



USAID
FROM THE AMERICAN PEOPLE

PARTNERSHIP FOR ECONOMIC GROWTH

USAID/EAST AFRICA PROGRAM

SIXTH QUARTERLY REPORT, JULY – SEPTEMBER 2012

NOVEMBER 12, 2012

This publication was produced for review by the United States Agency for International Development. It was prepared by DAI.

PARTNERSHIP FOR ECONOMIC GROWTH

USAID/EAST AFRICA PROGRAM

FIFTH QUARTERLY REPORT, JULY - SEPTEMBER 2012

Program Title: Partnership for Economic Growth

Sponsoring USAID Office: USAID/East Africa/LPC Somalia Program

Contractor: DAI

Date of Publication: NOVEMBER 12, 2012

The authors' views expressed in this publication do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

CONTENTS

SUMMARY OF PROGRAM HIGHLIGHTS THIS QUARTER5

PROGRESS THIS QUARTER6

IMPLEMENTATION6

**FORTHCOMING QUARTER PRIORITIZATION, DESIGN, AND DEVELOPMENT OF SUB-ACTIVITY SOWs
..... 17**

IMPLEMENTATION17

PROGRAM SUMMARY

The purpose of the Partnership for Economic Growth program is to help local authorities and private sector groups improve the enabling environment for investment and generate more productive employment. This is the first development initiative targeting economic growth for the USAID in Somaliland.

The Partnership for Economic Growth (Partnership) activities focus on two areas: private sector development, including women's business development, and strengthening specific productive value chains. As a result of the comprehensive assessments completed in the first quarter, the Partnership designed three sub-activities which address two value chains- agriculture and livestock – and a concentrated set of cross cutting business enabling environment activities. The Energy component of our Business Environment sub-activity became its own sub-activity in the fourth quarter. The sub-activities are spread geographically with livestock in the east and based in Burao; agriculture in the western farming areas, based in Borama; and a number of discrete Business Environment (BE) and Energy activities centered in Hargeisa.

Based on USAID reviews of the sub-activity designs, by the end of the sixth quarter the Partnership was continuing the full implementation of the Agriculture sub-activity; implementation of the approved Business Environment sub-activity tasks were ongoing; an expanded Energy sub-activity began the procurement process for wind turbine equipment; initial implementation and drafting of sub-contracts within the revised Livestock sub-activity; and the Puntland sub-activity began implementation. In addition, during the sixth quarter the Partnership signed the last Partnership Fund business grant agreement.

SUMMARY OF PROGRAM HIGHLIGHTS THIS QUARTER

1. Three of the Livestock Sub-Activity's baseline surveys were conducted and contracts are underway with Candlelight, VetAid and VetBoard; and the proposals for the fourth major contract – the End Market Study RFP was released and proposals were reviewed during the Quarter.
2. Follow up meetings with the Puntland Ministry of Planning and Ministry of Livestock was followed by the drafting of an RFP to identify sub-contractors to implement the livestock (animal feed and livestock health) activity to be conducted there. Proposals/responses were received from two NGOs and proposals were being reviewed to the RFP were received during the quarter.

3. Under the Business Environment sub-activity, two local lawyers submitted revised version of the draft investment laws, and an SOW was prepared for an international commercial lawyer to begin a comparative review in early October.
4. The Business Environment team circulated the investment and commercial law validation workshop report to participants and continued to incorporate feedback from local and Diaspora Somalis interested in the draft laws.
5. A contract with a local survey firm and a revised timeline were completed with the Ministry of Commerce and Chamber of Commerce to begin the regional SBCI survey in October 2012.
6. Crops at the three demo plots were harvested, and a Market Day was held in Borama to display vegetable and fruit varieties to vendors.
7. Transplanting from the nursery to the demo plots took place, and the business extension component began in September.
8. The Energy Law was formally submitted to the Ministry of Energy.
9. The Energy sub-activity team released an RFP for wind data monitoring stations.
10. The last of the Partnership Fund grantees signed their grant agreements this quarter and implementation is underway with all thirteen.
11. Implementation has begun with several grantees, including initially stages of preparations for the procurement of equipment, machinery and materials for fishing, energy, livestock and tailoring companies.

PROGRESS THIS QUARTER

IMPLEMENTATION

Implementation of the Partnership's activities thus far is summarized as follows:

P3, Task 1: Launch selected sub-activities. The scope of work for the Puntland sub-activity was approved by USAID early in the reporting period. The team then developed an RFP to help identify implementing partners in Puntland, following which two NGOs submitted proposals. After receiving final approval for the Livestock Sub-Activity last quarter, the team has moved forward quickly with implementation as discussed in detail below. Other activity launches were completed in the third quarter.

P3, Task 2: Implement selected sub-activities.

Agriculture Sub-Activity

On-going Demo Plot Activities: In the first week of July, 2012, Dr. Hussein Haji, SATG Executive Director, Amoud University representatives and the Partnership's Agribusiness Advisor held planning meetings to support in the harvesting of the first season demo plots and planning for the development of the nurseries for the second season crop. After initial planning meetings, the team went to Baki and Ruqi to participate in the first harvesting of the vegetable crops in the demo plots, which were complemented with on-the-job training for extension workers.

Field Days: Transplanting Field Days for Season 2 were held at the three demo plots and during each field day activity, the extension agents and their supervisors discussed the following topics with neighboring farmers:

- Plot design (layout) and making irrigation furrows.
- Proper spacing for each crop varieties.
- Proper composting procedures and manure applications.

All crop varieties in the three demo plots were successfully harvested at the beginning of August. In addition, the nursery bed preparation and sowing of seeds for the second season were completed by mid-August. Transplanting all of the crop varieties in the three demo plots were successfully completed this quarter. The average germination rate was approximately 80% for all varieties at the Amoud and Ruqi sites. The team observed that germination rates were similar to that of the last season. Extension Agents participated in all the planned activities for the second season.

The recently procured greenhouse has been set up at Amoud University and is one of the few greenhouses in Awdal region. Installation work has been completed amidst a lot of excitement among the Amoud and agriculture team. Preparation for sowing of seeds in the greenhouse will commence soon.

The Baki Guest House: The Agriculture Sub-Activity team established the Baki Guest house. The Baki Guest House was allocated free of charge to the agriculture project by the Mayor and was refurbished by the Partnership. Twelve members of the team stayed in the guest house for the first time, while carrying out agriculture activities in Ruqi and Baki. The accommodation facility is expected to drastically cut down on time spent on travel back and forth between Borama and these two sites. The accommodation will also allow extension staff and their supervisors to stay for longer periods with the farmers before heading back to Borama.

Extension Work: Extension services activities took place in all the three demo sites of Baki, Ruqi and Amoud University, and control of pests affecting crops has been one of the main themes for the extension service.

The Business Extension component of the Agriculture Sub-Activity for farmers, vendors and traders started this quarter and the initial trainings were held with selected Borama vendors. The business extension training component will complement the other farming practices. Five Business Extension staff were trained (2 females and 3 males), all of whom are recent top-ranked Amoud University business school graduates. There are two business supervisors who will take part in this business activity. There

were 24 vendors participating in the Borama training, a number of whom also participated in the Literacy/Numeracy training held last season.

Training of Trainers: SATG submitted the draft report of the yield analysis for Season 1 of the Demo Plots. Analysis of the production costs, average yields, and comparative analysis of demo plots versus average Awdal farms and landed Ethiopian import prices were ongoing by the team at the time of writing the report.

On August 14, 2012, a workshop for farmers and vendors was conducted by the Partnership's Agriculture Sub-Activity partners. 60 members from the farmer communities of Amoud, Ruqi and Baki as well as Borama vendors attended. The overall objective was to showcase crop variations and to exhibit the fruits and vegetables of the three demo plots' first season harvest, while building stronger linkages between area farmers and vendors interested in new seed varieties. The workshop was essentially to test the project's hypothesis that improved agricultural practices with new seed varieties may lead to more productive yields and niche markets that local vendors and consumers will prefer. Feedback from all stakeholders, particularly the local green market vendors, was documented by the extension workers and the Amoud agriculture team.

Business Environment Sub-Activity

Investment and Commercial Law Validation Workshops: The Business Environment (BE) sub-activity has liaised and worked closely with the Ministry of Commerce, Industry and Tourism (MOCIT) and the Chamber of Commerce (COC) to organize three validation workshops which were successfully completed between 14th – 16th July. These validation workshops were intended to validate the drafts of three laws, namely: (i) Amendments to the Foreign Investment Law, (ii) Draft Commercial Law and (iii) Draft Domestic Investment Law. All of these three laws had been drafted by the Ministry of Commerce, Industry and Tourism (MOCIT) in 2011. The primary aim of this exercise was to hold Public-Private Dialogues to consult with as many relevant stakeholders as possible, in order to enrich the draft laws, so that they are ready to be submitted to Parliament for enactment into law. The two local commercial lawyers reviewed and inputted all relevant suggestions from the public review process into the three draft laws this quarter.

An STTA SOW was drafted for an international commercial lawyer to review the laws beginning in early October before a full technical review is conducted with the Ministry of Commerce. A variety of Parliamentarians have already shown interest in the draft laws and a strategic role out, finalization and possible awareness campaign will be discussed with the Ministry of Commerce after the technical review.

BE sub-activity has not only secured the full approval and support from the Director General in terms of the timeline of these activities but also in a recent written statement where he spelled out his commitment to the investment guide and the SBCI survey. Furthermore, the DG has acknowledged the Partnership's assistance to the Ministry in various areas including the review of the draft laws (Commercial and Investment Laws) and described it to be "*extremely important for the creation of enabling an investment environment that would attract more investment into the country*".

Somaliland Diaspora Conference: The BE sub-activity also worked closely with the Somaliland Diaspora Agency (SDA) this quarter and sponsored the agency's 2nd Annual Diaspora Conference which was held on 17 – 18 July in Hargeisa. The conference, entitled “Diaspora Investment in Somaliland,” brought together many members of the Diaspora communities and acted as an appropriate forum to launch the Investment Guide. The Partnership succeeded in announcing Somaliland investment guide for the first time at the conference which was widely welcomed by the Diaspora communities and other conference attendants. The feedback from the conference indicates that the response of the launching of the Investment Guide at the Diaspora Conference was very supportive as many people saw the potential that the investment guide has for all investors.

Somaliland Business Confidence Index (SBCI): In addition to the launching of the investment guide, the BE sub-activity has also conducted the second Somaliland Business Confidence Index (SBCI) survey with a view to gauge the perceptions of the Diaspora communities in terms of investment opportunities and challenges as well as government regulations. The survey was conducted at the Diaspora conference, and a total of 78 Diaspora participants filled out the survey. This was followed by another Diaspora conference held on 19 July 2012 and organized by Center for Employment and Education Research (CEER) and in this conference another 20 survey questionnaires were filled out by participants. It is envisaged that similar SBCI rounds of surveys will be conducted specifically for domestic investors beginning in October as part of the regional SBCI activity.

The Partnership team consulted a survey methodologist regarding the random sampling technique(s) to be used to gather business confidence perceptions information from local Somaliland businesses. In order to facilitate the sampling and survey for the SBCI activity, the Ministry of Commerce and the Chamber gave the survey team the lists of their representatives to conduct the SBCI survey. The two lists consisted of 4 and 2 staff respectively and it is expected that these representatives will start their training in early October with the local survey firm focusing on data collection, entry and survey taking skills. There have been some delays due to overseas missions by the Ministry of Commerce Director General and the Director of Planning and Statistics. However, development of the Guide continued.

DAI's renewable energy investment specialist, who conducted the wind investment workshop earlier in the year, is being brought on for further desk research to support the energy chapter of the Investment Guide. The BE team is in discussions with the Livestock team to outline the Livestock Chapter and utilize key findings from the End Market Study. An Agriculture Investment Specialist STTA SOW has been drafted, and the team plans to expand the LOE of the two commercial lawyers to support the SIGTAC (Somaliland Investment Guide Technical Advisory Committee) with drafting the regulatory BE chapter of the Investment Guide, using the framework of the investment and commercial laws to highlight opportunities for local, Diaspora and foreign investors.

Capacity Development Investment Climate Unit (ICU): As per the ongoing discussions with the Ministry of Commerce regarding capacity building for the ICU, a budget request was submitted during the quarter to the Partnership and these were reviewed and the Partnership team would consult with USAID to seek approval for the support to. The budget request includes:

- a) Refurbishment of two rooms to be used by the ICU;
- b) Laptops/furniture for ICU office;

- c) A company license and registration software program

Energy Sub-Activity

Energy Act and Regulatory Framework: The Partnership continued to review and finalize the draft Energy Act this quarter. There were ongoing discussions with the Partnership's legal team, the Ministry of Mining, Energy and Water Resources and USAID about major components of the Law in regards to how the Independent Energy Commission staff will be appointed. The final draft of the Energy Law was sent by USAID to the Minister of Mining, Energy and Water Resources, Hon Hussein Abdi Duale by USAID along with letter explaining the process and next steps.

Wind Energy Power Generation Infrastructure: In early August, the Partnership team released an RFP in Somaliland, Kenya and the USA for the procurement of three wind energy data monitoring stations as part of its Energy Sub-Activity wind infrastructure demo project. The data collected from these monitoring stations will be used to inform investors on the amount of electricity future wind energy projects may be able to generate. Responses to the RFP were due August 17, 2012; and proposals were reviewed at the end of August. After thorough review of technical and cost proposals for procurement of wind data monitoring stations by the Partnership's technical, finance and management teams, a winner was selected and a contract will be drafted in early October.

The call for wind turbine proposals closed and a review process has begun. The RFP for the civil works component of the data monitoring and wind turbine installation is being drafted. Also, answers to all vendors bidding for the wind turbine RFP were addressed and sent to all interested parties. The submission deadline was September 24.

Training Inspectorate Unit: Arte Max, the Partnership's Energy Specialist, returned to Hargeisa to continue his technical support for the Energy sub-activity work. In particular, he provided training to the Ministry of Energy's newly established Inspectorate Unit and worked with the team to prepare for the upcoming wind infrastructure procurements. In addition, Arte provided technical oversight during Transparency Solutions' initial wind energy feasibility study of Hargeisa. During the assessment, 16 potential wind-farms locations were visited along with 10 major diesel power generation stations and more than 35 electricity substations and related power distribution networks. The preliminary report provides vital data and information to support Transparency Solutions with designing an investment vehicle to raise funds for the project amongst diaspora investors over the coming year.

Energy Public-Private Dialogue: The main PPD functions for the Energy Regulatory Framework have ended and comments and observations from these functions were incorporated in the draft energy law and regulations. However, as the law is being finalized, preparations have begun for the next step of advocacy and dialogue with members of Parliament. Building upon the June and July discussions with the USAID/IRI team managing a Somaliland Parliamentary strengthening program, the Partnership's energy legal advisor and Program Manager met with the Chairman of the Parliament's Environmental Subcommittee to review the draft Energy Law, through informal and formal introductions by the IRI team. The Member of Parliament is very interested in the draft Law and is ready to review it with his Committee when a final draft is ready for submission. The energy TV panel discussion was aired again, and continues to receive positive responses from local and Diaspora Somalis alike

Livestock Sub-Activity

Livestock Team Staffing: The team started its search for an expert in Veterinary Drug Quality, who will be instrumental in designing the training on drug quality and the public awareness campaign foreseen in the next phase of the project.

The two new livestock team members (one Animal Production Specialist and Deputy Team Leader) are now based in the Partnership's Burao sub-office and are actively coordinating the livestock sub-activities. The previous Deputy Livestock leader is now based in Garowe and implements the Puntland component of the program. The Partnership Program Manager recently travelled to Puntland to negotiate with the Puntland authorities, particularly with the Ministry of Planning and Ministry of Livestock and Animal Husbandry (MoLAH) on ways of operationalizing the SOW of the livestock sub-activities. An agreement was reached and as a result, the Partnership team went ahead and submitted an RFP to help identify

Livestock Subcontracts:

The sub-contract for Candlelight is well underway and Candlelight has completed their first deliverable, an assessment report on fodder production systems. This report has been technically reviewed by the Partnership Livestock team and the report has been shared with USAID. Candlelight will work on fodder production demonstration farms, and the list of proposed sites for the demonstration farm has been finalized; they include STVS, Qoyta, Hahi, Beerato, Beer, Wadaamago and Burao University. The specifications for the proposed list of seeds to be procured under this contract have been finalized and the Partnership is currently awaiting vendor details before submitting this list for USAID approval (in October).

VETAID has started the implementation of their activities and have submitted the first draft of their report including an assessment and work plan on the Community Based Animal Health Workers (CBAHW) training. The Partnership livestock team has reviewed the report, provided feedback to VETAID and is currently waiting for VETAID's submission of the final draft.

The Sub-contract with the Veterinary Board of Somaliland has been signed by both parties and activities are underway. Activities under this sub-contract include: the drafting of the CBAHW curriculum; the drafting of the Minimum Standards and Guidelines for CBAHWs; providing technical assistance to the public awareness campaign on veterinary drug quality; and the proper use and disposal of veterinary drugs.

STVS and Terra Nuova – During the Quarter sub-contract negotiations with Terra Nuova, on behalf of Sheikh Technical and Veterinary School (STVS) were dropped, after the Partnership and Terra Nuova could not agree on the terms of the sub-contract. This is in spite of the fact that the Partnership team tried hard for this component with STVS to succeed because it would boost the capacity of STVS. The STVS sub-contract would have been for implementing a fodder demonstration farm in Sheikh and preparation of a standard CAHWS curriculum stipulating a set of minimum standards for the training course. In the end, another sub-contractor (Vet Board) was identified to carry out part of the activity, while some of the funds were re-budgeted to cover a Livestock End Market Study.

CBAHW (Community-based animal health service delivery Sub-contract): Following the above developments, the Partnership team identified the Somaliland Veterinary Board as a potential partner in the implementation of activities leading to the final preparation of a standard Curriculum for Animal Health Workers' (CAHW's) cum minimum standards. Initial negotiations focused on submitting a concept note and a full project proposal on this issue. Given its technical competence and independent nature, the team decided to engage the Veterinary Board to carry out activities linked to improving Vet Drug Quality Control through awareness campaigns and preparation of a standard CAHW curriculum. The Veterinary Board Proposal is now being reviewed by the Partnership team before it is submitted to USAID for approval.

Partnership Fund – Livestock Grantees: The livestock technical team continues to play an active role in the Partnership Fund; and all contracts for the four livestock businesses have been signed this quarter. The livestock team is providing assistance to the implementation of the deliverables under their contract, by establishing linkages between the grantees and sub-contractors in terms of animal feed and health activities.

The sub-contract with Horumar Camel Dairy Farm has been approved by USAID and signed by both parties. Following the approval of this contract, Horumar started carrying out its operational activities related to fodder production such as seed bed preparations and planting of fodder crops. The specifications for the fodder procurement for Horumar have been shared with DAI home office for submission for approval to USAID, and the Partnership is currently awaiting vendor details from the sub-contractors in order to complete the request. The specifications for the procurement of animals for the Horumar contract under the Partnership Fund are currently being drafted.

The engineer contracted by the Partnership to oversee construction under the program has finalized the technical drawing and bill of quantities (BOQ) for the Al Hussein construction. These are being reviewed by the Livestock team. An RFQ will be sent out in October to identify a construction contractor.

Livestock End Market Analysis Sub-Contract: The Livestock End Market Analysis - Request for Proposals was advertised widely this quarter and nine proposals were received by the Partnership. The objective of the analysis is to investigate the demand for livestock and livestock products in key end markets in order to determine the potential for competitiveness and upgrading. The work will contribute to the Partnership program's overall understanding of the end market place for livestock and livestock products and offer a strategy for improving the competitiveness of the livestock sector in Somaliland and adjacent Somali areas. The study will also provide useful information for local authorities, USAID and other donors as well as other stakeholders interested in the development of the livestock trade sector.

The results from the End Market Analysis will be integrated into an updated Livestock Value Chain Analysis, to complement the existing domestic livestock value chain analyses. In addition, the results will be incorporated into the livestock chapter and web portal of the 2013 Somaliland Investment Guide, being developed jointly by the Somaliland Ministry of Commerce and Chamber of Commerce with technical assistance from the Partnership program.

Following the technical review of the proposals, the Partnership provisionally selected one company to carry out the Livestock End Market Analysis. The Partnership is currently awaiting feedback regarding clarifications requested. The Partnership also suggests providing additional technical assistance to the sub-contractor through a short term consultant in order to streamline the integration with the Livestock Chapter of the Somaliland Investment Guide.

Puntland Sub-Activity

The Puntland office is now up and running. An administrative assistant has been hired to support the Livestock Coordinator and the office, based in the DAI–TIS compound, has been finalized and equipped. A Request For Proposals (RFP) was advertised, with a deadline of 24 September. Two proposals were received and these are currently under review. The planned activities for Puntland will include:

- An improved animal health system is established with private sector-led veterinary inputs supply chain and private community-based service delivery – by training Animal Health Assistants (AHA) on veterinary skills; providing linkages for rural pharmacies to veterinary drug importers/suppliers; and strengthening capacity of rural vet pharmacists on reporting livestock diseases.
- Pasture availability is improved through improved harnessing of run-off rain water – by training selected community structures on soil and water conservation techniques aimed at improving the availability of animal feed resources in communal pasturelands.
- Development of a veterinary vaccines supply chain and institutional capacity of the Ministry of Livestock and Animal Husbandry (MoLAH) to support livestock private sector businesses and service delivery - by equipping the Veterinary Laboratory in Garowe with necessary equipment and supplies to carry out basic diagnosis of animal disease.

P3, Task 3: Solicit and review relevant grant applications.

Partnership Fund Activity

Grantees: The Partnership Fund team is proud to announce that all 13 grantees signed grant agreements before the end of this quarter. The team is gearing up for major procurement, technical assistance, and business development support through a coordinated effort between technical teams, home office, procurement, finance, contracts, communications, and grants units to ensure the ramp up can be properly managed over the coming months.

Progress updates include:

- Transparency solutions finalized Milestone 2 activities and started milestone 3
- The Request for Proposal for GETCO fishing equipment is being reviewed
- Shaqodoon completed milestone one activities
- Al Hussein completed milestone one activities
- Request of quotations for Dheeman sewing machines was posted through local news papers

- Horumar Camel Milk Diary submitted milestone 1 documentation for specification of seeds and Camels

Challenges: The team faced some challenges for finalizing the signing grant agreements:

- i. The team has faced a number of challenges this quarter while reviewing the in – kind equipment. Several of the grantees that submitted procurement specifications for the requested equipment was either incomplete or unclear. While most grantees have a clear vision for how to grow their business and generally the type of equipment they want, often they are requesting new equipment not used by companies in Somaliland before and therefore a great deal of technical research is needed. Various technical specialists will be brought on to support some of the grantees with writing clearer specifications. In particular, this includes support for the fisheries and salt sector grantees.
- ii. Red Sea Fishing has faced challenges by some elders making formal complaints about possible land disputes in their area of operation. This has resulted in the Partnership team consulting with the Ministry of Interior for guidance. While the government provided limited support, the Partnership team worked with the grantee to determine a variety of options to ensure the project’s ‘do no harm’ policy was enforced. In particular, the business decided to move its fish catching operations from the community of Biyo Asse to the town of Bulahaar. A community stakeholder meeting was held with town elders, sultans, the mayor, other community members, the grantee, and key Partnership staff to ensure a clear understanding of the Partnership Fund activity and to gain community support.

Below is a table summarizing the status of all thirteen Partnership grantees:

<u>Grantee Name</u>	<u>Sector</u>	<u>Region</u>	<u>Partnership Contribution</u>	<u>New Employment</u>	<u>Better Employment</u>	<u>Main Support Aspects</u>	<u>Implementation Status</u>
Afjireh	Energy	Maroodijeex	\$50,000	8	35	~ support for purchase of propane cooking stoves and tanks	Grant agreement signed last week. Afjireh is working for submission of the specification of the equipment.
Al Hussein	Livestock	Togdheer	\$45,000	25	-	~support initial livestock purchases ~ upgrade farm livestock holding areas and fodder storage facilities	Milestone one report for Al Hussein is reviewed by technical team and comments shared to Al Hussein. Site engineer has submitted BoQ for farm. Tender for the construction of Al Hussein farm is under preparation and ready to post in this week.
Dheeman Business Enterprises	Clothing	Maroodijeex	\$30,000	25	-	~locally procured sewing machines ~clothing material for initial products ~technical assistance in tailoring from Ethiopian expert ~business management and administration support from Partnership staff	Request for Quotation (RFQ) for demean equipment is finalized and posted in to Somaliland and Kenya websites and news papers
GETCO	Fisheries	Sahil	\$100,000	15	550	~ fish processing machinery	Fishing equipment RFP is being revised based on specifications / questions from bidders. Fishing equipment Expert SOW drafted and will be brought on to review bids. GETCO warehouse construction for processing plant is finished by GETCO's contribution.
Horumar Camel Dairy Milk Farm	Dairy	Togdheer	\$99,700	15	-	~support to purchase milk bottle machine ~ increase camel herd to expand production	Specification of seeds and camels are submitted DAI Contracts Administrator finalizing seed waiver to USAID
International Livestock Raising Company	Livestock	Togdheer	\$99,858	31	20	~supplies to install drip irrigation system ~new fodder seeds varieties ~hay conditioner, and other farm equipment for fodder production ~technical assistance from identified Kenyan and Ethiopian experts	Milestone 1 activities are under way, including procurement of farm equipment and facility renovation. Deliverables are due October 31, 2012.

KAABA MFI	Finance	Multiple regions	\$50,000	10	288	~support establishment of offices in two locations ~establish loan funds for each office ~technical support in microfinance organization sustainability and products	Gabilay office has reopened and is now functional. Branch manager and team have met with Gabilay Mayor to discuss expansion project. Plans in place to start market research in Borama and Wajaale areas for potential new clients.
Muliyo Salt Trading Company	Salt	Awdal	\$80,000	25	-	~salt processing equipment ~potential technical assistance in salt production and processing experts	Grant agreement signed last week. Salt sector business advisor is supporting with organizational management to prepare for drafting specifications of salt processing plant RFP; and salt processing expert SOW being drafted.
Red Sea Fishing and shrimp	Fisheries	Maroodijeex	\$69,380	30	-	~walk-in freezer, smaller cold storage transport equipment, and small-scale cold storage for retail and storage facility in Hargesia ~ support for additional boat and nets to increase catch capacity	Red Sea will move their operations to Bulahar (coastal town closer to Berbera). Partnership Team visited Bulahar branch for verification and environmental review. Grant agreement signed last week; and procurement specifications template being filled in.
Shaqodoon	Job info search	Maroodijeex	\$37,977	30	-	~expansion of business outreach plans ~training costs for youth ~Launch of first major Business Fair	Shaqodoon completed milestone 1 report (formal launch of project) and payment were transferred to their account.
Tayo Energy Enterprises Company	Energy	Sool	\$100,000	16	-	~ 3 wind turbines ~technical assistance for installation, training, and capacity building	7 proposals were received for wind turbines. The review committee will review the first and second week of October to select the best vendor.
Togdheer Women Livestock Trade Association	Livestock	Togdheer	\$49,970	18	125	~ support to expand livestock purchases ~financial and organizational capacity building	Implementation underway. Milestone 1 report is received and it under review.
Transparent Solutions (TS)	Finance	Multiple regions	\$100,000	10	-	~support for diaspora outreach activities ~support for initial organization operations for year 1 ~marketing and other support to diaspora in Kenya, Gulf, UK and US	Milestone 3 is under implementation including design of marketing campaign and finalizing website for wind investment fund.

P3, Task 4: Award and manage grants and/or subcontracts (including GDA/PPP financing). A subcontract was signed with Candlelight to carry out fodder production demonstration sites and a subcontract with VETAID to develop a training curriculum for CBAHWs is being finalized. Some of the 13 Grant agreements were drafted for the 13 grant awardees (out of over 290 applicants) and will be signed next quarter after approval from USAID. Sub-contract agreements with Amoud University and SATG also continue to be in force. The business Speaker Series with Abaarso Tech University was discontinued because the School reported that it could no longer be able to carry out the task because of difficulties that the school was facing. The Communications and Community Outreach Officer has been coordinating this Abaarso tech sub-contract. Project implementation oversight is the responsibility of the Deputy Project Manager.

FORTHCOMING QUARTER PRIORITIZATION, DESIGN, AND DEVELOPMENT OF SUB-ACTIVITY SOWS

IMPLEMENTATION

Launch selected sub-activities. In the middle of next quarter, the Partnership team expects the draft Puntland Chamber of Commerce support activity SOW to be approved. There are no plans to development any other sub-activity SOWs next quarter.

Implement selected sub-activities.

Planned seventh quarter implementation activities for the sub-activities are outlined below.

Livestock Sub-Activity:

- Sign the contract for the Livestock End Market study with successful bidder;
- Continue providing a monitoring role and technical oversight of Candlelight, VetAid and VetBoard contracts.

Puntland Sub-Activity

- Review and finalize contracts for Puntland Livestock activity;
- Review and finalize proposal by Puntland Chamber of Commerce to develop an investment guide and business directory.

Agriculture Sub-Activity:

- Continue with extension, data gathering, and Field Days for Season Two for the three Demo Plots;
- Work with Amoud University to procure the wind mill from successful bidder.

Energy Sub-Activity:

- Support the Ministry of Energy in finalizing the law and submitting to Parliament for review;
- Sign contract for data monitors and ensure timely arrival in Somaliland;

- Review proposals for wind turbines and finalize contract with successful bidder;

Business Environment Sub-Activity:

- Complete the regional SBCI survey in all of Somaliland's six regions, with support to the Ministry of Commerce and Chamber of Commerce;
- Support an international commercial lawyer with reviewing the commercial and investment laws;
- Draft Energy Investment Chapter of Investment Guide
- Draft the BoQ and RfQs for Ministry of Commerce capacity building requests upon USAID approval

Partnership Fund Grants Activity:

- Draft and advertise RfPs and RfQs for in-kind procurements for Horumar Camel Dairy, Al Hussein, and Dheeman, GETCO and Red Sea.
- Provide oversight and support for other grantees as needed.