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

**QUARTERLY REPORT
April 1 – June 30, 2014**

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USAID/Jordan Local Enterprise Support Project (USAID LENS)

QUARTERLY REPORT FY14 Q3

April 1 – June 30, 2014

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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
IFC	International Finance Corporation
IRI	International Republican Institute
ISIC	International Standard Industrial Classification
JCP	Jordan Competitiveness Program
JLGC	Jordan Loan Guarantee Corporation
JOHUD	The Jordanian Hashemite Fund For Human Development
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
MEMRC	Middle East Marketing & Research Consultants
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
QRCE	Queen Rania Center for Entrepreneurship
RFA	Request for Applications
RFP	Request for Proposals
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
WB	World Bank

I. EXECUTIVE SUMMARY

The USAID Local Enterprise Support Project (USAID LENS) shifted its focus to the drafting and implementation of the work plan while continuing to build out the project team with the on-boarding of several local staff as well as international expertise to head and/or advise the Access to Finance (A2F) and Micro and Small Enterprise (MSE) project components. USAID LENS also continued to expand its outreach to potential stakeholders and partners in the public and private sectors and to mature its cooperative relationship with key line ministries: the Ministry of Interior (MOI), Ministry of Municipal Affairs (MOMA), Ministry of Industry and Trade and Ministry of Planning and International Cooperation (MOPIC).

USAID LENS passed its first major milestones with the submission of the Grants Manual to USAID on April 5, and the Year I Work Plan (through the period ending September 30, 2014) on May 5, followed by the submission of the Gender Strategy and the Strategic Communications Framework.

Among the highlights and achievements since then, have been the conclusion of the City Selection process (LED), the submission of research firm Al Jidara's general findings and commencement of the development of sector-based Value Chain Process Map for selected sectors (MSE), the development of a project action plan for Years 1 and 2 for Business Registration and Licensing (MSE), and the initiation of foundational research necessary to better inform the technical components' approaches to their respective work plans in coming years. This includes the governorate economic and political profiles (LED) and Microenterprise Survey (MSE).

The completion of the Work Plan also facilitated the drafting of the Monitoring and Evaluation (M&E) Plan. As this report was being prepared, the M&E Plan was being finalized between the M&E consultant and technical component leads. This deliverable is due within 30 days of USAID approval of the Year 1 Work Plan, and formal submission of M&E Plan to USAID is expected by mid-August.

Finally, the Project convened the first USAID LENS Project Steering Committee (PSC) in late June. While USAID LENS is satisfied to have launched the committee, the project is somewhat concerned that the competitive dynamics among the key Jordanian line ministries involved, and is working to mitigate any effect this may have on committee effectiveness and effective project 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

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

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 “2014 Doing Business” report ranked Jordan 119th out of 189 countries on the ease of doing business.

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 April–June quarter, the USAID LENS Project began shifting its energies from start-up phase activities to work planning and implementation. 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

During the April-June period, USAID LENS completed and submitted to USAID the initial deliverables necessary to guide the Project’s general strategic and operational direction during Year 1, and initiated activities that will contribute to the fulfillment of the Project’s organizational objectives as a USAID implementing partner.

Continuation of Start-Up Activities

1. Work planning sessions
2. Development and submission of Year 1 Work Plan
3. Development and submission of Gender Analysis and Recommendations
4. Development and submission of Grants Manual
5. Development and submission of Financial Sector Analysis
6. Revision and submission of Strategic Communications Framework
7. Initiation of Monitoring and Evaluation Plan and indicators development
8. Initiation of foundational research (for LED Economic Profiles and MSE Survey)
9. Continuation of Knowledge Management System (KMS) development
10. Approved key personnel hired and mobilized to field
11. Approval and deployment of FHI 360 support staff
12. Approval and deployment of international partner support staff
13. Local staff positions hired
14. Office equipment and project vehicles procured
15. RFP issued for construction on new office design with contract implementation anticipated mid-July.

Stakeholder and Donor Engagement

The following Stakeholder and Donor Engagement activities took place during the April-June period:

1. **USAID LENS Project:** Inaugural USAID LENS Project Steering Committee, bringing together USAID; the Ministries of Planning and International Cooperation, Municipal

Affairs, Trade and Interior; the governors of Zarqa, Irbid, Amman and Aqaba; the Jordan Chamber of Commerce; and the Jordan Chamber of Industry; Tanmeyah Microfinance Network; and the King Abdullah Fund for Development.

2. **LED Component:** Outreach and introductory meetings with district and municipal authorities in selected governorates; meetings with line ministries to present City Selection recommendations; Municipal Partner engagement meetings to discuss potential initiatives for selected municipalities.
3. **MSE Component:** Introductory meetings with business and professional associations; follow-up meetings with sector-related ministries; meetings with NGOs, private sector entities and business incubators to identify areas of potential cooperation and collaboration.
4. **Grants and A2F:** Introductory meetings with MFIs, local business incubators, donors to identify potential opportunities and collaboration methods.

FHI 360 Grants and Finance Training

Various members of the USAID LENS team, who will be involved with the USAID LENS Grants Program, attended a five-day grants and finance training program in June. The sessions were led by Patricia Shehata, Contracting Officer/Contract Management Services and Robrecht Vanrykel Senior Finance Training Specialist/Operations Finance, both from FHI 360 head office.

Gender Analysis and Strategy

In April, a Gender Specialist Consultant was hired to identify program-relevant gender challenges and opportunities, describe an approach for addressing gender issues, and provide relevant performance indicators to measure achievements in gender inclusion in MSE growth and in strengthening local government capacity to support private sector growth, including women's collaboration with government through public-private engagement. The consultant submitted the analysis, including several recommendations for a gender-inclusive framework for USAID LENS and potential performance indicators, in May.

Monitoring and Evaluation Planning and Indicator Development

Since the completion of work planning in late April, a Monitoring and Evaluation Consultant has been working with USAID LENS component leads and team members to develop and refine project indicators specified in the Cooperative Agreement and to draft a comprehensive M&E Plan. The M&E Plan is due within 30 days of the approval of the Year 1 Work Plan, and USAID LENS expects formal M&E Plan submission to USAID by mid-August.

Research

In May, local research firm Al Jidara commenced research in support of both technical components. This research will contribute to the development of selected sector profiles, value chain analysis and economic and political profiles of targeted governorates. In June, the Middle East Marketing & Research Consultants (MEMRC) was hired to implement a microenterprise survey, which will contribute to the baseline data for the M&E data and indicators under the MSE Component. Survey implementation is underway and anticipated to run through October when the final report will be prepared.

Component I: Increased MSE Growth

During the April-June period, efforts under the MSE Component were primarily focused on laying the foundation for the MSE section of the work plan, as well as re-building and restructuring the MSE

technical team, following successive changes in its leadership.

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

Improved Business Registration System

To increase the number of registered MSEs, the MSE team is working with key stakeholders to increase coordination between Government of Jordan institutions to develop stronger, more closely aligned incentives for business registration. The MSE team will support existing efforts by the Jordan Chamber of Industry and the Financial Services Volunteer Corps to review and map the current registration process. In June, the MSE component completed its project action plan for Registration Process Mapping and began conducting site visits. A new MSE Project Coordinator was on-boarded to coordinate the research, documentation and project planning, and to assume management responsibility for the mapping process.

Sub-Component I.2: Improved MSE Competitiveness

Strengthen Jordanian MSE support institutions

As a first step towards developing effective relationships with local service providers, and achieving quick wins in Year 1, the project has been engaging a short-list of actors with aligned objectives and ongoing activities to undertake initial collaborations. In FY 14 Q3, this has led to the development and refinement of a Business Service Provider Director in coordination with the Jordan Chamber of Industry and other stakeholders, as well as discussions of work plan activities with the Queen Rania Center for Entrepreneurship (QRCE), the Business and Professional Women's Association and the Ruwwad MicroVenture Fund; the outcome of which has been discussions on potential grant opportunities for the QRCE and Ruwwad. See *Section IV. Summary of Grant Implementation and Appraisal*.

Opportunities for MSE Growth in Selected Sectors

In the April-June period, the MSE Component completed the value chain process flow for the logistic sector, developed a statement of work and action plan for the tourism sector, and began drafting action plans for the food processing and ICT sectors. Once desk research is completed, the MSE Component plans to identify FHI 360 Home Office expertise to lead local teams in value chain analysis to address gaps in understanding related to MSEs.

Sub-Component I.3: Increased Access to Finance

Introduction of USAID LENS A2F Sub-Component and Stakeholder Application Process

The A2F Sub-Component, with the support of the MSE Component, continued to engage MFIs and other financial sector stakeholders to introduce the USAID LENS Project, explore potential areas of cooperation and discuss potential grant opportunities. For information about progress in the development of grant opportunities, see *Section IV. Summary of Grant Implementation and Appraisal*.

Client Satisfaction and 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 to be low. Questions required to conduct client satisfaction and drop-out analysis were being formulated at the time this report was being prepared, and will be included in the microenterprise survey currently underway and anticipated to run through October when the final report will be prepared.

Component 2: Improved Local Economic Development

City Selection Process

The completion of the City Selection Process in mid-June constituted the completion of a major milestone for the LED component, and emanated from much of the work and stakeholder engagement throughout FY 14 Q2 and into Q3. Ten Jordanian municipalities from the three target governorates were selected for participation in the USAID LENS Project. USAID LENS received a total of 29 applications from the

targeted governorates. All applications were reviewed and scored by a committee consisting of five team members and a USAID representative and reviewed by the three key national ministries. The criteria for city selection is: provision of socio-economic and demographic information about the municipality, human resource capacity including the viability of the local development unit, demonstrated financial resilience, articulation of economic priorities and capacity for development efforts, demonstrated commitment to local participation in the process from the municipal leadership.

The Ministry of Municipal Affairs notified partner municipalities of their selection, and USAID LENS has started engaging with the selected municipalities to discuss next steps in project implementation, including the design of specific capacity building programs, economic growth initiatives and resources to support local capacity development needs and the facilitation of grant mechanisms to support LED initiatives.

Donor Mapping

An updated version of the Donor Mapping Table has been completed to render a better understanding of follow-up engagement efforts and areas that the LED Component can build. Plans are now required for an informal donor working group to present and discuss activities. The LED team organized follow-up meetings with NDI, UNDP and JOHUD and Partners Jordan. USAID has requested to lead the efforts to create a working group meeting (provisionally “Core Group LED”) currently leading LED efforts in the country to ensure full collaboration, discover synergies and avoid duplication.

LED Learning and Resources

The LED Component team continues to review reports and potential resources as part of the work plan development process and ongoing learning. In late April, team members participated in meetings with JCP and in an online discussion with a representative of a Canadian-funded LED project implementing LED initiatives in seven countries. The discussion focused on a number of topics relevant to the USAID LENS Project, including design of LED initiatives, knowledge resources, city selection and potential involvement in communities of practice. A database of LED case studies has been assembled for use as part of the knowledge management strategy and to support dialogue/engagement with selected municipal partners. The complete set will be hosted on the USAID LENS KMS system and/or website when both are online, and possibly on the websites of MOMA and MOPIC to facilitate access.

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

2.1.1 LED Research, Analysis and Priority Setting

The LED Component seeks a comprehensive appreciation for the challenges to LED in Jordan, to ensure that activities undertaken respond to actual needs at the governorate, district and municipal levels. To this end, the LED Component completed its Preliminary Assessment of Governorate Priorities in April 2014, and as a follow-up to engagement efforts with governorate-level LDU representatives, proceeded to engage with municipalities and districts to present the project framework and learn more about local LED challenges and opportunities.

During the quarter, the LED Component also initiated the LDU functional analysis framework to evaluate how LDUs are organized, how they operate and what support they require. In September, the LED Component will build on this structure to analyze the capacity needs and functional decision-making process at each level, the results of which will be taken into consideration in the planning and engagements of the coming year.

Meanwhile, the LED Component has undertaken or began commissioning the expertise necessary to

complete the following foundational research:

- **Analysis and Presentation of LED Barriers:** One objective of the LED Component is to analyze the overall economic, political and social barriers that limit the implementation of LED efforts on the ground. A SOW for an external consultant to execute this study was finalized and approved in June and the LED Component is now recruiting relevant expertise for this study. The consultant is expected to conduct baseline research and assessments to the barriers to LED that impact MSEs. Anticipated timeframe for completion: July-August 2014.
- **Alternative Resources Study:** USAID LENS also seeks to understand the process of fiscal transfers and the range of financial resources available to municipalities for LED. A SOW for an external consultant to study and clarify the process of fiscal transfer and the range of financial resources and knowledge products available to local governments to implement LED has been developed. Additionally, it will identify LED resources that reduce the need to rely on fiscal transfers. Anticipated timeframe for completion: July-August 2014.

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

Institutional Capacity Building

In late May, the LED Component hosted a series of workshops for local government officials in each of the targeted governorates. A total of 144 officials – from the municipal, district and governorate levels – attended; 97 completed the training, which was facilitated by Van James, a US municipal practitioner with international expertise. Mr. James presented key LED concepts and introduced the SWOT assessment scorecards. The workshops also introduced municipalities to the City Selection Process.

City-to-City Partnerships

Since the conclusion of the City Selection Process, the LED Component has drafted an overview of the potential exchange and learning opportunities for local government partners via the ICMA CityLinks program. Following feedback from participants, the program will be further developed. Nomination forms have also been provided to ministries and governorates to facilitate the selection of participants. Nominees will be from governorates.

IV. SUMMARY OF GRANT IMPLEMENTATION & APPRAISAL

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 5 for review and approval. Throughout the remainder of the quarter, USAID LENS took several steps towards the roll-out of project grants for both components:

MSE Early Stage Initiatives: In support of MSE Early Stage Initiatives, the USAID LENS grants team developed the first draft negotiation memo for the Queen Rania Center for Entrepreneurship (Entrepreneurship Boot Camp Grant) and the Ruwwad MicroVenture Fund (Al Manara Grant). The former will support a week-long training program for recent graduates and young professionals in the basics of entrepreneurship, customer development, marketing, business modeling and human resources management, with the expectation that participants will be able to present and test a clear, applicable business model at the end of the course. The latter will support a micro-enterprise mentoring program targeting 58 microenterprises in the governorates of Amman and Ramtha.

MSE Strengthening Grants and Financial Institutions Development Grants: The USAID LENS grants team also finalized an RFA for the MSE Strengthening Grants and Financial Institutions

Development Grants. Both were pending approval at the time of writing, but USAID LENS expects to be able to issue both RFAs by early-to mid-August 2014, with deadlines for applications occurring in early-to mid-September. In tandem, the communications team is developing a microsite to formally announce the various USAID LENS grant opportunities, provide downloadable application forms, and communicate updates to potential applicants.

LED Governorate LDU Grants: The LED Component completed and submitted to USAID and Ministry of Interior a governorate-level Local Development Unit Grants Concept Paper, with a proposal expected to be finalized by mid-July. This initiative is expected to support institutional capacity building through: (a) provision of basic office equipment to support the implementation of their functions; (b) provision of advisory support and training to more specifically articulate roles and responsibilities amongst LDU staff; (c) creation of a database to monitor investment opportunities, key assets and strategic partners; (d) re-branding and marketing the role of the LDU to external stakeholders (mapping) and potential investors; and (e) capacity-building for LDU staff based on the strategic objectives of the governorate and staffing needs. The objective is to institutionalize LDU operations in a way that serves the LED process.

LED Cross-Cutting Grants: A second concept paper to support municipal and governorate leaders to attain Project Management Professional Training (PMP) was also developed within the LED Component. The PMP certification is the most-recognized industry certification for project managers. This activity will contribute to the USAID LENS target of LDUs achieving increased capacity to implement LED and will build local capacity to support the project in the near and longer terms by strengthening USAID LENS counterparts in their capacity for strategic LED planning and implementation.

LED Municipal Grants: The Municipal Support Fund will support institutional capacity building in selected municipalities to create an enabling business environment and increase clarity in the institutional, legal and financial aspects of municipal governance. Parameters of the fund were shared with municipalities in the last week of June. The LED Component is planning a workshop(s) in August to exchange learning in LED best practices and discuss possible adaptations of LED initiatives to be applied locally. Workshops in August will further define and refine the proposed municipality initiatives, and the July-September quarterly report will elaborate on these thoroughly.

The grants opportunities anticipated under USAID LENS are the following:

Project Component	Grant Category	Description
MSE Component	MSE Strengthening Grants (Multi-actor activities – Business Associations, Trade Associations, CBOs, etc.)	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. RFA to be issued in August 2014 with applications due in September 2014. Grants may be Simplified, In-Kind, Standard and/or FOG. First round of grants anticipated to be issued in September/October 2014.
	Financial Institution Grants (Financial Institutions)	Target not-for-profit and for-profit microfinance institutions to propose initiatives that will strengthen institutional capacity, expand outreach, expand the number and types of financial services offered, or generally increase financial inclusion in Jordan MFI partners to be selected based on their estimated impact for the institution, clients and sector; the proposed activity's contribution

		<p>towards achieving USAID LENS goals; experience and capacity to implement and manage activity; inclusion strategies; key personnel; and sustainability of activity impacts.</p> <p>RFA to be issued in August 2014 with applications due in September 2014.</p> <p>In-Kind Grants will be used for this first round of grants.</p>
	<p>Fixed-asset Capital Fund (Feeder Businesses)</p>	<p>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.</p> <p>APS to be issued with applications accepted on a rolling basis through APS end date.</p> <p>Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.</p>
	<p>Innovation Investment Fund (High performing and innovative MSEs)</p>	<p>Target high performing and innovative MSEs within target value chain that demonstrate high growth potential or bring socially innovative business idea.</p> <p>APS to be issued with applications accepted on a rolling basis through APS end date.</p> <p>Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.</p>
	<p>Kick-Start Fund for High-Risk MSEs (High-risk MSEs)</p>	<p>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.</p> <p>APS to be issued with applications accepted on a rolling basis through APS end date.</p> <p>Grants may be Simplified, In-Kind, Standard and/or FOG. These grants will take place during Year Two of the project.</p>
LED Component	<p>Governorate Support Grants (governorate level)</p>	<p>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.</p> <p>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).</p>
	<p>LED Initiatives Grant (municipal level)</p>	<p>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.</p> <p>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.</p> <p>This grant opportunity will be available between August-September 2014, upon</p>

		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)	<p>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.</p> <p>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.</p> <p>These grants will take place during Year Two of the project.</p>
	Replication/Expansion Grants	<p>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.</p> <p>These grants will take place during Year Two of the project.</p>

V. CHALLENGES AND PROPOSED REMEDIAL ACTIONS

USAID LENS continues to seek appropriate leadership for the MSE Component. In the April-June quarter, MSE expert consultant Jerry Striplin served as strategic advisor and provided substantial leadership to drive the work of the component forward, but will depart upon the conclusion of his contract in July. Until a replacement is found, the MSE Deputy Component Lead will continue to guide the team. However, USAID LENS remains of the view that the project would significantly benefit from an expatriate candidate who has depth and breadth of experience with MSE competitiveness and development, and expects to submit potential candidates within the coming quarter.

USAID LENS continues to consider how best to implement social network analysis (SNA) to ensure that connections and linkages are appropriately tracked and analyzed to determine what additional linkages are formed over time and which have been enhanced. The most efficient and effective means to implement SNA will be further discussed and analyzed among the USAID LENS team, and further developed within the Year 2 Work Plan.

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 (July – September 2014)

Below is a brief summary of activities planned to take place during the July-September quarter.

Overarching Activities/Deliverables

- Submission of Monitoring and Evaluation Plan; anticipated in accordance with contractual obligations
- On-boarding of Deputy Chief of Party, MSE Deputy Component Lead; anticipated early July
- Project launch; anticipated late September
- Participation in USAID EDE retreat; mid-September
- Year 2 Work Planning, including incorporation of project-related initiatives to help mitigate social conflict in targeted communities with substantial Syrian refugee populations; anticipated late August

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

Sub-Component 1.2: Improved MSE Competitiveness

- Approval of RFA for MSE Strengthening Grants
- Approval of early stage initiative grants to Queen Rania Center for Entrepreneurship and Ruwwad MicroVenture Fund; announcement of award and begin implementation
- Approval of A2F grants strategy, develop and submit RFA for A2F activities
- Preparation of grants solicitation workshop and begin implementation
- Sub-sector selection following review of findings from Sector Specialists and Al Jidara fieldwork
- Finalize survey questionnaire and begin surveying of microenterprises in selected governorates

Sub-Component 1.3: Increased Access to Finance

- Finalization and issuance of A2F RFA; anticipated early August
- Facilitation workshops; anticipated mid-August
- Evaluation of RFA proposals; anticipated September
- Continue discussions on mobile banking with Central Bank of Jordan and other stakeholders
- Re-engage with IFC and WB concerning their initiatives related to collateral registry and JLGC
- Discussions with MOPIC with regards to donor working group

Component Two: Improved Local Economic Development (LED)

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

- Submission to project of governorate/municipal profiles being undertaken by Al Jidara local research firm
- Local STTAs to start LED barriers and alternative resources studies

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

- Initiation of collaboration with partner municipalities
- Completion of municipal and governorate-level LDU functional analysis
- LDUs exchange visit with ICMA in the US in September