



FIELD-Support LWA

Quarterly Report January - March, 2012

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

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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 assisted with the administration of this complex contractual mechanism.

Since the beginning of the program in 2005, the FIELD-Support Leader has supported the implementation of 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 Pilots*

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.

Key activities for the last quarter have included hosting classroom trainings on the Client Protection Principles (CPPs) and gathering self-assessments from their member MFIs. In addition, a subset of networks has continued to conduct full client protection assessments in their regions. As of the end of the quarter, 80% of the networks had hosted their workshop on the CPPs, 85% of the selected networks had completed their first apprentice assessment, and over half had completed their second assessment.

This quarter, the three remaining client protection assessments were conducted in Jordan, Russia, and Nepal, as well as the last client protection principles workshop in Mexico. The client protection assessment in Nepal was important because it served as the first field test of the client protection certification indicators. Isabelle Barrès, the director of the Smart Campaign, and Cara Forster, program manager at SEEP, along with two staff members from Centre for Micro Finance Nepal carried out the certification testing on Nirdhan Utthan Bank Ltd., the largest microfinance institution (MFI) in Nepal. The assessment team carried out a regular client protection assessment and also completed additional field work and analysis as part of field testing the proposed indicators for certification. To test the certification indicators, the team spent an expanded amount of time in the field and for the first time, convened client focus groups (3) to incorporate more views from the clients into the assessment process. In addition, the team evaluated the MFI against two different sets of indicators: the traditional set of indicators used to assess implementation of the client protection principles and the new set of indicators that are proposed for the Smart Campaign’s certification program. The set of certification indicators were developed by the Technical Subcommittee of the Campaign last year and the field testing this year is a key step because it evaluated the proposed certification indicators in a real assessment situation to see how they functioned in practice. The results and the experience of the field test will be used to further refine the indicators and the certification process, which will begin a pilot phases latter this year.

Learning:

Throughout the duration of the project, many lessons have been learned. One lesson is that general capacity needs to be built at the association level to ensure their ability to gather broad industry support, promote standardized adoption of the Principles, and achieve long term change in the practices of their members. Every association is at a different level of development, which has had implications for the project regarding both their commitment and ability to direct resources to the topic of client protection. This factor needs to be considered when working with the associations and in the future support should be tailored to each association's actual capacity and level of commitment. Additionally, while the external client protection assessment is valuable to an MFI because it evaluates their practices and also gives them recommendations for how to improve practice, many times the MFI lacks the resources or technical knowledge to fully implement these recommendations. There is a need for targeted assistance to MFIs who have undergone an assessment to help them implement major recommendations, or else many practices will continue as they were due to a lack of capacity and/or resources on the part of the MFIs. These are examples of some of the broad lessons learned from this project and which should be considered in future work with associations.

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;
- 20 client protection workshops held with over 400 MFIs in attendance;
- 13 apprentice assessments conducted with Smart Certified Assessors;
- 13 second client protection assessments;
- 158 Getting Started Questionnaires submitted;
- 3 Smart Notes published
- 249 MFI endorsements of the Campaign.

Follow the campaign at www.smartcampaign.org

As mentioned in previous reports, the process to become a Certified Smart Assessor is still evolving and this project has provided many insights into what works and what doesn't for training and certifying additional assessors, especially when those candidates are network professionals. As a result of the project, the Campaign has moved away from the idea of "certified assessors" and instead has developed three assessor categories: lead, supporting and trainee assessors. There are certain attributes required to be a lead assessor including good analytical skills, strong writing skills, experience in microfinance, skill with conducting interviews, competence in applying the scoring methodology, and objectivity. At the beginning of the project, associations were asked to send staff members with these qualities to be trained on the assessment methodology. Not all of the association staff possessed these qualities, which



Assessment team conducting a client focus group in Lumbini, Nepal. Photo credit: Naresh Nepal

resulted in varied degrees of quality in carrying out the assessments and writing the assessment reports. In some cases it may be due to a lack of experience in which additional exposure to assessments should allow these trainees to become lead assessors, while in other cases, it has proven to be a fundamental lack of skills, which results in that person likely never being able to become a lead assessor. Another challenge included network staff that had trouble accepting that best practice in their national context did not necessarily reach the level of best practice internationally. Additional exposure to assessments would likely address this challenge in most cases.

Finally, the issue of assessor objectivity surfaced in many assessments. Often times the MFIs that received a Smart Assessment were the best performing, best known MFIs in the network's membership, which led to some assessors having a pre-conceived overly positive view of the institution's practices. The assessment methodology is an international framework that can be applied in any country and in some cases it proved difficult for assessors to approach the evaluation from an objective standpoint; many wanted to apply the methodology based on their specific country context. However, while an MFI's client protection practices may be good within the country context, it may not be an excellent or best practice internationally. This type of limited, country-specific view while conducting an assessment led to differences in scoring between national and international assessors, with some national assessors giving higher scores than the evidence warranted. This was noted in the review of the assessment reports by the Campaign. As these candidates conduct more assessments and gain more experience on client protection, they should become more objective and have a better understanding of how to evaluate an MFI separate from its national context.

Dissemination:

In this quarter, the Campaign finalized and published three Smart Notes resulting from assessments conducted in this project: [AccessBank in Azerbaijan](#), [FMM Popayan in Colombia](#), and [FUNDESER in Nicaragua](#). The three Smart Notes all focus on different topics: HR practices in AccessBank on non-discrimination and their deliberate efforts to hire people with disabilities; the strong pro-client attitude of FMM Popayan and how they developed both the policy and procedures to support it; and the reaction of FUNDESER to the worldwide credit crisis and to Nicaragua's "No Pay Movement" including steps to rebuild its brand around high ethical standards and sound risk management. There are still three potential Smart Notes in development from Tameer Bank in Pakistan, Boashang Gank and Ningxia Huiming MCCs in China, and Nirdhan Bank in Nepal. These Smart Notes will be finished in the next quarter if the current challenges of communications with the MFIs and definition of content can be resolved.

In addition to the Smart Notes, SEEP has partnered with FINRURAL, the microfinance association in Bolivia, to produce a case study on one of their MFI members, IDEPRO. IDEPRO attended the client protection principles workshop held by FINRURAL and they also received an external Smart assessment. In a move that demonstrated their commitment to client protection, IDEPRO decided to incorporate all of the indicators of the client protection principles into their strategic plan and use them as metrics for monitoring the ongoing social performance of the institution. The case study, produced by SEEP, will focus on the role of the association, FINRURAL, in aiding IDEPRO as well as the MFI's process for implementing this new practice. The case study is complete and should be published by the end of next quarter.

A variety of stakeholders has been involved throughout the project. This includes association staff that participated in the initial trainings in Mexico as well as MFI staff who attended the CPPs trainings. Through the networks' trainings, other types of stakeholders were involved including government and regulatory officials and some social investors. MFIs that received an external client protection assessment also had numerous headquarters and field staff involved who were interviewed for the assessment and attended the opening and closing presentations.

Next Steps:

At the end of the quarter, there remain two assessment reports to be finalized, along with three potential Smart Notes and the case study from IDEPRO. Due to various challenges and time constraints these learning products will be finished next quarter.

As a leader in client protection, the Smart Campaign will continue its work on this topic in a variety of areas. This year the Campaign will continue to field test the proposed certification indicators and will also pilot certification in Bosnia, Latin America, and Asia (at a minimum) with the four specialized microfinance rating agencies. The Campaign will also continue to develop the procedures and materials

for assessor training and certification, making adjustments to the process and requirements based on the experiences of this project and the ongoing demand for these services in the industry. SEEP and the Smart Campaign are exploring funding opportunities to build on the outcomes of this project and use the lessons learned to provide more effective assistance to associations so they may become capable leaders in their local markets, promoting client protection as a means to achieving a healthy, responsible microfinance sector.

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

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

During the last quarter, IPA is continued to oversee the activities of REST in the field through monthly monitoring visits to ensure that REST's activities comply with the research design and record implementation activities in general. REST facilitators, now implementing the program, have begun conducting individual weekly or bi-weekly meetings with all beneficiaries at the *tabia* level.

IPA has received additional funding to conduct the first of two follow-up surveys scheduled for April 2012 (Phase II). IPA will revisit all households surveyed in the baseline and conduct a follow-up survey, which will provide a statistical snapshot of change since the baseline and implementation. The results will be used to conduct preliminary impact analysis of the project.

C. World Vision: Value Chain Development for Very Poor Households *(May 2011 – September 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, two four day regional workshops were held, one in Bangladesh (February 6-9, 2012) and the other in Ethiopia (March 19-22, 2012). The workshops presented eight different modules, four modules devoted to horizontal linkages and four modules devoted to vertical linkages. The purpose of these modules was to provide practical examples and tools to field level practitioners, so that they can integrate the very poor into value chains by strengthening horizontal and vertical linkages. Feedback from these workshops is currently being incorporated into a new version of the “Integrating Very Poor Households into Value Chains Field Guide”(Field Guide), expected in late April.

The Field Guide will serve as a valuable reference for community level practitioners who need guidance when faced with the challenges of working with the very poor as part of value chain programming. The training curriculum has two corresponding training plans, a shorter two day training and a longer, four

day training, which can be used to improve the knowledge and skills of field level staff of the concepts included in the Field Guide.

Next Steps:

A workshop will be held on May 23-24 for the purpose of training World Vision and other development organization staff on how to integrate the very poor into value chains. The staff from World Vision who are attending this workshop are committing themselves to organizing and facilitating a workshop in the field.

The main goal for the next quarter is to receive feedback on the next version of the Field Guide, finalize, and print the publication. With the support of the FIELD-Support KM Team, the activity will work with QED and the KDMD project to explore additional ways to package and disseminate the final tools and Guide. World Vision plans to conduct a three-hour overview of the Field Guide for development practitioners in June.

To complete these activities, World Vision requested and was granted a no-cost extension through September 2012.

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. 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, executing the first mentee presentation from CARE Ghana, and planning for the second mentee presentation from Conservation International Cambodia to the network.

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 mentees' ongoing work and how to augment the core content with other types of media, including videos and shorter summaries of key concepts.

Progress Highlights

- 10 mentees and 7 mentors applying the curriculum using a range of models
- 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

Beyond these efforts, the collaborators began to plan for the close of the pilot. This includes gathering further data from participants on performance, recommendations for improvements, and outlining what will be included in the administrator's guide. The upcoming quarter will see final data coming in from partners and the consolidation of lessons learned via the pilot.

The GROOVE Mentoring Task Force held meetings as necessary over the course of the quarter to review the GROOVE mentoring work plan, monitor progress, and organize the mentee/mentor conference calls.

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 content to augment the core content including short videos, technical briefs, and just relying more directly on dialogue with mentees. All of this input is being captured in order to inform the revisions to the materials planned for the final quarter.

On dissemination, as noted above, the initiative has been presented at multiple conferences and has been well-received. Information has also been posted to the MaFI LinkedIn group. Staff will continue to utilize and monitor that forum, particularly as they begin refining the materials in the late-Spring.

Next Steps:

During the coming quarter, a draft administrator's guide will be generated, and lessons learned will be captured and consolidated from the GROOVE members on their experiences. Mentee webinars will continue to be conducted for the group.

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.

A. Internal Communications

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.

B. External Communications

In coordination with the QED Group’s efforts to redesign the Microlinks platform, FHI 360 continued its efforts to ensure that all FIELD-Support products, including reports, white papers, case studies, videos, podcasts, manuals, guidelines, success stories, etc., are centrally filed and indexed. In line with USAID’s mandate, this process now also includes that all public products comply with Section 508 to ensure that they are accessible to the visually disabled or hearing impaired.

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

- **Success Stories:**
 - [HIFIVE Success Story: Access to Agricultural Credit Gives New Opportunities to Local Farmers](#)
 - [STRIVE Success Story: Apprentices Learn and Earn in Afghanistan](#)
- **FACET White Papers:**
 - [ICT and AG Profile: Nutrient Manager for Rice](#)
 - [ICT and AG Profile: Mace Foods' use of M-Pesa](#)
 - [ICT and AG Profile: Kilimo Salama](#)

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 of Associate Awards that are implemented by the consortium members, contributing to their technical design and implementation, and ensuring quality. Team members coordinate day-to-day with the Core and Resource organizations and assist with the administration of this complex contractual mechanism.

During the last quarter, FIELD-Support continued implementing **8 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 completed the USAID-funded Eastern Caribbean Youth Microenterprise Program in February 2012. Originally an 18-month, \$1.848m program, ECYMP was extended by an additional five months to February 29, 2012 from the original end date of September 30, 2011.

The ECYMP pilot strengthened school to work transition strategies for youth ages 10-16 and accelerated the creation of sustainable enterprise opportunities for vulnerable youth (ages 16-30) through two distinct components:

- **Component A:** Re-establishment of Junior Achievement Barbados to support “school-to-work transition strategies” in primary and secondary school youth, 10-16 years old.
- **Component B:** Strengthening Microenterprise Strategies for Vulnerable, Out-of-School Youth through institutional and technical capacity building for youth-serving organizations (YSOs) in Barbados and the OECS to better support market-driven enterprise and self-employment opportunities for vulnerable, unemployed youth.

ECYMP piloted a unique market-driven approach to youth entrepreneurship development that sought to build the capacity of and transfer needed skills to local YSO partners implement interventions that: (a) link youth entrepreneurship interventions to specific market opportunities; and (b) develop linkages between youth entrepreneurs and private sector actors as a critical source of market access, technical expertise, and market information.

Key successes of ECYMP include:

- **Junior Achievement of Barbados:** ECYMP led the re-establishment of Junior Achievement Barbados (JAB) which was legally established as an independent local entity on January 30, 2012. ECYMP spearheaded all aspects of JAB’s successful reestablishment in partnership with the national government and Junior Achievement Worldwide, including the legal incorporation process, fundraising, establishment of the JAB Taskforce and Board of Directors, adaptation of JA modules, training of local teachers in the JA methodology, training of local business members as mentors, and more.

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.

- Technical Assistance to Youth Serving Organizations: ECYMP partnered with local YSOs to conduct *Youth Market Opportunity Assessments* (YMOA) in each participating country in order to identify specific economic sectors and value chains that can create opportunities for young entrepreneurs. Based on these results, the program conducted __ workshops reaching__ participants from YSOs and private sector to support local partners in designing and delivering market-oriented youth entrepreneurship. The program ECYMP reached __ through its Training of Trainers program in simulation-based enterprise development and entrepreneurship curricula training programs including “MarketPlace”, Financial Literacy and “Agriplanner”. Finally, ECYMP provided a total of \$99,700.58 to support technical assistance to five regional YSOs to support the development of market-driven entrepreneurship programs.
- Accelerator Grant Fund: ECYMP piloted an innovative “Accelerator” model with grant funding to support youth business leveraging specific market opportunities in partnership with other private sector actors. The “Accelerator Grant Fund” awarded four in-kind grants to YSOs in three countries totaling approximately \$131,051.22.

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.

In September 2011, the ESAF program was awarded a one year no-cost extension to work with the banking and non-banking regulatory environment within Palestine and to support the development of the Islamic finance sector, all towards increasing access to finance. The original focus of the ESAF program has been to strengthen the financial sector to help increase the resiliency to shock in the short term while increasing access and providing a strong foundation for economic growth in the long term. The Year 4 programming focus remains the same, with efforts aimed primarily at increasing access to finance through strengthened financial sector regulatory agencies (the PMA and PCMA) while creating greater access to finance through increased market-driven product provision and technical assistance.

The program has worked with the main project counterparts, the PMA and the PCMA, to ensure that the program objectives and the program results complement the strategic plans that have been or are being developed at these two agencies. The goal of this program is to work in tandem with the PMA and the PCMA to complement the success that they will accomplish over the year and to help facilitate a stronger interaction with relevant stakeholders to help them contribute to the development of the Palestinian financial sector. The program will also focus on the further development of the Islamic financial sector. This sector, which is currently under developed, lacks data and training to create reliable, credible and will monitored Islamic finance. The ESAF program will play a key role in helping to develop this sector to best meet to the true demand in the economy for Islamic finance products.

Recent progress and major activities include the following:

Component I: Strengthening the Non-Banking Regulatory Environment

Activity A: Technical Assistance to the PCMA and IT Infrastructure Support

A defined list of prioritized and apparent activities that the project can support has been developed and approved in cooperation between the PCMA and ESAF program. ESAF will assist

the PCMA in reaching its goals and strategic objectives through guidance and supervision of the provision of technical assistance. Part of the work was previously started such as the securities settlement system assessment that in particular focuses on identifying existing gaps and suggesting improvements according to best practices. Other technical assistance will continue throughout the upcoming year, including developing procedures and instructions for the PCMA central and technical departments, and reviewing and evaluating the legal framework. ESAF will also build the capacity of the PCMA to meet its oversight mandate through improved technical systems and infrastructure upgrades. These priorities will help the PCMA to meet its non-banking supervisory responsibilities in an improved and transparent manner.

Quarter Achievements:

- Completed WSR Report
- Stopped CISI activity and defined IT Support
- Defined with the PCMA International Organization of Securities Commissions (IOSCO) support
- Received IT equipment necessary to automatize Standard Operating Procedures
- Finalization of specifications for PCMA IT Equipment

Planned for Next Quarter:

- The IOSCO annual general conference will be held May 12-18th and programmatic and logistical arrangement/requests will be completed next quarter to support the PCMA's participation with the continuation of their application process and approval.
- Issuance of an RFQ for the PCMA IT Upgrade equipment and issuance of a PO.

Activity B: Strengthen the Insurance Directorate of the PCMA

The Insurance Sector is one of the most developed and advanced sectors that has been overseen by the PCMA in 2005. ESAF has followed the progress of the Directorate over the past three years and will work with them, the PCMA, and all relevant stakeholders to continue working to improve the capacity of the Insurance Directorate. Through ESAF's previous three years of implementation the program has also noted that the key to improving the Insurance Sector within Palestine is to work with the Insurance Directorate in

relation to improved capacity building of staff, additional technical support to help provide the staff with knowledge of best practices in the industry and to focus on the insurance companies need to fall under the regulation of the Insurance Directorate. Just as with the PCMA as a whole the ESAF program will assist the Insurance Directorate in reaching its goals and strategic objectives through guidance and supervision over the provision of technical assistance

The actuarial study was a response to concerns that premiums were not enough to cover claims, putting the companies at risk of insolvency. The tendency was for the chief executives to want to post profits, while not understanding the nature of the insurance business or the risks entailed. Moreover, some of the legacy Israeli laws, such as unlimited claim amounts for bodily injury from an auto accident, made the business very expensive. The study showed that many of the insurance companies were denying claims to avoid potential financial problems, and negative financial impacts on their companies, not taking into account the perceptions that were being created by the consumers, the Palestinian population. Based on the study it is believed that the current financial model of the insurance companies is not viable with an imbalance of company profits and premiums. This affects all aspects of the financial industry including motor complementary, liability (except workers' compensation), medical, fire, engineering and transportation. A compensation fund was established to help avoid a crisis but the fund is not likely to be able to cover the insurance companies' losses, as they are currently established. The end result will cause insurance companies to merge or request government support to cover losses not covered under the compensation fund.

- **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.

C. 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.

D. 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 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.

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

E. 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 six 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 1/1 to 3/31 the FACET-managed Allnet page received 2,066 total visits (of which 1,473 were unique visitors, a 10% increase over the previous quarter). On 1/9, FACET organized and co-hosted an event at USAID with the Global Broadband and Innovations program entitled “TechTalk: Introduction to Esoko,” including Laura Drewett (Esoko) as a presenter. The event drew 19 participants, with 100% of participants who responded to a follow up survey rating it as at least 3 out of 5 on a scale of usefulness. In addition, there were three ICT and AG profiles created during this quarter: on Mace Food’s use of M-Pesa; Nutrient Manager for Rice; and Nano Ganesh. All are available on Microlinks at <http://microlinks.kdid.org/facet>. FACET’s “Low-cost Video Toolkit” was drafted during this quarter and it will be published by the end of April 2012 so that it can be used as a guide for the series of FACET low-cost video short-term technical assistance workshops which will be implemented in east and west sub-Saharan Africa in May 2012.

Component 2: Short term field support technical assistance

The team has developed a SOW for STTA next quarter to East Africa to conduct research on the viability of several MIS systems for the USAID/East Africa mission. Planning for workshops in Kenya, Mozambique and Ghana for USAID implementing partners on low-cost video began during this quarter. These workshops will take place in May 2012.

Next Steps:

By the next quarter, FACET anticipates having hired a new communications specialist and begun increased social media outreach. 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 produce several new ICT and Ag profiles, finish and distribute at least 4 new briefing papers, finish and distribute at least five new briefing papers, continue to add resources to the USAID Ag and ICT website and Microlinks, conduct on average one webinar a month starting in April, conduct four low-cost video workshops for implementing partner staff in FTF countries in Africa, and complete an MIS assessment for East Africa.

3.4 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:

Selected highlights of progress to date:

- **17 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

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, and 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

Improve Access to Financial Products and Services in Rural Areas

HIFIVE activities have had a dramatic impact on the availability of financial products and services in rural areas.

- 25 of HCF's grants directly contribute to this objective, whether by providing support for the development of new products and services needed in rural areas, the expansion of services to these areas, the opening of new points of services, or through providing support to ITC improvements that will facilitate expansion to rural areas.
- HMMI is also contributing to this objective via the provision of an alternative means of accessing financial services and via the development of agent networks that provide additional penetration to these areas.
- There are now 297 traditional POS, with another 550 provided by mobile money service agents.

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 meet 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)

3.5 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 the Ethiopia Promising Practices in Linking Livelihood Strengthening and Clinical Services research incorporating the input and feedback from USAID/OHA and the PEPFAR Care and Support Technical Working Group. The report was presented at the CORE Group's NACS SOTA event in February 2012. In the next quarter, this report will be published on Microlinks.

Nigeria

- LIFT organized an OVC Microfinance training that will be held in Lagos, Nigeria from April 9-13, 2012. Preparations included adapting and finalizing the training curriculum, tools and materials, engaging external trainers from Village Savings and Loan (VSL) Associates, identifying participants in collaboration with USAID/Nigeria, locating a venue, and other relevant logistical and administrative tasks. Prior to the training, LIFT conducted a needs assessment to understand the capacities, context and interests of participants, allowing for the training to be customized appropriately. The training will be delivered by consultants, Hugh Allen and Mark Staehle, two leaders in the area of VSL, who will train 24 OVC program implementers on community-managed microfinance program implementation. The training aims to enable participants to identify appropriate community managed microfinance methodologies for their target populations, based on knowledge of various approaches and industry best practices.
- LIFT continued discussions with USAID/Nigeria on future long-term programming including a face-to-face meeting with Shola Onifade, OVC Program Manager in Washington, DC which led to LIFT drafting a work plan with key activities to program the remaining funds from the Nigeria mission and anticipated COP 12 funds. The three areas of focus for LIFT's future work in Nigeria include (1) building the capacity of OVC implementing partners to deliver appropriate ES activities, (2) strengthening knowledge management of ES programs by OVC implementing partners, (3) strengthening linkages between OVC implementing partners and ES service providers, including the Government of Nigeria (GON) and the private sector. The draft work plan will be presented to USAID/Nigeria at the April training and finalized thereafter.

Namibia

- LIFT finalized a detailed report of the proceedings, outcomes and key messages from its two-day stakeholder conference in Windhoek, Namibia, as well as a four-page executive summary of the meeting. LIFT also wrote and submitted a trip report summarizing meetings, site visits, contacts and key information gathered during the remainder of the trip. These documents were used by USAID/Namibia to reach out to the Ministry of Health and Social Services (MOHSS) to discuss the next phase of LIFT's engagement in Namibia, which will focus on improving access of NACS clients to economic strengthening activities.
- LIFT engaged extensively with USAID/Namibia and FANTA-3 to plan for upcoming activities in Namibia, including drafting a strategy to provide technical assistance to support the development of a NACS-ES referral system in two pilot sites. LIFT had planned to begin initial MOHSS engagement, obtain buy-in for its approach and identify the pilot sites early in the next quarter. LIFT was assigned an MOHSS counterpart in the Nutrition Unit. However this unit is unable to take on this coordination role, therefore meaningful engagement of the MOHSS is on hold until a replacement counterpart within another unit or division can be identified, likely in June.
- As a first step in LIFT's technical assistance, LIFT plans to undertake mapping exercises of ES/L/FS and other relevant community services in the identified catchment areas in two pilot sites in Namibia. Results of the mapping will inform the development of a referral directory for ES/L/FS services in each area and, based on the community mapping, LIFT will reach out to appropriate

community-based entities to identify the referral system coordinators. During this reporting period LIFT identified and researched several key community mapping approaches including the following:

- Organizational network analysis (MEASURE Evaluation)
 - System-wide Collaborative Action for Livelihoods and Environment (SCALE) Approach (FHI 360)
 - Hand-held technology data collection and layering (FHI 360-SATELLIFE)
- LIFT also identified community engagement and mapping approaches and tools used by the following projects:
 - Community Youth Mapping (FHI 360)
 - Zambia Prevention Care and Treatment Partnership (FHI 360)
 - Global HIV/AIDS Initiative in Nigeria (FHI 360)

Democratic Republic of Congo (DRC)

- Following the submission of a draft scope of work at the end of Year 2, LIFT continued discussions with USAID/DRC about establishing a new FIELD-Support associate award for LIFT activities. After an in-person meeting in Washington, DC in February, the DRC mission informed LIFT that instead of establishing a new associate award, additional funds would instead be put directly into LIFT's award. The DRC mission is drafting a scope of work to focus on improving the food security of HIV-affected families in existing PEPFAR Champion Communities through livelihood assistance and economic strengthening.

Kenya

- Following the NACS SOTA, LIFT met with the Brian Njoroge of FHI 360's Nutrition and HIV Program (NHP) to gain insight into possible integration of ES activities into the NACS framework in Kenya. Brian noted that ES is the missing component in HIV/nutritional care and feels there are a lot of good ideas, but that implementers need support to ensure use of best practices, scale-up and linkages with the health sector. In the next quarter, LIFT will engage in discussions with the USAID mission in Kenya to determine specific areas for support.

Tanzania

- LIFT engaged in initial discussions with Deborah Ash of the FANTA-3 project, who is based in Tanzania, to discuss possible areas of collaboration with current FANTA-3 and IMARISHA project efforts. Identified areas where LIFT support would be important include integration of ES/L/FS into NACS and assisting HIV and OVC implementers to develop implementation plans and frameworks for HES activities. Deborah will meet with IMARISHA counterparts to discuss specific unmet needs that could be filled by LIFT in Tanzania. LIFT also engaged in discussions with DAI's home office team to discuss potential areas of collaboration on the IMARISHA project.

Uganda

- LIFT met with Robert Mwadime of FHI 360's Community Connector Program in Uganda to discuss the objectives of LIFT and the Community Connector project and to identify potential areas of collaboration with this new, comprehensive program. Robert requested some tools to assess poverty levels at the household and LIFT shared the Grameen Bank's progress out of poverty index and the USAID poverty assessment tool for Uganda. Robert linked the LIFT team with Alfred Boyo at USAID Uganda in order for LIFT to begin initial discussions around a scoping visit to Uganda.

Global Activities

- **LIFT's Research Agenda:** LIFT began holding regular meetings with MEASURE Evaluation to begin developing the LIFT research agenda. After several meetings to discuss LIFT's activities and objectives for building an evidence base for impacts of economic strengthening (ES) activities, a concept note was drafted outlining an approach for MEASURE's collaboration with LIFT. The

approach outlined four primary activities including (1) conducting a literature review to identify evidence of linkages between ES interventions, household economic resilience, food security, improved nutrition, and HIV-related outcomes; (2) developing a logic model showing the causal pathways for the possible outcomes and impacts of LIFT's activities on the economic resilience and food and nutrition security of vulnerable households; (3) piloting a network analysis in a LIFT focus country such as Namibia to identify and map organizations for inclusion in a NACS-ES referral network, and to understand the direct results of LIFT's technical assistance to the referral network; (4) hosting a consultative meeting to review evidence from the literature review and define a research agenda. The literature review is underway, and development of the logic model and planning for the network analysis will begin early in the next quarter.

- **Harmonized Global Indicators for M&E:** From February 1-2, 2012 LIFT consultant Gary Woller represented LIFT at the WHO Consultation for Completion and Dissemination of Harmonized Global Indicators for Monitoring and Evaluation of Nutrition and HIV Activities in Geneva. Prior to this meeting, LIFT assisted in the development of the food security indicators to inform this global indicator list through various meetings and consultations starting in 2010, and helped to finalize these global indicators through this meeting and subsequent discussions. In coordination with USAID, LIFT plans to participate in field testing the final food security indicators in subsequent reporting periods.
- **LIFT Livelihood and Food Security Conceptual Framework:** In the last reporting period, LIFT refined its Livelihood and Food Security Conceptual Framework. The LIFT Framework was published this quarter on the Microlinks website as a key resource for the event entitled Lessons Learned From Sequenced, Integrated Strategies of Economic Strengthening of the Poorest. LIFT participated in the event, which focused on innovative, sequenced programming interventions to help the ultra-poor transition from meeting their most basic needs and move towards economic self-reliance.
- **Development of Technical Briefs:** LIFT developed two technical briefs during this reporting period which were disseminated at public events including the USAID OVC Forum and the CORE Group's NACS state-of-the-art technical meeting, both in Washington, DC. The first brief was developed to describe LIFT's proposed approach to integrate ES as a component of NACS. The second brief discusses the relevance and importance of ES activities in the context of OVC programs and highlights LIFT's technical assistance approaches for USAID missions and OVC program implementers.
- **NACS Guidance Manual:** LIFT contributed to the FANTA-3 NACS Guidance Manual by writing a chapter on economic strengthening. LIFT's contribution to the guidance manual outlines the key considerations and elements associated with developing economic strengthening referral systems as a component of NACS, focusing on the key aspects of successful referral systems. The guidance also helps implementers to ensure that ES activities that are linked with NACS are appropriate to the needs and vulnerabilities of PLHIV, OVC and caregivers.

3.6 P3DP (Ukraine) (September 2010 – September 2015)

P3DP (Public Private Partnerships Development Program) in Ukraine, an associate award under the FIELD-Support LWA, seeks 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.

P3DP emphasizes building institutional capacities by not only working with central and local governments, but a

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

significant aspect of the program is the inclusion of civil society organizations in the dialogue. The primary implementing partners of P3DP are local Ukrainian NGOs. The program relies on international best practices in PPP development, but tailors those best practices to local circumstances.

During this reporting period, P3DP expanded its assistance to municipalities, following the guideline contained in the Cooperative Agreement indicating that approximately 65 percent of P3DP assistance resources should be targeted at the sub-national level. P3DP's professional staff, supplemented by three local implementing partner organizations and a group of experienced STTA consultants, expanded sub-national activities while also advancing involvement in national level initiatives.

Municipalities received the bulk of P3DP assistance during the quarter with advancement of pilot PPP transactions being the priority of P3DP. Industry PPP experts were contracted to help municipalities solidify their PPP plans utilizing a series of workshops, training, study tours and development of detailed PPP concept papers.

The process to create PPP prefeasibility study "Concept Papers" is underway or has already been completed for six pilot PPP projects, including:

- Parking management in Lviv;
- Solid waste management projects in Vinnytsa, Ivano-Frankivsk and a regional project in ARC;
- City park management in Simferopol; and
- Private healthcare delivery in Zaporizhyya.

Workshops and training seminars were conducted in the PPP pilot host cities identified above for 76 municipal and oblast leaders, with 25 private firms and 21 NGOs also participating in the capacity development events. In addition, P3DP organized a study tour for municipal leaders to visit four Polish cities to learn from the experience of Polish municipalities in developing and implementing PPP projects. During this highly successful study tour, the Ukrainian delegation identified many approaches and lessons learned that they will be able to apply to PPP transactions in Ukraine.

An assessment of the current levels of awareness and attitudes about PPPs in Ukraine is contained in a recently completed Baseline Survey that P3DP commissioned through the Kyiv Economic Institute (KEI). This survey details awareness and attitudes about PPPs among a broad spectrum of stakeholders in central, oblast and local government offices, business community members and local NGOs representing key stakeholder groups. The wealth of findings and information will be used to tailor future P3DP capacity/awareness activities and measure the resulting impacts of these campaigns.

At the national level, P3DP provided technical assistance to complete one of MOEDT's top priorities, the "PPP Appraisal Methodology". This key document was approved by MOEDT and submitted to the GOU for adoption. P3DP also completed and submitted to MOEDT an accompanying feasibility study format, which is a key element of the appraisal process. P3DP is contributing to other important documents for MOEDT's PPP Unit, two of the most important being a strategy of PPP development in Ukraine and a formal plan for its implementation. P3DP also delivered training for MOEDT staff in Kyiv and the Autonomous Republic of Crimea.

In summary, P3DP made substantial progress during the quarter and is on schedule with workplan deliverables. Anticipated delays in the months ahead due to lack of accessibility to VAT exemptions and EURO2012 are expected to be temporary and, while they may create near-term obstacles to program implementation, are not expected to detract from achieving P3DP's long term goal of contributing to a more positive PPP environment in Ukraine, including implementation of successful PPP pilots at the municipal level.

3.7 PRODEL II (Ecuador) (September 2009 – September 2012)

The Ecuador Local Business Development program, known locally as PRODEL, is managed by prime recipient FHI 360 and administered in the field by lead implementing partner ACDI/VOCA, and was awarded a 3-year extension in 2009. 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
- 12,360 new beneficiary families
- 7,243 new full-time jobs created

Key Achievements this quarter:

- PRODEL completed all activities under its Financial Services component, focusing its final activities on achieving greater financial inclusion among PRODEL producer partner and helping producers access credit.
- PRODEL finished activities in the southern border of Ecuador and closed out the southern regional office in Loja. The PRODEL team hosted an event in Loja to recognize outstanding progress and achievements of anchor firms and producer groups. During the life of the Program, PRODEL achieved the following target indicators in the Southern Sierra Region: 6,444 new beneficiary families; 11,153 new and improved hectares; and the equivalent to 7,287 new full-time jobs.
- With support from the Economic Development Fund (EDF), anchor firms continued to strengthen vertical linkages with producers and the market during the quarter. Firms continued to provide technical assistance to local producers to improve crop productivity. Producers established plantations using plants grown in nurseries, applying newly acquired crop management techniques in the process. During the quarter, PRODEL II invested a total of \$ 207,865. As of March 31, 2012, 23 PRODEL II anchor firms had implemented activities with partner producer groups, receiving a total of \$3,196,856 in PRODEL II financing.
- PRODEL held regional events in Loja and Esmeraldas, to recognize outstanding achievements among value chain partners including several anchor firms, organizations and strategic partners for their achievements in strengthening value chain linkages, innovation, and social responsibility, among other value chain aspects. Alongside other strategic actors, PRODEL disseminated tools, shared methodologies, and fostered interest in the value chain model. The main actors with whom PRODEL is coordinating include the Program for the Reactivation of Coffee and Cacao, the Ministry of Agriculture, Livestock & Fisheries (MAGAP), The Ministry of Industry and Productivity (MIPRO), the Coordinating Ministry for Production, Employment and Competitiveness (MCPEC), and Proecuador. PRODEL's Business and Financial Planning Tool- 4 Plus - was popular among many organizations that are eager to receive training on how to apply it in practice.

3.8 STRIVE (Afghanistan, Philippines, Liberia, Mozambique) (September 2007 – March 2014)

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 FHI 360**, 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 obtained an 18-month no-cost extension from USAID in January and will now conclude at the end of March 2014. Key effects of the extension include allowing for a two-year period of comparison data in both Liberia and Ecuador, which will allow for stronger observations of program impact, and allowing STRIVE Mozambique to conduct data gathering for its impact assessment at the appropriate time of year for maximum comparability.

STRIVE Philippines Impact to date— At a Glance

# of People Served (total)	19,245
# of Children/Youth Served	14,434
# of Adults Served	4,811
# of People Trained	1,542
# of Organizations Strengthened	7

STRIVE Philippines—AFE

Market Linkages

New business relationships result in greater sales and income for household level producers. The “reverse trade mission” visit by Mark Philips Collection in October 2011 to export companies in Cebu collaborating with STRIVE Philippines paved the way for access to new markets and resulted in orders placed with nine Filipino exporters. Similarly, Lead Firm (LF) attendance at the NYIGF in August 2011 and participation in a marketing forum established by STRIVE Philippines there, has since resulted in the development of new long-term business relationships and orders for several of the LFs, including a single order of \$35,000. This translates into greater market access and income for rural producers supplying the LFs and benefits their vulnerable households.

Technology

New product development allows companies to provide new and expanded income generating opportunities for producers, while at the same time keeping new and existing customers interested in their products. The project’s work with TADECO to master a new technology (making pineapple thread and using it to create unique loom woven products) and to train producers in these techniques is

expected to provide sustainable employment and income to households in vulnerable communities around Mindanao.

Marketing, Merchandising and Product Development (MMP) Program

The ability of Filipino exporters to successfully compete in the global marketplace ensures that they can continue sourcing handmade products from household-level producers. The STRIVE Philippines-sponsored Marketing, Merchandising and Product Development (MMP) Program has come at a pivotal point for a number of exporters who face the challenge of finding the right strategy to allow them to remain competitive in a very volatile industry. Although in the past, Filipino exporters were able to compete primarily on innovative design and quality, today their competitors in Vietnam, China and elsewhere in the region can produce similar designs with similar materials at lower price points. As a result, Filipino exporters have to be able to compete across a combination of factors.

The MMP was designed to increase their competitiveness and market access, leading to greater sales, income and employment opportunities for the low-income producers from whom the companies source products. Three seminars – US Market Trends (attended by 18 companies including lead firms), Product Development (13 companies) and Approaching Your Customers (9 companies) - were conducted from January to March. The marketing and merchandising consultants engaged by STRIVE Philippines also worked individually with each of the lead firms participating in the “consultation and coaching” part of the program. Lead firms not committed to the full two-day consultation and coaching component were given the alternative of benefitting from two-hour “mini-coaching” sessions. The STRIVE Philippines team has received positive feedback from all the companies that participated in the seminars and consultations. The program will continue as planned next quarter.



APEX exhibitor displaying sample office furniture

Afghanistan Secure Futures (ASF)—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.

MEDA had a paper accepted to and virtually presented at the International Technology, Education and Development (INTED) 2012 Conference, held March 5-7 in Spain. The conference promotes international collaboration in Education and Research and is attended by approximately 700 delegates, both in person and virtually. The paper was titled “Leveraging Apprenticeships to Support the Learning and Career Growth of Vulnerable Children in Kabul, Afghanistan: Lessons from the Afghan Secure Futures Project.”

Key Learning from ASF:

Afghan family structures and traditional values provide an element of support to children and youth. Despite widespread economic hardship in Afghanistan, it is rare to see children who have been abandoned by their families. This may reinforce ASF’s findings that improving the situation of an apprentice brings overall improvement to the welfare of families.

ASF field staff experience has noted two areas where future market development programming in Afghanistan could further benefit workshop owners:

- Workshop owners need training on bidding for contracts. Previously, a unit in the Ministry of Finance offered training on the contract bidding process, but this was linked to World Bank funding that has ended.
- There are several barriers to workshop growth that are rooted in government policy. For example, business owners face challenges in obtaining the legal rights to the property on which their workshops stand. Without legal ownership papers, they are not eligible for financial services such as loans. Advocacy could improve conditions for many informal workshops and aid their entry into the formal economy.

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 achievements over the last quarter include:

Objective 1, Strengthening Linkages between Input Providers and Farmers

- Demonstrating increased participation of farmers in dry season vegetable production, 63 farmers (45 male, 18 female) purchased inputs worth US \$1,161 from both input providers and the open market. That was an 8% increase over the last quarter.
- Facilitated engagement with an additional input service provider, A.S. Agriculture Business Center, in Bong County and linked the firm with ACE farmers.
- A farmer in Bong County purchased a motorized pump valued at \$400 for dry season production, as a result of the success of activities on ACE demonstration farms. See below for more information. 21 (14 male and 7 female) smallholders sold to the regional market for the first time through ACE facilitated farmer-buyer relationships.

ACE's introduction of the three motorized irrigation pumps has created a great deal of cohesion among farmers in the test communities. With facilitation by ACE staff, farmers organized themselves to carry out regular maintenance of the pumps without financial assistance from the project. One pump can serve a maximum of ten farms because it is moved from one farm to another. However, if the farms are in close proximity, shared by farmers with a well laid out plot with irrigation pipes, it is possible for one pump to serve about 20-25 farms.

Another piece of key learning is that the motorized pump is preferred to the treadle pump because of the reduced time needed to water the farm. An additional advantage is that a farmer can operate it alone, whereas two or three people are needed to pedal the treadle pump. Because of those advantages, farmers are willing to pay the costs of fuel and maintenance.

Farmer Richard Tuwillipue of Gbenequelleh, who witnessed ACE's introduction and demonstration of treadle pumps during the last dry season (at the beginning of 2011), bought one motorized pump valued at US \$400 for off-season production. Having benefited from STRIVE Liberia's guidance on using a Farmer Financial Dairy (FFD) to assist with forward planning and minimizing production costs, Richard

was able to save the money needed from the sale of his cabbage and watermelon crops during the Christmas season.

Richard intends to use the pump for his own farming activities, but also wants to lend it to other farmers or hire it out for a fee as a secondary source of income. Richard plans to organize about 7-10 farmers during the next dry season to produce vegetables on his farm land. He plans to facilitate a formal agreement with them as a producer group, so that he will be paid for the use of his pump, either through cash or labor. This example illustrates the willingness of some farmers to take on risk in adopting new technology in an innovative manner.

Objective 2. Increasing Rice Production

- Nearly all farmers (91%) successfully paid back the required 40% (10 kg out of 25 kg) of the loaned rice seed.
- LIFARCO received 5.9 metric tons of LAC 23 rice seed in loan repayments.
- 240 new farmers received 25 kg of LAC 23 rice seed each for 2012 rice production activities.
- An average yield of 568 kg/acre rice yield was realized by smallholders using the LAC 23 rice variety introduced by the project. This was a 167% improvement over typical yields from the local rice variety. As a result, it is expected that participating ACE farmers will meet household food security requirements during the hunger season. Some farmers have established a community seed bank in Laworta, Bong County to share seeds with other farmers in the community who can then also plant LAC 23. If successful, the seed bank pilot could be introduced to other communities as a way to ensure availability of high quality seed for expanded production.

Objective 3. Strengthen Linkages between Buyers and Farmers

- Smallholders in Bong and Nimba counties sold assorted crops valued at a gross amount of \$10,264, and farmers in Montserrado grossed \$7,562. Of that, approximately 90 percent were local vegetables (bitter ball and pepper) and 10 percent were high-value vegetables (lettuce, cucumber, cabbage).
- Crops were sold by 67 smallholders (61 male, 6 female), averaging \$241 in net income. That represents an increase of 34 percent over last quarter and an increase of 39% over the same period last year (2011).
- ACE held two consultative meetings with the Liberian Marketing Association (LMA), including the Bong County LMA Superintendent, to strengthen relationships with project farmers. A total of 125 (108 male and 17 female) smallholders sold crops during the quarter.

Objective 4. Technical Assistance

- ACE introduced three motorized irrigation pumps for dry season vegetable production demonstrations.
- Field staff made 174 extension visits, mainly to vegetable farmers.
- Conducted follow-up training in rice post-harvest management for the 20 cluster heads to effectively reach out to other smallholder farmers.
- Trained 163 farmers (119 male, 44 female) in crop production.
- Trained 162 farmers (125 male, 37 female) in Farming as a Business. 128 extension visits were made.

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.

During this quarter, Village Savings and Loans (VSL) groups continued to graduate to independence. As of the end of 2011, no new groups have been formed. The number of beneficiaries remained constant at 12,381 since our last report. Of these, 11,839 belong to independent groups and 542 belong to active groups. The active groups continue to receive technical assistance from the STRIVE's field staff. 57% of the beneficiaries are men and 43% are women.

In terms of the distribution of beneficiaries in the group life cycle: 47 (0.37%) are in the development stage, 495 (3.99%) are in the maturing phase, and 11,839 (95.60%) are in the independent phase.

Groups registered cumulative savings of 563,380 meticaís (approx. USD20,456). From this amount, 1,034,365 meticaís (approx. USD37,558) was borrowed through 1,049 loans. The loans, according to beneficiaries, were used to start businesses, such as: buying and selling domestic goods (plates, pans, spoons, buckets, water barrels), fresh groundnuts, dry cassava, and purchasing flour to make and sell cakes.



Results of work of Ajuda Mutua groups: an improved toilet (at left), and a collective effort to prepare cassava for drying (at right). Photocredit Save the Children

STRIVE M&E:

Ecuador Research Project Implementation: PRODEL engaged five anchor firms by the end of this quarter. As this was half the estimated number of lead firms expected originally, it was necessary to revise of the impact assessment design to accommodate a smaller population of firms. IRIS also learned that under PRODEL's design, anchor firms do not select producers directly or work directly with producers; PRODEL's *tecnicos* (experts) select the producers, and the anchor firms work through existing, or newly-formed, producer associations. Social capital may therefore be a key element of impact, which is now being accounted for in the revised survey design. IRIS conducted a field trip associated with the baseline data collection from the end of September through the first week of October, with the goal of finalizing the impact assessment design by the end of the trip. On the trip, the IRIS team discovered that the field director of the local survey firm, OPE, has an excellent grasp of the impact assessment design and needs.

IRIS has been involved in intensive discussions with all partners throughout the quarter around a variety of issues. In addition to the country-specific details discussed above, IRIS has devoted significant time in the quarter to working closely with all STRIVE partners, especially FHI 360, to identify lessons learned from STRIVE and plan for STRIVE learning products.

Other key activities on the M&E Component include the following:

- Implementation of the research into child-level impacts of the PRODEL value chain project in Ecuador began.
- With the assistance of the FIELD-Support Knowledge Management team and other staff within FHI 360, work continued on draft profiles of STRIVE field projects, and the initial draft of the ASF profile was completed.
- Both ASF and ACE reported that project learning is likely to be applicable to other USAID efforts in their respective countries.
 - Representatives from the USAID mission attended the ASF closing event, and Mr. Patrick Ludgate of OEG complimented the project on its productivity and cost-effectiveness. Prior to the end of the project, ASF met with the Mission to discuss lessons and experiences to inform a workforce development project that USAID plans to launch in Afghanistan.
 - ACE’s position on the cutting edge of market-based agricultural programming has been a challenge, but the project anticipates that the lessons it has learned will be of interest to USAID Liberia as the mission initiates its Food and Enterprise Development project.

4 Staffing

The staffing structure for the FIELD-Support FHI 360 HQ staff (as of **October 1, 2011**) 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 March 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 – 10/31/2011	Open	\$199,361 (ACCION) \$199,658 (SEEP)
	Led by the Center for Financial Inclusion (CFI) at ACCION International and the SEEP Network, under this activity, the SMART Campaign will lead a training of trainers for nearly 50 participants from microfinance networks around the world in basic consumer protection principles as well as more in-depth protocols for conducting self-assessments. The project is designed to equip regional microfinance networks and national microfinance associations to advance the implementation of the Client Protection Principles (CPPs) through a “Putting Principles into Practice (PPP)” and SMART assessor trainings.					
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 – 12/31/2011	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	Increasing Awareness of Gender Issues in Value Chain Development	\$149,208
<p>ACDI/VOCA proposes to collaborate with a well-respected consultant specialized in gender issues in enterprise development to create a tool for including gender analysis as an integral part of value chain analysis. The tool will consist of sample question guides, matrices and mapping guides, together with a brief discussion of the importance of gendered value chain analysis and practical advice on how to conduct the analysis. The team will build on work completed under USAID’s Greater Access to Trade Expansion (GATE) project as well research by the International Labor Organization, the UK’s Institute of Development Studies, the Danish Institute for International Studies and others. This tool will be tested in two different FIELD project locations (possibly Ecuador and Liberia) in order to refine the tool, identify best practices and generate lessons learned—in addition to contributing to the effectiveness of the programs in these two locations. Information gathered will supplement existing research and provide material for a brief FIELD Report that will provide best practice recommendations illustrated with examples from the field.</p>			
B	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>			

C	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>		
D	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>		
E	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)			
	FHI 360, EcoVentures International	Barbados, St. Kitts & Nevis, Antigua & Barbuda, Dominica, St. Lucia, Grenada, St. Vincent & the Grenadines	5/2010 – 11/2011	\$1,848,000
<p>ECYMP is designed to accelerate the creation of sustainable livelihoods and self-employment opportunities for vulnerable youth (ages 10-24) by supporting both increased income-generating opportunities and the establishment of micro-businesses by and for youth in Barbados and 6 OECS countries. ECYMP will develop partnerships with local youth-serving organizations and the private sector, and apply proven evidence-based and market-driven approaches to support local institutions to design and deliver market-oriented youth entrepreneurship programs.</p>				
2	Expanded and Sustained Access to Financial Services (ESAF)			
	FHI 360, 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)			
	FHI 360, ACDI/VOCA, AFE, IRIS	Sub-Saharan Africa	10/2009 – 9/2012	\$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)			
	FHI 360, 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	Livelihood and Food Security Technical Assistance (LIFT)			
	FHI 360, 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.			
6	Ukraine Public Private Partnerships (P3DP)			
	WDI, IRIS Center	Ukraine	9/2010 – 9/2015	\$12,500,000
	The goal of the Public-Private Partnership (PPP) Development Program for Ukraine is to promote the use of public-private partnerships, with an expanded role of private sector finance and operational expertise in public infrastructure development, to improve infrastructure and public services in both urban and rural areas. The program is promoting the use of public-private partnerships through: 1) undertaking necessary legal and institutional reforms; 2) establishing a national public-private partnership unit to serve as a bridge between government and private sector interests; 3) undertaking a capacity building and stakeholder communications program; and 4) creating a project development facility to build and finance a sustainable pipeline of PPP projects.			
7	Ecuador Local Business Development (PRODEL)			
	ACDI/VOCA, CARE, FHI 360	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.			
8	Supporting Transformation by Reducing Insecurity & Vulnerability with Economic Strengthening (STRIVE)			
	CARE, SAVE, World Vision, MEDA, AFE, IRIS, ACDI/VOCA, DTS	Philippines Afghanistan Mozambique Liberia	9/2007 - 9/2012	\$15,935,785
	Through the STRIVE program for the benefit of Orphans and Vulnerable Children (OVC), FHI 360 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, FHI 360 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.			