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**USAID/Jordan Local Enterprise Support Project
(USAID LENS)
Associate Award**

**QUARTERLY REPORT
January 1 – March 31, 2014**

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USAID/Jordan Local Enterprise Support Project (USAID LENS)

QUARTERLY REPORT FY14 Q2

January 1 – March 31, 2014

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DISCLAIMER

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TABLE OF CONTENTS

ACRONYMS	III
I. EXECUTIVE SUMMARY	1
II. COUNTRY SITUATION	1
III. PROJECT HIGHLIGHTS, ACHIEVEMENTS & MAJOR ACTIVITIES	2
<i>Overarching Activities</i>	2
<i>Component 1: Increased MSE Growth</i>	3
<i>Sub-Component 1.1: Policy Environment Enhanced for MSEs</i>	3
<i>Sub-Component 1.2: Improved MSE Competitiveness</i>	3
<i>Sub-Component 1.3: Increased Access to Finance</i>	3
<i>Component 2: Improved Local Economic Development</i>	4
<i>Sub-Component 2.1: The National Policy Environment is Supportive of Local Economic Development (LED)</i>	4
<i>Sub-Component 2.2: Local Governments Plan for and Support Broad-Based Growth</i>	5
IV. SUMMARY OF GRANT IMPLEMENTATION & APPRAISAL.....	5
V. PROBLEMS ENCOUNTERED & PROPOSED REMEDIAL ACTIONS	7
VI. IMPACT ACHIEVED AGAINST THE OBJECTIVES	7
VII. NEXT QUARTER ACTIVITIES (APRIL – JUNE 2014)	7
<i>Overarching Activities</i>	7
<i>Component One: Increased Micro and Small Sized Enterprises (MSEs)</i>	7
<i>Sub-Component 1.1: Policy Environment Enhanced for MSEs</i>	8
<i>Sub-Component 1.2: Improved MSE Competitiveness</i>	8
<i>Sub-Component 1.3: Increased Access to Finance</i>	8
<i>Component Two: Improved Local Economic Development (LED)</i>	8
<i>Sub-Component 2.1: The National Policy Environment is Supportive of Local Economic Development (LED)</i>	8
<i>Sub-Component 2.2: Local Government Plan for and Support Broad-Based Growth</i>	9
<i>Other Planned Deliverables and Activities</i>	10

Acronyms

A2F	Access to Finance
AOR	Agreement Officer Representative
APS	Annual Program Statement
CBJ	Central Bank of Jordan
CBO	Community-based Organization
CEP	Jordan Civic Engagement Project
CSR	Corporate Social Responsibility
EU	European Union
FHI 360	Family Health International 360
FI	Financial Institutions
FOG	Fixed Obligation Grant
FSA	Financial Sector Assessment
GIZ	German Society for International Cooperation
GAM	Greater Amman Municipality
GOJ	Government of Jordan
GDP	Gross Domestic Product
ICMA	International City/County Management Association
ICT	Information Communication Technologies
IRI	International Republican Institute
ISIC	International Standard Industrial Classification
JTD III	Jordan Tourism Development III Program
KMS	Knowledge Management System
LDU	Local Development Units
LED	Local Economic Development
LENS	Jordan Local Enterprise Support Activity
M&E	Monitoring and Evaluation
MEDA	Mennonite Economic Development Associates
MFI	Microfinance Institution
MSE	Micro and Small Enterprises
MOI	Ministry of Interior
MOMA	Ministry of Municipal Affairs
MOPIC	Ministry of Planning and International Cooperation
NGO	Non-Governmental Organization
PSC	Project Steering Committee
RFA	Request for Applications
SME	Small and Medium-sized Enterprises
SNA	Social Network Analysis
SOW	Scope of Work
TA	Technical Assistance
UNDP	United Nations Development Programme
USAID	U.S. Agency for International Development
VCA	Value Chain Analysis

I. EXECUTIVE SUMMARY

The USAID Local Enterprise Support Project (USAID LENS) began during the January–March quarter with the mobilization of key personnel to the field; recruitment, hiring and on-boarding of local staff; procurement of office equipment and project vehicles; identification of both short- and long-term office space; and establishment of letters of authorization with international partners ICMA and MEDA.

Much of USAID LENS’ effort during the first quarter was spent introducing the project to key stakeholders and relevant personnel from Ministry of Interior (MOI), Ministry of Municipal Affairs (MOMA), and Ministry of Planning and International Cooperation (MOPIC) at the national, governorate, and municipal levels. USAID LENS also initiated engagement with relevant donor and Government of Jordan (GOJ) funded programs and private sector organizations.

Among the highlights and achievements of the quarter, were the drafting and finalization of the first round of deliverables, including Phase I of Sector Selection, the Financial Sector Assessment, the Communications and Outreach Strategy, the Database/Knowledge Management System (KMS), and the Grants Manual. USAID LENS began the process to map current and recent activities supported by USAID, GOJ, and other donors operating in Jordan in technical areas related to USAID LENS and to develop a working database of this information. In addition, a gender specialist consultant was hired to draft the Gender Analysis and Strategy, and an M&E specialist consultant was hired to design the M&E Plan.

Despite the MSE leadership and staffing challenges, significant progress was made under the MSE Component for sector selection and laying the foundation for work plan development. Under the LED Component, the local team was on-boarded and quickly began to build the component and design activities and interventions, resulting in a strong road map for implementation.

II. COUNTRY SITUATION

Jordan is at the center of a political and economic crisis that began with the Arab Spring but has continued as key neighbors and trading partners—Egypt and Syria—experience on-going instability and outright conflict. Regional turmoil and stalled economic growth have driven Jordanian Gross Domestic Product (GDP) growth rates down from eight percent in 2008 to less than three percent since 2010.

While poverty rates in Jordan fell in the early 2000s, they have remained stable at around 13 percent since that time. More than half of Jordanians living below the poverty line live in “poverty pockets” in the most densely populated cities of Amman, Irbid, and Zarqa.¹ Fiscal pressures to reduce subsidies and better target safety nets, as well as massive influxes of refugees from Iraq and Syria are straining an already overburdened system, and are likely to lead to increasing rates of poverty nationwide.

There are more than 156,000 registered businesses in Jordan of which 98% employ less than 20 persons (approximately 143,000 employ less than 5 persons and 10,000 employ 5-19 persons). These micro and small enterprises (MSEs) contribute 40% of GDP and employ between 60 and 70% of employees in the private sector. However, most currently engage in low value-added activities such as trade, and they face unique constraints to growth, including an unsupportive policy environment, firm-level inefficiencies, challenges accessing finance and an inadequately trained workforce. The World Bank’s “2012 Doing Business” report ranked Jordan 106th out of 183 countries in terms of an enabling environment for small and medium-sized enterprises (SMEs).

¹ The 2010 Jordan Poverty Report prepared by the Department of Statistics (DOS)

Finally, almost every report focused on income inequality in Jordan discusses the wealth disparities between governorates. While numerous efforts have been made to solve this challenge, a critical piece of the puzzle remains unsolved, as municipal governments lack capacity and authority to take the lead on economic growth strategies. In the current environment, local governments cannot foster growth amongst existing businesses let alone attract new investment.

III. PROJECT HIGHLIGHTS, ACHIEVEMENTS & MAJOR ACTIVITIES

During the January–March quarter, the USAID LENS Project officially began its Start-Up Phase. Progress was made for overarching project activities, and initial activities were begun in both the MSE and LED Components. A summary of this progress is provided below.

Overarching Activities

Rapid Start-Up

During the first three months of the USAID LENS Start-Up Phase, the project team has largely been formed and documents guiding the strategic and operational direction of the project have been developed (or significantly advanced). The initial groundwork was laid for undertaking important activities to get the project off the ground, with emphasis on meeting the strategic requirements and immediate needs of USAID and the Government of Jordan counterparts.

The following *Routine Start-Up* activities took place during the January–March period:

1. Initial planning sessions held to develop component summaries for first annual work plan
2. Preparations made for work planning sessions
3. M&E Consultant hired to develop M&E Plan
4. First draft of Communications and Outreach Plan developed
5. Gender Consultant hired to develop gender analysis and strategy
6. Initial Database/Knowledge Management System (KMS) developed
7. Grants Manual developed
8. Approved key personnel hired and mobilized to field
9. Local staff positions hired
10. Long-term office space identified and secured
11. Short-term office space identified and secured
12. Office equipment and project vehicles procured
13. Office build-out process advanced
14. Letters of authorization signed with sub-awardees ICMA and MEDA, with progress made on final subawards

The following *Stakeholder Engagement* activities took place during the January–March period:

1. Initial meetings held with USAID, MOI, MOPIC, MOMA, the East Amman, Zarqa and Irbid Governorates, Central Bank of Jordan, and other key stakeholders to receive their input into the project
2. Meetings held with recent and existing donor-funded projects (e.g. USAID JCP, USAID CEP, USAID JTD, CDRF etc.) and other donors (e.g. UNDP, EU, GIZ, World Bank, IRI, etc.) to identify areas for coordination and avoid overlap
3. Financial Sector Analysis finalized to identify strategic areas for USAID LENS engagement.

Map current and recent activities supported by USAID, GOJ, and other donors

USAID LENS began the process to map current and recent activities supported by USAID, GOJ, and other donors operating in Jordan in technical areas related to USAID LENS and to develop a working database of this information. The document provides the project name, description, time frame, financial amounts, governorates and contact information, as available. USAID LENS will use this information to ensure coordination, avoid overlap, and identify “quick win” activities across the spectrum of existing programs. As an ongoing activity, this information will be updated as projects start, end, and evolve.

Select and verify year one sectors

During the quarter, USAID LENS drafted Phase I of project Sector Selection, identifying four sectors at the 2 digit ISIC code with high potential to meet GOJ and USAID priorities in Amman, Irbid, and Zarqa. The selection—tourism and hospitality, food processing, transportation/logistics and automotive repair, and information communication and technology (ICT)—was based on a review of available data and relevant reports from the Jordan Department of Statistics (DOS) 2006 and 2011 Economic Census, Central Bank of Jordan (CBJ) data, and World Bank; discussion with economic and sector-specific experts; and review of potential sectors with USAID, the USAID LENS Team identified.

Gender Strategy

USAID LENS began the process to develop a full gender action plan to identify program-relevant gender challenges and opportunities, describe their approach for addressing gender issues, and provide relevant performance indicators to measure their achievements. The analysis is intended to strengthen project understanding of the gender dynamics at work, and to increase gender inclusion in micro and small enterprise growth and in strengthening local government capacity to support private sector growth, including collaborating with government through public-private engagement. In March, USAID LENS hired a Gender Specialist Consultant to lead this process.

Component I: Increased MSE Growth

During the January–March period, efforts under the MSE Component were primarily focused on laying the foundation for the MSE section of the work plan, as well as beginning to build the MSE technical team. A key activity was the Phase I Sector Selection, as described above. Further detail about the progress of specific MSE interventions will be provided in the April–June quarterly report.

Sub-Component I.1: Policy Environment Enhanced for MSEs

MSE activities have been designed and proposed in the work plan, and will begin to take place during the April–June period. For detail on upcoming activities, please see *Section IV. Next Quarter Activities (April – June 2014)*.

Sub-Component I.2: Improved MSE Competitiveness

MSE activities have been designed and proposed in the work plan, and will begin to take place during the April–June period. For detail on upcoming activities, please see *Section IV. Next Quarter Activities (April – June 2014)*.

Sub-Component I.3: Increased Access to Finance

During the quarter, USAID LENS completed a Financial Sector Analysis to inform development of the project’s Access to Finance (A2F) activities. Through data analyses and key stakeholder discussions, as well as a review of the current enabling environment, key suppliers of financial products and perceived demand, USAID LENS has developed a three-pronged approach to expand finance to access at the micro, meso and macro levels. These recommendations have translated into work plan

activities. For detail on upcoming activities, please see *Section IV. Next Quarter Activities (April – June 2014)*.

Component 2: Improved Local Economic Development

During the January–March period, efforts under the LED Component were focused on building the LED team, understanding LED within the Jordanian context, and laying the foundation for work plan development and activity implementation. As an important step in this process, USAID LENS has developed the following agreed-upon definition of LED: “LED is a process that builds the economic potential of a municipality through partnerships between local government, the business community and NGOs. Its objectives are to stimulate investments that will promote sustained high growth in a local community. LED focuses on the region’s assets and identifies specifically what local stakeholders can and need to do to ensure their local community reaches its potential in economic activity. LED assesses a community’s comparative advantage, identifies new or existing market opportunities for businesses, and reduces obstacles to business expansion and creation. Related activities should have an impact on the economic viability of the entire municipality and surrounding region not just a particular sector of the local economy.”

City Selection Process

One of main objectives of USAID LENS is to improve the local economic development capacity of Local Development Units (LDUs) within selected municipalities and to develop an inclusive enabling environment for economic development so they become the hubs for attracting investments and providing services that support economic growth and job creation for men and women. In part, this will be achieved by strengthening local governments and their relationships with their citizens and the central government.

During the quarter, the LED Team met with MOPIC, MOI and MOMA and the governors of the targeted governorates of Amman, Zarqa and Irbid, in addition to a number of district leaders and mayors within those governorates, to introduce the program and to learn more about the challenges and opportunities related to LED at the local government level. Through these meetings, USAID LENS obtained additional data about each governorate as well as opinions about which districts/municipalities the project will focus on. These meetings also informed the LED component team about some of the parameters associated with potential programming needs and the considerations associated with the city selection process, which will continue in the next quarter.

Sub-Component 2.1: The National Policy Environment is Supportive of Local Economic Development (LED)

Preliminary Assessment of Governorate Priorities

Following the presentation of the project to national ministry partners, meetings were arranged in each of three participating governorates (Irbid, Zarqa and Amman) where the objectives of the project were presented and where there was a preliminary identification of the governorate priorities regarding economic growth efforts. The preliminary framework for city selection within the governorates was presented at these meetings.

Updated Analysis and presentation of LED Barriers

As part of the ongoing donor engagement carried out by the LED Team, an updated analysis that determines the overall economic, political and social barriers, including gender relations, to local economic development will be carried out by the LED Team, with support from short-term consultants. The initial design of this activity was begun during the quarter.

Sub-Component 2.2: Local Governments Plan for and Support Broad-Based Growth

LED Networking and Knowledge Sharing

USAID LENS will create a network of engaged and invested municipalities and LED professionals among project stakeholders where LED best practices and implementation efforts can be shared (i.e. LED thematic workshops, case studies, peer-to-peer dialogue, etc.). Specifically, the project will convene meetings of municipal officials that are working on similar topics to share their approaches, discuss how they overcame challenges and identify how they might be able to further collaborate. It is also important to mention that the project will try to identify best practices in LED from within Jordan or from municipalities from other countries facing similar challenges (lack of resources, poor coordination amongst different levels of government, inadequate skills of municipal employees, etc.). In support of this activity, a working group was launched to allow project staff and key internal stakeholders working on the LED component project to share internal documents related to LED best practices and analysis of challenges and opportunities for the project. Members of the LED Team began gathering case studies and best practices from other technical assistance projects, both from within Jordan and internationally. And, as part of the orientation and project Start-Up Phase, members of the LED Team contributed to the design of a website that will be used for LED knowledge-sharing amongst members of the project both in Amman and HQ (i.e. best practices, resources, key planning documents, etc.)

IV. SUMMARY OF GRANT IMPLEMENTATION & APPRAISAL

During the January–March period, USAID LENS made significant progress in establishing the groundwork for the USAID LENS Grants Program. The USAID LENS Grants Manual, including a summary of USAID LENS Grants Opportunities, a timeline for design, selection and implementation, as well as illustrative funding amounts and anticipated numbers of grants, was completed during the period and submitted to USAID on April 6 for review and approval.

The grants opportunities anticipated under USAID LENS are the following:

Project Component	Grant Category	Description
MSE Component	MSE Network Strengthening Fund (Multi-actor activities – Business Associations, Trade Associations, CBOs, etc.)	<ul style="list-style-type: none"> ▪ Target multi-actor activities (Business Associations, Trade Associations, NGOs, CBOs, etc.) intended to build the institutional network for MSE competitiveness, in close coordination with local government actors. ▪ APS to be issued in June 2014 with applications accepted on a rolling basis through APS end date. ▪ Grants may be Simplified, In-Kind, Standard and/or FOG. First round of grants anticipated to be issued in August/September 2014.
	Performance-based FI Fund (Financial Institutions)	<ul style="list-style-type: none"> ▪ Target financial institutions for the implementation of tools, training, and marketing associated with growing the MSE portfolio, and/or to develop new financing products or review existing products. ▪ MFI partners to be selected based on their organizational capacity; demonstrated interest in lending to MSE clients; and amount of cost-share. ▪ RFA to be issued in June 2014 with applications accepted by stated deadline. ▪ Grants may be Simplified, In-Kind, Standard and/or FOG. First round of grants anticipated to be issued in August/September 2014.

	Fixed-asset Capital Fund (Feeder Businesses)	<ul style="list-style-type: none"> Target “feeder” businesses, whose growth as the result of a new piece of equipment or other asset, will have measurable economic externalities in the business community. APS to be issued with applications accepted on a rolling basis through APS end date. Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.
	Innovation Investment Fund (High performing and innovative MSEs)	<ul style="list-style-type: none"> Target high performing and innovative MSEs within target value chain that demonstrate high growth potential or bring socially innovative business idea. APS to be issued with applications accepted on a rolling basis through APS end date. Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.
	Kick-Start Fund for High-Risk MSEs (High-risk MSEs)	<ul style="list-style-type: none"> Target high-risk MSEs comprised of women, youth, and first-time borrowers that may not qualify for working capital loan from an FI and may be designed as competitions to spur creativity and deepen engagement. APS to be issued with applications accepted on a rolling basis through APS end date. Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.
LED Component	Governorate Support Grants (governorate level)	<ul style="list-style-type: none"> Target the selected governorates to build a strong relationship with leaders, showcase the credibility of the project among different stakeholders and demonstrate immediate and visible results. Provide in-kind grants for each governorate to help coordinate information and facilitate municipal stakeholder’s involvement in the governorate level efforts. These grants will focus on infrastructure (equipment and other materials) and capacity building (advisory services, training and other relevant areas).
	LED Initiatives Grant (municipal level)	<ul style="list-style-type: none"> Build the capacity of selected municipalities to foster an enabling environment for business development, increase economic activity and increase clarity in the institutional, legal and financial aspects of municipal governance. Issue Request For Applications (RFA) to announce in-kind grants for each selected municipality, focusing on basic infrastructure (equipment, materials, etc.), capacity building (advisory services, training and other relevant areas) and knowledge sharing events. This grant opportunity will be available between August-September 2014, upon approval on the concept notes submitted by the municipalities. As mentioned previously, the USAID LENS Team will work with the appointed governorate representatives to further develop the concept note into a full-fledged proposal as per grant guidelines and standards.
	Enabling Environment Support Grants (Community level)	<ul style="list-style-type: none"> Target communities and community based organizations (CBOs) in selected municipalities to support collaborative initiatives for LED, driven by private sector actors, business associations, or others which will supplement LED initiative grants. Publish an Annual Program Statement (APS) and/or RFA to announce each LED grants competition. Selection criteria such as grants scope, amount, number and duration will be subsequently determined. These grants will take place during Year Two of the project.
	Replication/Expansion Grants	<ul style="list-style-type: none"> Target municipalities, either within or outside of the governorates initially selected, to replicate the efforts of the core project municipalities. While a competitive RFA to provide in-kind grants will be used, selection criteria such as the grant’s scope, amount, impact, number and duration will be subsequently determined. These grants will take place during Year Two of the project.

V. CHALLENGES AND PROPOSED REMEDIAL ACTIONS

A primary challenge facing the USAID LENS Project is to find appropriate leadership for the MSE Component. In mid-March, the original MSE Component Lead was terminated, and FHI 360 embarked on a process to recruit the replacement lead, opening the position to local and international candidates. Through the successive interview process, it has become clear that the project would significantly benefit from an expatriate candidate who has depth and breadth of experience with MSE competitiveness and development. To address the MSE leadership challenge faced in the January-March quarter, FHI 360 quickly mobilized Mr. Roberto Matus, Deputy Director of FHI 360's Private Sector Innovations Unit, to provide short-term leadership and to drive the MSE work-planning process. MEDA also mobilized Ms. Rachel Hess for STTA to support the MSE Component. With the return of both Mr. Matus and Ms. Hess to the US, FHI 360 will now be mobilizing a senior-level MSE expert consultant, Mr. Jerry Striplin, to serve as a strategic advisor and provide leadership and support to the MSE Component while a long-term solution is identified.

VI. IMPACT ACHIEVED AGAINST OBJECTIVES

Once the M&E Plan has been completed and approved by USAID, this section will report on project progress towards achieving the set indicators.

VII. NEXT QUARTER ACTIVITIES (April – June 2014)

Below is a brief summary of activities planned to take place during the April–June quarter.

Overarching Activities

- **Rapid Start-Up:** Conclude the Start-Up Phase activities, including submission of the Year 1 Work Plan.
- **Establish the Project Steering Committee (PSC):** USAID LENS will bring together key national and regional stakeholders into a Project Steering Committee, in order to formalize engagement, guidance, and information dissemination, as well as to work through any potential impediments to project success. This process will begin in April.
- **Select and verify year one sectors:** Begin Phase 2 of sub-sector selection.
- **Gender Strategy:** Draft Gender Analysis, Strategy and Action Plan that addresses how unequal gender dynamics will influence the USAID LENS project outcomes, and how they can be mitigated, as well as how the project can influence gender norms among stakeholders and in communities where it works and its outcomes.
- **Gender Mainstreaming:** Based on the Gender Analysis and Strategy developed, identify role for gender specialist to support the project (full time, part time, consultant) and develop a SOW.
- **Research Agenda:** Develop a Request for Proposals, hire a survey firm through a competitive process, work with survey firm and experts on market segmentation to design a questionnaire and rigorous survey sampling approach, and train survey enumerators.
- **Environmental Sustainability:** Finalize SOW and identify a local expert to develop a project Environmental Sustainability Plan.

Component One: Increased Micro and Small Sized Enterprises (MSEs)

Sub-Component 1.1: Policy Environment Enhanced for MSEs

- **Registration Process Mapping:** The MSE component will collaborate with Financial Services Volunteer Corps (FSVC), chambers of commerce/industry, EU entities, USAID and other organizations contributing organizations to assess and map the business registration process, resulting in process maps of business registration in Amman, Irbid, and Zarqa.
- **Sector Specific Regulatory Review:** Value chain and end-market analysis will be carried out to support improved MSE growth and identify sector-specific regulatory and policy constraints, in conjunction with FHI 360 home office experts and a local consulting firm.

Sub-Component 1.2: Improved MSE Competitiveness

- **Social Network Analysis (SNA):** Begin engagement with FHI 360's Social Network Analysis experts to deliver training to USAID LENS team and to assist team to design the approach, design and utilize the database, and identify members for the expert working group.
- **Strengthen Jordanian SME support institutions:** Begin process to engage a short-list of actors with aligned objectives and ongoing activities to undertake quick-win collaborations. This will serve to: a) get visible activities out in front of our stakeholders (GOJ, USAID, MSEs, Service Providers); b) get to know first-hand the capacity of service providers; and c) get to know first-hand the profile and challenges of MSEs.
- **Wave 1 Value Chain Analysis (VCA) and Process Flow:** Begin VCAs for ICT and food processing sectors.
- **Sector Profiles:** Development, initiation and oversight of Sector Profiles within all governorates (executed by Al Jidara)
- **MSE Survey:** RFP published, proposals analyzed with movement to contract.
- **LED Municipal Meetings:** MSE will participate to foster development of cross linkages.
- **Quick Wins:** MSE component will identify quick-win and high impact projects in Q2.

Sub-Component 1.3: Increased Access to Finance

- **Formal Introduction of USAID LENS Access to Finance Component and Stakeholder Application Process:** Following on the Financial Services Assessment that was conducted, including a series of discussions with MFIs and other financial sector stakeholders, a brief (1-1.5 hours) formal introduction of the USAID LENS program will be conducted. The introduction will provide information related to the vision and goals of the A2F sub-component, anticipated types of activities eligible for support and other pertinent information required for launching activities at selected partner institutions.
- **Client Satisfaction & Drop-Out Analysis:** Given the high levels of indicative client exit and results of the Microfinance Survey 2012, client satisfaction with existing products and services appears fairly low. Questions required to conduct client satisfaction and drop-out analysis will be included in the MSE survey. Development of this survey will begin during the quarter.

Component Two: Improved Local Economic Development (LED)

- **City Selection Process:** Initiation of city-selection process and invitation to municipalities to apply.

Sub-Component 2.1: The National Policy Environment is Supportive of Local Economic Development (LED)

- **Preliminary Assessment of Governorate Priorities:** LDU governorate meetings to present the grant mechanisms and identify LED initiatives are planned for April, along with follow-up meetings with LDU representatives from each governorate to discuss the grants program, further discuss their priorities and get feedback on the city selection process.
- **Engagement with Municipalities in Each Governorate:** The project will convene three separate meetings – one in each participating governorate – for municipal representatives to further present the project, provide a more detailed overview of the city selection process and validate findings related to the challenges associated with LED efforts at the municipal level. The project will also present the city selection and validation of economic priorities.
- **Updated Analysis and presentation of LED Barriers:** The LED Team will carry out an updated analysis that determines the overall economic, political and social barriers, including gender relations, to local economic development. This will be supported by short-term consultants. The process will include internal workshops with members of the LED component team and input from donor project representatives, and culminate in a meeting of donor representatives in June 2014 to share the preliminary findings.
- **Social Network Analysis (SNA):** Begin engagement with FHI 360's Social Network Analysis experts to deliver training to USAID LENS team and to assist team to design the approach, design and utilize the database, and identify members for the expert working group.
- **Alternative Resources Study to Support LED:** The project will commission a study and set of recommendations to clarify the process of fiscal transfers and the range of financial resources and knowledge products available to local governments to implement LED. In addition to understanding the fiscal transfer and budgeting process from a functional performance point of view, it will identify LED resources that reduce the need to rely on fiscal transfers. These may include public private partnerships, corporate social responsibility (CSR) initiatives, or other government funding sources.
- **LDU Functional Analysis Framework:** A process to review the roles and responsibilities of LDUs will be carried out to inform a more detailed analysis of LDU functions in specific partner municipalities.

Sub-Component 2.2: Local Government Plan for and Support Broad-Based Growth

- **LED Workshop for Municipalities:** The project will facilitate a series of workshops for local government officials from eligible municipalities in each of the three target governorates. These three one-day workshops will take place in May, facilitated by a local government practitioner from the US, Van James, who brings extensive experience supporting local economic planning. The workshops will serve as an opportunity to present the project, disseminate information on the city selection process, and provide an opportunity for all senior municipal leaders, including mayors, to learn about LED, including those in municipalities outside the core project locations. This broad learning opportunity will provide a chance for all local government officials and their senior staff to discuss a common definition of LED and to discuss ways they can work together for the good of the governorate.
- **LED Training and Awareness:** USAID LENS will facilitate training and awareness sessions through the mobilization of both international and local expertise. As a start, a series of online discussions with international LED experts will be facilitated in order for the core staff of the project to learn more about LED modalities and draw upon lessons learned from other countries. These sessions will address issues such as LED demonstration projects, advocacy for LED, knowledge management, integration of cross-cutting themes, etc. Additional sessions will be facilitated for local government officials in each of the targeted governorates, including mayors, councilors, district leaders and LDU staff from eligible municipalities in order to familiarize them with the project, city selection criteria and basic concepts in LED.

- **Establishing city-to-city partnerships focused on local economic development:** Following the completion of city selection in June, USAID LENS will initiate exchange and learning opportunities for selected municipalities through ICMA's CityLinks program.
- **LED Networking and Knowledge Sharing:** A two-day training workshop will be facilitated by the LED Component Lead, in cooperation with the communications team, for LED component members to learn more about the range of applications within a knowledge management approach and to better inform the knowledge management strategy development.

Other Planned Deliverables and Activities

- **Work Plan:** USAID LENS expects to submit its Year I work plan in early May.
- **Gender Analysis:** USAID LENS will receive the Gender Analysis and recommendations from gender specialist and consultant Hala Ghosheh in late May.
- **Communications Strategy:** A final version of the Communications Strategy incorporating client and technical component feedback will be submitted to USAID in May.
- **M&E Plan:** Consultant Nadia Hsu has been contracted to support development of the M&E Plan. Development of M&E Plan has started, and will be submitted following approval of the USAID LENS work plan, as stated in the cooperative agreement. (Anticipated delivery: June 5) Once the M&E Plan has been completed and approved by USAID, this section will report on project progress towards achieving the set indicators.