Yambio and Yei branches.

GEMSS was originally going to end in September, but was granted a no-cost extension by USAID through the end of December 31, 2011. The extension is meant to allow time provide support to a potential investor in SUMI.

Selected highlights of progress to date:

- **16 financial institutions** newly engaged in value chain finance
- **7,861 microenterprises** receiving VC finance
- **321 microenterprises** receiving BDS
- **530,910 rural clients** being served
- **61 financial products** and services newly available in rural areas
- **\$71.1 million** in savings deposits
- **\$117.4 million** loan portfolio of reporting MFIs
- **393,186 clients** served due to an ICT intervention
- **410,804 clients** benefitting from new products and services

3.5 HIFIVE (Haiti) (June 2009 – May 2012)

Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE) is USAID/Haiti's next phase in a sequenced strategy to further develop the country's financial services sector to promote employment generation, to improve livelihoods, and to boost the economy. HIFIVE's activities specifically focus on improving the availability of financial products to support the expansion of agricultural and other production and the expansion of availability of access to financial products and services in rural and agricultural areas. Select highlights of recent accomplishments by HIFIVE include:

Increased Availability of Value Chain Finance

As a result of HIFIVE's work with value chains and financial institutions, there are now **17 financial institutions newly engaged in value chain finance**. These institutions have created a total of **31 new credit products** addressing multiple needs of a variety of value chains including coffee, cocoa, mango, beans, salt, poultry, market garden vegetables, plantains, rice, livestock, shallots, among others.

Small and Medium Enterprises/Business Development Services (BDS)

The BDS activities of HIFIVE and have resulted in notable advances in improving access to finance for the selected recipients. Tourism activities in the north, targeted agricultural value chains, and micro and small enterprises participating in MEMA (the business plan competition, see below), have been among the successful recipients of BDS services that have led to improved access to finance. The success of the HIFIVE approach has been in its careful identification of key value chain participants whose access to finance can be improved through the delivery of targeted BDS to improve aspects of their governance, management, or marketing. The delivery of BDS is accompanied by work with the HIFIVE team to identify potential financial partners who may provide the needed finance and/or to structure grants that will improve access to the value chain.

Successful Completion of Business Plan Competition/MEMA

MEMA, produced in partnership with IADB, has been a wide success, with strong public support, institutional participation by Haiti's private sector, government interest, the number of applications, the quality of business ideas, the enthusiasm for the training, submission of final plans, and the diversity of

winners. A key element of the successful implementation strategy was the development of local partners, thus attracting extraordinary private sector participation and government support from a range of stakeholders:

- *Partners:* BID, USAID, UNIQ, HIFIVE, TNS
- *Prize Sponsors:* Digicel, Citibank, Mercy Corps, APN, AMCHAM, SOFIHDES, AIC
- *Implementation Sponsors:* Chambers of Commerce of Cap Haitian, Gonaive, Jacmel, and Cayes; Award Event Sponsor: BRANA; *Opportunity Fair Sponsor:* APB
- *Jury members:* SMG Associates, Clinton Bush Foundation, Scotiabank, Solutions, Inc; Oasis Group, CFI
- *Steering Committee:* Scotiabank, Digicel, BRH, CFI

Encouraging the use of ICT to expand financial inclusion

Under the Haiti Mobile Money Initiative (HMMI), HIFIVE has overseen the introduction of two mobile money services before the end of 2010, and the subsequent awarding of the First and Second to Market prizes to those services over the last year for having met the competition criteria (following successful verification of the award claims). Awarding of the first “Scaling Award” is expected during the next quarter, pending successful verification of the award claim. The achievement of these milestones was made possible by the rapid uptake of the services and their increasing transaction volume, as well as the outreach and promotional activities in response to HMMI. As HMMI advances, the emphasis shifts from “service introduction” to reaching scale and achieving sustainability. At quarter end, there were 115,452 registered users of mobile money services.

HMMI has played a key role in encouraging the private sector to develop mobile money service platforms and to launch products. As referenced earlier in this document, HMMI’s activities have now changed the landscape of financial services in Haiti. Banks previously uninterested in the development of these services are now scrambling to define a mobile money services strategy and to determine where to fit within the “eco-systems”.

Underscoring USAID’s interest in the development of mobile money services as a key element in expanding financial inclusion, during his visit to Haiti in September, USAID Administrator Rajiv Shah participated in an HMMI round table in Port au Prince for sector leaders, “Driving Demand and Seeking Sustainability.”

Collaboration with other USAID Projects

A hallmark of HIFIVE’s work is its close collaboration with other USAID project to identify financing needs among the clients of those other projects and work with financial institutions to find partners or to develop products to meet those needs. Examples include:

- Labadee handicraft merchants (approximately 10% of FAML members) have received loans from *Caisse Populaire de la Fraternite* (CPF) to support an improvement and repositioning of the artisan market at Labadee. (MarChe Project)
- MCN began loan disbursements to members of the taxi associations of Cap Haitian, following work by HIFIVE with those associations and the ATN (Tourism Association of the North) to improve the creditworthiness of association members. (MarChe Project)
- HIFIVE successfully completed work to obtain financing for 20 women value chain participants who had worked with DEED. They now receive credit from SOCALIVM in St. Marc too expand/improve their production and its commercialization.
- Working with FECCANO and its member association, HIFIVE structured two grants to financial institutions for the development of production cycle and other credits targeting the members of federation’s six associations. With this access to finance, FECCANO was able to meets its export contract for the first time, more than tripling the volume to three containers and to develop a new export market in Canada. (DEED)

3.6 *LBLI (Lebanon)* (August 2008 – December 2011)

By targeting market driver firms in agribusiness, tourism and information and communication technology, the Lebanon Business Linkages Initiative (LBLI) was designed to build on USAID's previous investments in Lebanon and further its goal of fostering sustainable growth and reducing poverty in rural Lebanon. With technical leadership from ACDI/VOCA and AFE, LBLI is supporting the efforts of industry groups to develop competitiveness strategies, identify solutions to business bottlenecks that constrain backward linkages, and encourage increased productivity and coordination. LBLI, which is 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

- 6% increase in sales of partner Market Driver Firms in domestic market and exports
- 33% increase in the number microenterprises linked to larger firms from 240 in Phase I to 292 in Phase II
- 75% increase in the number of firms successfully assisted in accessing financing of the total number of those that were assisted during Phase I
- 39% increase in the number of agricultural firms benefitting directly from USG supported interventions from 146 in Phase I to 203 in Phase II

During this quarter, LBLI achieved key results in three intervention components to improve the agricultural sector in Lebanon; a) access to finance; b) reaching small agricultural firms; and c) proving that reaching GLOBALG.A.P. certification was within the reach of well-managed farms. LBLI achieved these successes in the following program areas:

Expand Market Access Through Business Linkages

Working to connect the agri-producers into high-return and growing markets so that they in turn will source more from Lebanese farmers, LBLI-supported Lebanese agro-food industries continued to expand market access and identify new opportunities especially in the U.S. markets through three main axes: participation in international fairs, increased exports through uniform branding, and supporting in-store promotions. LBLI's trade fair participation proved to be a viable channel for marketing Lebanese exports, facilitating access to serious buyers and catching market trends. LBLI facilitated participation for Lebanese food processors in two international food trade fairs; the East Coast Fancy Food Show (Washington D.C.) and the New York Gift Show. This resulted in new multi-million dollar contracts with U.S. importers and long-term trade opportunities with increased farm inputs.

Backward Linkages to Improve Local Supply and Realize Market Growth

By realizing market growth for lead firms, or market driver firms (MDFs), fostering relationships of trust between them and farmers, and targeted technical assistance, LBLI increased small farmers' revenues through capacity building and increased linkages. LBLI continued to build linkages between small farmers and MDFs to improve local supply and realize market growth. LBLI facilitated a total of 287 linkages in 2011 between MDFs and small local farmers through lead farmers.

Address Value Chain Constraints to Foster Industry and SME Growth

During this quarter, LBLI continued addressing constraints across the value chain to move the fresh fruits and vegetables sector forward. This included the need to reach global standards of good agricultural practices (GLOBALG.A.P.), private sector investment flow (access to finance) and upgraded post-harvest practices (training & demonstrations). LBLI supported farmers and processors in removing or mitigating obstacles through different innovative approaches:

- Supported 7 farms in acquiring GLOBALG.A.P. certification, doubling the total number of certified farms in Lebanon;
- Facilitated trainings of widely respected international experts on best production, post-harvest, packaging, and storage techniques as well as global trends of the table grape market;
- Supported 5 MDFs with HACCP gap analysis to identify areas that must be improved to meet new Lebanese and FDA requirements;
- Worked closely with farmers and bank branch offices to submit complete and Central Bank approved loan applications, allowing farmers to invest in business growth;
- Developed and published a brochure to distribute to over 2,000 farmers and bank branch offices to facilitate loan application procedures;
- Established a joint Agro-insurance Steering Committee with Arcenciel whose goal is to orient and facilitate the development of a prototype agro-insurance product.

Syndicate of Lebanese Food Industries (SLFI)

LBLI also continued building the capacity of the Syndicate of Lebanese Food Industries (SLFI) to support Lebanese processors through trainings and studies to understand the US markets. Recent activities, designed to improve its services to its members and improve members' competitiveness in local and export markets, included:

- Published first newsletter and widely distributed
- Updated Website to meet the Syndicates' needs
- Held workshops to improve processors market intelligence capabilities
- LBLI team continued to help SLFI members in implementing the Sector Strategy created early in the project to help processors enter the US specialty food market, with significant success.
- LBLI continued building the capacities of SLFI to support Lebanese processors, through trainings and studies to understand the U.S. markets
- LBLI collaborated with SLFI, another USAID project (WTO Accession), and the Central Chamber of Commerce, Industry, and Agriculture to perform gap analyses for food processing factories to meet HACCP requirements that are required by the Ministry of Agriculture and the USA FDA.

"Beyond Beirut"

A key objective of LBLI's support to Beyond Beirut was to expand the NGO's capacity to operate as a well-managed, sustainable NGO. Progress made in this direction during the quarter included:

- Board meetings held on a monthly basis; with agendas, minutes and records of decisions;
- Regularly updates and monitors their website; mirrors articles featured in *Lebanon Traveler* along with other tourism news and monthly newsletter;
- Created a social network extension of its activities by establishing a space in Facebook that reports BB's latest news;
- Organized a successful "Sustainable Tourism Forum and Exhibit";
- Published two quarterly magazine issues, *Lebanon Traveler*.

3.7 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.

A. Country-specific activities

Ethiopia

- LIFT finalized its assessment report titled *Assessment of USAID/PEPFARs Economic Strengthening Programs in Ethiopia*, and is awaiting approval from USAID/Ethiopia to publish it on the LIFT webpage located on the KDID website.
- On August 16, LIFT hosted an Economic Strengthening Dissemination Workshop, on behalf of USAID/Ethiopia, to share the lessons learned and recommendations from the report titled *Assessment of USAID/PEPFARs Economic Strengthening Programs in Ethiopia*, conducted in Ethiopia in August and September 2010. A total of thirty participants attended the workshop. Representation included USAID/Ethiopia, WFP, UNICEF, Save the Children, Pact, ChildFund, ACDI/VOCA, DAI, Addis Ababa University, and World Learning.
- Save the Children conducted fieldwork in Ethiopia for the referral research discussion paper requested by the Care and Support Technical Working Group. The draft report was circulated for comments and should be finalized in the next quarter.

Nigeria

- In July, Ben Rinehart and Gareth Evans traveled to Abuja, Nigeria to host a two-day training for 35 PEPFAR implementing partners in Nigeria. The participatory training provided: an overview of the LIFT livelihoods and vulnerability conceptual framework; a review of different types of provisioning, protection, and promotion activities; and introduction to the standards of practice in implementing these activities. During the training, there was a special focus on economic protection activities.
- The team met with specific partners selected by USAID as potential recipients of more customized technical assistance. These partners included MSH and Africare (implementing the CUBS project); Hope Worldwide; Network on Ethics/Human Rights, Law, HIV/AIDS prevention and Care (NELA); and Save the Children UK. For the CUBS project, the team evaluated proposed program options for income-generating activities, recommended consideration of savings group promotion, and provided a quick cost-benefit analysis in terms of financial resource requirements and overall beneficiary targets. For Save the Children UK, LIFT discussed and later provided input into the design of an assessment tool for measuring OVC well-being as it is impacted by household participation in village savings and loan groups. With NELA, LIFT provided comments into their recently concluded economic strengthening activities.
- LIFT created a tools and resources package including appropriate existing tools, and made these available to training participants through an online portal.

Namibia

- In August, LIFT initiated discussions with USAID/Namibia about follow-on work to the LIFT in-country assessment and report, which was prepared between November 2009 and March 2010. Dr. Ochi Ibe of USAID/Namibia continued to be LIFT's primary point of contact at the mission. Dr. Ibe has shown interest in having LIFT return to Namibia and disseminate the results and recommendations from the report and begin researching the potential implementation of a NACS referral system and /or network in select locations.
- LIFT is currently planning to host a national dissemination workshop on November 29th and 30th in Windhoek, Namibia, to share, review, and validate the results and recommendations from its report with PEPFAR and USAID/Namibia implementing partners.

- In addition, USAID/Namibia would like LIFT to provide support and technical assistance on the development of a nationwide NACS referral system. Discussions on how LIFT will support NACS in Namibia will continue into the next quarter.

Democratic Republic of Congo (DRC)

- In July, Jill Thompson (LIFT Consultant), Sybil Chidiac (CARE/Tanzania), and Willy Rumanya (CARE/DRC) participated in a joint LIFT/FANTA-2 assessment trip to meet with government, international and local organizations, and community members to review past and current experience with nutrition, food security, and economic strengthening activities targeting HIV-affected populations in the DRC. The information collected during this trip was used to develop a report which lists technical assistance options the USAID/DRC mission could use to strengthen its food security, nutrition, and HIV activities. The mission has expressed interest in utilizing the FIELD-Support mechanism to initiate a LIFT-like technical assistance project focused solely on the DRC. FHI 360 will continue discussions with the mission into the next quarter and attempt to finalize plans for a new FIELD-Support award.

Rwanda

- LIFT began discussions with USAID/Rwanda this quarter. It became clear as talks progressed that present circumstances within the mission would delay any TA from LIFT for the foreseeable future. LIFT will continue to check-in with the mission periodically to assess the situation and gauge the mission's interest in engaging lift as a TA provider.

Global Activities

- **M&E Technical Assistance:** LIFT provided technical input into MEASURE's qualitative OVC impact indicators for their OVC program evaluation tool.
- **Global Fund Toolkit:** LIFT provided technical input into the food security narrative of the Global Fund toolkit that will be used by country teams preparing Global Fund proposals.
- **Economic Strengthening and Skills Building for OVC:** On August 11th and September 27th, LIFT consultant Margie Brand delivered the first and second in a series of three workshop presentations on economic strengthening (ES) skills-building for OVC, for the Interagency OVC Task Force. The first workshop introduced the general concepts of ES in the context of OVC programming. The second workshop built on the first workshop by introducing several case studies and providing participants the opportunity to critically evaluate the challenges involved in planning, implementing, monitoring, and evaluating the challenges of ES activities for OVC.
- **Strategic Partnerships and Collaboration: WFP** On August 2nd, LIFT participated in a conference call with Nils Grede of WFP and USAID to discuss collaborative opportunities between LIFT and WFP. WFP is interested in including wrap-around services within its core set of interventions, and requested input from LIFT on a draft concept document to explore a model of linking patients in the health system to livelihood activities, through testing different models on the processes and tools. During the meeting, countries of mutual interest were discussed. LIFT will continue to explore potential areas of collaboration into the next quarter.

3.8 P3DP (Ukraine)

(September 2010 – September 2015)

Programmatic highlights for the latter part of Year 1 include (a) the subcontracting with Gide Loyrette Nouel (GLN), an internationally recognized legal firm based in Paris, France, with an office in Kiev, to conduct a diagnostic of the PPP legal environment in Ukraine; and (b) after extensive visits to multiple cities throughout Ukraine, the recommending to USAID of 6 high-potential cities as potential partners in PPP pilot projects. By achieving high-potential status, these cities are targets for capacity development and other PPP project-related support. The draft GLN report is slated to be formally presented to both USAID and GOU representatives in early October, 2011, with a subsequent public release at the P3DP-

initiated PPP Conference on October 20, 2011, in Kyiv. The initial USAID-accepted 6 PPP pilot projects have now been joined by 7 additionally identified high-potential projects – clearly meeting the Year 1 target of identifying at least two PPP pilot projects with which P3DP will engage to develop further as real-world examples of PPP initiatives being considered under the Ukrainian PPP environment.

To further expose Ukrainian leaders to international practices in the PPP arena, P3DP organized two study tours in Y1 for Ukrainian national level participants to obtain perspectives from PPP Unit functional operations within the East European region. The first study tour to Zagreb, Croatia in late June included 12 Ukrainian governmental officials involved in PPP development in Ukraine. In Croatia, the group was hosted by the Croatian Agency for Public-Private Partnerships (APPP). The second study tour was for a similar number of GOU-recommended officials to St. Petersburg in July-August. The follow-up for these tours is a planned workshop in Y2Q1 in which discussions among the participants of observations, lessons learned and collective suggestions will be aggregated as to practices, processes, procedures and functional responsibilities that may best be suggested for the Ukrainian context.

Administratively, P3DP continued to support the home office in pursuit of critical sub-agreement development with its identified Implementing Partners:

Ukrainian Public Private Partnerships Development Support Center (PPPDSC)

Institute for Budgetary and Socio-Economic Research (IBSER)

Kyiv Economic Institute (KEI)

Association of Ukrainian Cities and Communities (AUC)

East Europe Foundation (EEF)

Expectations are that these sub-agreements will be executed in early Y2Q1³. Also, the P3DP staff responded to both expected typical and certain ad hoc requests of USAID throughout the year.

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

³ The KEI sub-agreement was executed on October 3, 2011, and the draft sub-agreement documents were distributed to both EEF and AUC on October 14, 2011. A sub-agreement discussion was held with PPPDSC on October 15, 2011, resulting with a series of next steps being identified for closure.

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.

3.9 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.

3.10 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.

4 Staffing

The staffing structure for the FIELD-Support FHI 360 HQ staff (as of **January 1, 2012**) is presented below by the Projects they support:

Person	Title	Project(s)
Paul Bundick	FIELD-Support LWA Project Director	All
Carrie Keju	Associate Award Project Director	ESAF, GEMSS, LBLI, APTS
Laura Barland	Program Officer	LBLI, ESAF (PIP)
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

5 Next Steps

On July 1st, AED's US government contracts—including the entire FIELD-Support LWA and its portfolio of Associate Awards—were novated 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. Priorities for the FIELD-Support LWA are as follows:

- **New Associate Award Development:** Targeted outreach to USAID Missions and Operating Units and mobilization of prime funds for new Associate Awards development.
- **Existing 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.
- **Monitoring and Evaluation:** Hire M&E professional skilled in RCT research, performance measurement and impact evaluation in line with recommendations in the FIELD-LWA 2010 evaluation.
- **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:** Hold consortium meeting to re-orient FIELD-Support and re-energize partner commitment and USAID participation in the LWA mechanism.

Annexes

Annex A: List of Current Pilot Activities

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

	Pilot Activity	Implementing Partner(s)	Country	Period of Performance	Status	Award Value
A	Consumer Protection Principles (SMART Campaign)	ACCION (CFI) and SEEP	Global	10/15/2010 – 3/31/2012	Open	\$199,361 (ACCION) \$199,658 (SEEP)
	Led by the Center for Financial Inclusion (CFI) at ACCION International and the SEEP Network, under this activity, the SMART Campaign will lead a training of trainers for nearly 50 participants from microfinance networks around the world in basic consumer protection principles as well as more in-depth protocols for conducting self-assessments. The project is designed to equip regional microfinance networks and national microfinance associations to advance the implementation of the Client Protection Principles (CPPs) through a “Putting Principles into Practice (PPP)” and SMART assessor trainings.					
B	Graduating the Poorest into Microfinance: Linking Safety Nets w/ Financial Services	IPA	Ethiopia	8/3/2009 – 08/30/2013	Open	\$224,224
	Based on the CGAP/Ford Foundation global initiative that combines safety net programs with entrepreneurial activities to develop a graduation model for the poorest households, Innovations for Poverty Action (IPA), in collaboration with USAID, the Consultative Group to Assist the Poor (CGAP), and the BRAC Development Institute, is testing a methodology for reaching the most vulnerable households in Ethiopia. Through FIELD-Support, IPA is conducting an assessment of the impact of the graduation model in Ethiopia. The assessment is designed to determine the social and economic impact on targeted households of the intervention, including changes in income, assets, school attendance of children, health and food security. In addition, the study will provide some evidence regarding the viability of “graduating” the ultra poor to food security, and potentially traditional microfinance.					
C	Value Chain Development for Very Poor Households	World Vision	Bangladesh India Kenya Haiti Afghanistan Sierra Leone Ethiopia Angola	3/1/2011 – 5/31/2012	Open	\$150,000
	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
A	ACDI/VOCA	Value Chain Finance Analysis and Financial Product guides	\$151,268
	<p>ACDI/VOCA proposes to develop and field test two tools for practitioners:</p> <p>1) A user guide for assessing financial service needs in priority value chains. This tool would be used by practitioners in project design activities. Often designers ask how to expand lending to the small farmers or other small firms within the chain, assuming automatically this is a constraint to Value Chain development. A straightforward tool—a pamphlet which combines concise steps, check lists and decision tree elements, could guide designers through the key questions:</p> <ul style="list-style-type: none"> • What are the key opportunities for expanding sales and upgrading in this value chain? • What are the key financing requirements to pursue these opportunities? • What are the key constraints to their delivery? • Who has the incentives to deliver the services? • What project interventions are necessary and with whom? <p>2) An expandable set of two-to three-page “product guides” of value chain finance products, services and alliances to be used by project staff in conjunction with a value chain finance analysis and needs assessment exercise. This tool will complement the work done by FS Share in three ways. The primer focuses on four products, with detailed cases. Our tools section will link products to a value chain map, organizing products around the economic opportunities and transactions that they facilitate. The framework will visibly reinforce the notion that these financial services are tools effective for particular economic purposes. This framework can be expanded as material on new pilots and applications are 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	AFE	Facilitation Working Group Phase II	\$144,571
	<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, 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.</p>		
C	CARE	Capacity Building Concept for CARE Staff on Implementation of Value Chain Programs	\$192,698
	<p>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.</p>		

D	Opportunity International	Smallholder and Rural Household Agriculture Study	\$137,023
<p>Opportunity International has embarked on a comprehensive rural and agriculture strategy to help smallholder farmers and rural households improve crop productivity and increase household income. As part of this initiative, Opportunity will evaluate the effectiveness of strategic partnerships with extension service providers for the agriculture sector, including the impact that these services have on clients. Key questions to be addressed include:</p> <ul style="list-style-type: none"> • What is the effectiveness of strategic partnerships between microfinance institutions or banks and extension service providers in delivering complementary services to rural and agriculture households? What are the challenges? What are important steps to be taking in forming these partnerships? • What is the impact of these strategic partnerships on farmer households? Has crop productivity increased? Have household incomes increased? • How do key value chain interventions mitigate risk and support the extension of financial services into rural areas and into the agriculture sector? • What are the critical success factors to delivering financial services in rural areas and to agriculturally-dependent households? 			

Annex C: List of Current Associate Awards

	Implementing Partner(s)	Countries of Implementation	Period of Performance	Award Value
1	Eastern Caribbean Youth Microenterprise Program (ECYMP)			
	AED, EcoVentures International	Barbados, Antigua & Barbuda, Dominica, St. Lucia, Grenada, St. Vincent & the Grenadines	5/2010 – 2/2012	\$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>				
2	Expanded and Sustained Access to Financial Services (ESAF)			
	AED, the William Davidson Institute (WDI), Shorebank International (SBI), Save the Children, CARE, CHF International	West Bank/Gaza	9/2008 – 9/2012	\$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>				
3	Fostering Agriculture Competitiveness Employing Information Communication Technologies (FACET)			
	AED, ACDI/VOCA, AFE, IRIS	Sub-Saharan Africa	10/2009 – 12/2012	\$1,300,000
<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>				
4	Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE)			
	AED, World Council of Credit Unions (WOCCU), TechnoServe	Haiti	7/2009 – 5/2012	\$37,169,702
<p>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.</p>				
5	Lebanon Business Linkages Initiative (LBLI)			
	ACDI/VOCA, AED, Action for Enterprise (AFE)	Lebanon	8/2008 – 12/2011	\$7,528,332

	In support of achievement of USAID/Lebanon's goal of fostering growth and reducing poverty in rural Lebanon by building on previous activities in agribusiness, tourism and ICT, the Lebanon Business Linkages Initiative program will be implemented through activities focused on objectives including expansion of market access, improvement of access to financial markets, and elimination of restraints to industry and SME growth.			
6	Livelihood and Food Security Technical Assistance (LIFT)			
	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.			
7	Public Private Partnerships Development Program (P3DP)			
	WDI, IRIS Center	Ukraine	9/2010 – 9/2015	\$12,500,000
	The goal of the Public-Private Partnership (PPP) Development Program for Ukraine is to promote the use of public-private partnerships, with an expanded role of private sector finance and operational expertise in public infrastructure development, to improve infrastructure and public services in both urban and rural areas. The program is promoting the use of public-private partnerships through: 1) undertaking necessary legal and institutional reforms; 2) establishing a national public-private partnership unit to serve as a bridge between government and private sector interests; 3) undertaking a capacity building and stakeholder communications program; and 4) creating a project development facility to build and finance a sustainable pipeline of PPP projects.			
8	Ecuador Local Business Development (PRODEL)			
	ACDI/VOCA, CARE, AED	Ecuador	11/2007 – 9/2012	\$16,093,000
	PRODEL promotes the competitiveness of Ecuadorian enterprises along the southern and northern borders and create licit employment opportunities. The overall objective of PRODEL is to increase income and employment for families along the southern and northern borders by supporting the expansion of private enterprises that will rapidly generate income and employment.			
9	Supporting Transformation by Reducing Insecurity & Vulnerability with Economic Strengthening (STRIVE)			
	CARE, SAVE, World Vision, MEDA, AFE, IRIS, ACDI/VOCA, DTS	Philippines Afghanistan Mozambique Liberia	9/2007 – 3/2014	\$15,935,785
	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.			