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**USAID/Jordan Local Enterprise Support Activity
(USAID LENS)**

Associate Award

QUARTERLY REPORT

April 1 – June 30, 2015

JULY 2015

This publication was produced for review by the United States Agency for International Development. It was prepared by FHI 360.

USAID/Jordan Local Enterprise Support Activity (USAID LENS)

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FY15 Q3

April 1 – June 30, 2015

COOPERATIVE AGREEMENT AID-278-LA-14-00001

SUBMITTED JULY 31, 2015

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Acronyms

AOR	Agreement Officer Representative
AVI	Association Viability Index
BDS	Business Development Services
BDSP	Business Development Service Provider
CAM	Competitiveness Appraisal Matrix
CBO	Community-based Organization
CDS	Cities Development Strategy
CEP	Jordan Civic Engagement Project
CGAP	Consultative Group to Assist the Poor
CLA	Collaboration, Learning, and Adapting
CDCS	Country Development Cooperation Strategy
JLGFP	Jordan Loan Guaranty Facility Program
CIBER	Competitiveness Impacts of Business Environment Reform
CSP	Jordan Civil Society Program
CSR	Corporate Social Responsibility
DEF	Development and Employment Fund
E-TVET	Employment, Technical and Vocational Education Training Fund
EU	European Union
FHI 360	Family Health International 360
FI	Financial Institutions
FLGR	Bulgarian Foundation for Local Government Reform
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
IR	Intermediate Result
JEDCO	Jordan Enterprise Development Corporation
JEDP	Jordan Economic Development Project
JFRP II	Jordan Fiscal Reform Program II
JIB	Jordan Investment Board
JICA	Japan International Cooperation Agency
JCP	Jordan Competitiveness Program
JLGF	Jordan Loan Guarantee Facility
JOHUD	Jordanian Hashemite Fund for Human Development
JTD III	Jordan Tourism Development III Program
LDD	Local Development Directorates
LDU	Local Development Units
LDVC	Local Development Voluntary Committees
LED	Local Economic Development
LENS	Jordan Local Enterprise Support Activity
LES	Local Economic Scorecard
LGDP	Local Governance Development Program
M&E	Monitoring and Evaluation
MEDA	Mennonite Economic Development Associates
MFI	Microfinance Institution
MSE	Micro and Small Enterprises
MSME	Micro, Small and Medium-Sized Enterprises
MFW	Microfinance Fund for Women
MIT	Mobile Interactive Technologies Group
MOA	Ministry of Agriculture
MOI	Ministry of Interior
MOMA	Ministry of Municipal Affairs
MOPIC	Ministry of Planning and International Cooperation
NAFES	National Fund for Enterprise Support

NBFI	Non-Bank Financial Institution
NGO	Non-Governmental Organization
OIRE	Office of International Research Ethics
OPIC	Overseas Private Investment Corporation
PLEDJ	Promoting Local Economic Development in Jordan
PPD	Public-Private Dialogue
PPP	Public-Private Partnership
RLDP	Regional and Local Development Project
SCALE	System-wide Collaborative Action for Livelihoods and the Environment
SME	Small and Medium-sized Enterprises
SMS	Short Message Service
SNA	Social Network Analysis
TA	Technical Assistance
TrainNet	Training Results and Information Network
UNDP	United Nations Development Programme
USAID	U.S. Agency for International Development
VCA	Value Chain Analysis
WEPIA	USAID Water Efficiency and Public Information for Action project

I. EXECUTIVE SUMMARY

USAID LENS began implementing a promising technical intervention in collaboration with Jordan's Safeway supermarket chain, with the signing of a memorandum of understanding in May. The initiative will support the integration of food producers and processors into the supermarket's supply chains for at least two product lines, pickled vegetables and processed dairy products, and benefit more than 140 individuals employed in participating micro and small businesses and cooperatives.

USAID LENS began its expansion into new geographies in early Q3. Project leadership visited the governorates of Aqaba and Tafilah for meetings with key senior local officials to discuss the best approach in each area, as well as to initiate coordination with various stakeholders. The project held four grant solicitation workshops in Aqaba and three in Tafilah, and, at the end of the quarter, the project's operations team was preparing relevant paperwork for office space in Aqaba and had signed a lease agreement for office space in Tafilah. Staff recruiting has begun and will be led by MSE Lead Roberto Matus upon arrival in early July.

USAID LENS dedicated intensive efforts in Q3 to solidify its policy reform agenda with the support of a local consultant. The consultant facilitated a workshop for the technical team on policy processes and has proposed a detailed approach to policy enhancement work at USAID LENS, as well as a table of deliverables and deadlines through the end of 2015. The project has deployed consultant-recommended tools to identify policy issues and the potential for successful interventions in specific policies, relevant stakeholders and possible approaches to different interventions, and technical teams have developed action plans to address identified policy issues. Ten policy and regulatory issues have been identified as potential challenges to businesses in the project's selected sectors and/or to partner municipalities' ability to facilitate local economic development. A full policy reform agenda is anticipated in early July 2015.

Technical teams dedicated significant efforts in Q3 to deepening the project's knowledge of value chains in targeted geographies. Findings are helping shape activities for the Year 3 work plan. As well, technical teams are assessing grants applications to identify trends and alignment with value chain findings in order to begin developing targeted interventions and support the redesign of the project's grants program.

In tandem with the project's expansion, USAID LENS has begun to extend its MSE survey – initially conducted in Irbid, Zarqa and Amman – to the governorates of Aqaba, Tafilah and Kerak. Enumeration in the three southern governorates was completed in May, and by the end of June, the research team had begun assigning ISIC codes to each enumerated business in these areas. The project anticipates that interviews will begin in early Q4. Meanwhile, analysts have completed descriptive reports on the three northern governorates, and begun drafting issues-oriented briefs related to gender, ICT use, MSE registration status, sectors and profitability. Findings to date are being integrated with on-going value chain research to help shape intervention planning in partner governorates in the north, and will help support the redesign and strengthening of the grants program in Q4.

Extenuating circumstances surrounding the receipt of grant applications necessitated careful communication concerning the pending closure of the project's New Business APS. This outreach was designed and implemented by the communications team in collaboration with the technical team. The project has also developed a protocol for the more efficient and streamlined conduct of grants evaluation committees (GECs) which will be required to work through the large number of applications. The protocol addresses and assigns responsibility for all logistical, operational and technical aspects of GECs.

As the project grows in number of staff and geographic coverage, it is imperative to ensure that current internal communication procedures are relevant and up-to-date. To this end, the communications team undertook an internal project survey, the results of which guided the formulation of an internal communications strategy to be implemented over the next few months that will upgrade how information is shared with and across different teams within USAID LENS.

Finally, USAID LENS received client approval of the project's A-MEP in April.

II. PROJECT HIGHLIGHTS, ACHIEVEMENTS & MAJOR ACTIVITIES

Component I: Increased MSE Growth

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

USAID LENS will begin implementing a project to boost the competitiveness and sustainability of MSEs working in the land freight and auto repair sectors by helping them respond to and comply with new local and international transport and logistics regulations. LENS has procured an international consultant to design a nation-wide curriculum and a trainer certification program for the land transport business in Jordan that will increase the Land Transport Regulatory Commission (LTRC) capacity to certify trainers and drivers in safety and quality standards and assist mechanics in developing the technical capabilities to install and maintain tachographs and other vehicle safety devices. The project expects a PIL to be signed between USAID/Jordan and the LTRC in August and that implementation will start promptly.

A second PIL, between USAID/Jordan and Jordan's Companies Control Department (CCD), is now pending CCD's assignment of a controller to sign the document. The PIL outlines the parameters of a USAID LENS initiative to improve the efficiency of the business registration process for MSEs. The initiative has two components: procurement of a server to replace the CCD's outdated and overtaxed server and the development of a service manual that clarifies the registration process for different types of business entities, outlines the tangible and intangible costs/ benefits of registration and answers FAQs about CCD services and units for different registration requirements. Jordan's Ministry of Industry, Trade and Supply will be the institutional home of this document and assume responsibility for its regular updating. In anticipation of the PIL signing, procurement of the server has been approved by FHI 360 Home Office and is awaiting approval of USAID; the manual content has been developed and a designer has been procured for its design.

(More information about USAID LENS' work to facilitate a business the business-enabling environment is available above in *Policy in Cross-cutting*.)

Sub-Component I.2: Improved MSE Competitiveness

Food processing: USAID LENS signed a memorandum of understanding with the Safeway supermarket chain in May to support the integration of food producers and processors into the supermarket's supply chains for at least two product lines: pickled vegetables and processed dairy products. The partnership will provide these businesses and cooperatives with the training and support necessary to become Safeway suppliers, benefiting a total of 142 employees and members of participating micro and small businesses and cooperatives in the Irbid governorate. Value-chain research has indicated the strong potential for applying a lead-firm approach to value chain development in the food processing sector, with retailers and wholesalers identifying a strong demand for several types of food products in the wake of the closure of Jordan's border with Syria. Consequently, USAID LENS is also exploring the potential to integrate micro and small food processors into retailer supply chains of artisanal/traditional food products.

The project has also identified the bee-keeping and honey production sector as holding great potential for growth, especially in the northern region of Jordan. The project is currently seeking technical support on the provision of technical extension to existing productive bee-keeping MSEs and recommendations on capacity building actions to be taken to develop an economically viable honey value chain. Extension services are expected to target key challenges: poor bee forage, weak management, high competition from imported honey, honey adulteration, protection of bee health against the Varroa mite, brood diseases,

parasites, pests and other environmental factors. Other opportunities being explored in the sector by LENS include product diversification, and boosting quality standards, marketing and awareness in support of import substitution as well as exports.

Tourism: USAID LENS is also exploring ways to support the alternative tourism sector in the country, including adventure, eco, and experiential tourism. To date, the project has identified the need among adventure tourism operators for an institutionalized structure able to advocate for their interests and promote the sector as a whole in Jordan. The country's adventure tourism sub-sector is one that has continued to grow even as regional instability has weakened large operators in the segment geared to mass markets. In tandem, technical teams are beginning to explore the potential to grow the home-stay side of this subsector, especially in the country's northern region where several hiking trails are generating increasing interest among more risk-averse, independent foreign travelers. End-market surveys being conducted throughout July will shed further light on the potential of this. Other potential initiatives in the tourism sector include the integration of home-based businesses into restaurant supply chains and the upgrade of several restaurants in Naour, a municipality at the intersection of several tourist and transit routes.

Transport: The country's transport sector is a particularly challenging environment, with the auto repair sector in particular need of assistance in light of low technical skills development and new quality and ranking standards being imposed by both consumers and the auto-mechanics union. USAID LENS is looking at several opportunities to support this sector, including a potential grants program to support mechanics seeking to upgrade their classifications under a new classification scheme being rolled out by the auto mechanics union and training in marketing skills for mechanics. At the end of the quarter, USAID LENS was also anticipating the submission of a proposal from the Ruwwad Microfund on collaboration to support the Aramex Agents Program, an outsourcing program utilizing independent couriers in the country's governorates to extend the logistic agency's reach, and the development of e-commerce solutions for MSEs.

Sub-Component 1.3: Increased Access to Finance

At the end of Q3, grants/RFPs were in procurement process at three MFIs, with work expected to begin early to mid Q4. These include RFPs for a mobile banking branch and kiosks for Tamweelcom, and RFPs for a learning academy and risk management department for the Microfund for Women. Grants in support of the National Microfinance Bank were in process of being finalized, along with the associated procurements for establishing an SME unit and using a mobile payment platform.

USAID LENS plans to publish an RFA for MFI innovations that would develop and expand MFI products for MSEs. In addition to the grants, the project has continued discussions with MFIs on future technical assistance in support of diversified product lines and sustained competitiveness in terms of meeting MSE needs. National Microfinance Bank has requested the development of a financial literacy and entrepreneurship modules for youth clients and an SOW in this regard has been developed. The project is the process of identifying an appropriate international expert to conduct this work. Tamweelcom has also submitted requests for assistance and discussions are underway to better articulate their requests and develop SOWs.

Work will begin during the end of this quarter/next quarter on the business diagnostic study and an assessment of Tanmeyah's preparedness to take responsibility for the information-sharing database. The database will serve as a platform that supports efforts to combat willful default and over-indebtedness and support enhanced sector reporting, expected to be of benefit to both MFIs and to Central Bank of Jordan (CBJ), where a credit bureau is expected to come online in early 2016. The project is also coordinating with stakeholders, including CBJ, to see if some data collection can be coordinated with CBJ.

Component 2: Improved Local Economic Development

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

See *Policy* in *Cross-cutting* above.

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

USAID LENS began implementing its institutional-strengthening activities for municipal and governorate LDUs, following revisions to strengthen the project's core mandate to sustainably support the ability of municipalities to effectively identify and assess assets, build capacity, implement development plans and attract private sector resources and investment and mobilize PPPs.

This began with an LED Planning Support workshop in June to identify the competitiveness of each municipality and develop a strategic approach – through the use of existing local data, SWOT and PESTEL – to identifying potential local economic development projects.

Technical capacity will be additionally built through PMP training for qualifying LDU personnel (RFQ from training and educational firms issued in May) and through needs-based training courses identified through an LDU assessment tool designed by the project that will be deployed in mid-July to assess institutional capacity in each partner municipality (setting a baseline and measuring performance).

In parallel, the project will work with partner LDUs on municipal resource mapping. The project has identified tools for data collection and a data collection checklist to guide initial data collection efforts. Collected data will include: number of businesses and location, natural resources, land registration and zoning, private sector human resources, skills and current demands, socioeconomic conditions, municipal human resources and skills, financial resources and potential local, national and/or international investors. Data collection and resource and stakeholder mapping will be initially piloted in one municipality to test the mechanism and then deployed across all municipalities. Meanwhile, USAID LENS is consulting with stakeholders about a potential national institutional home to house the information database generated by the resource mapping activity.

The institutionalization of data collection and use of data will be a key component of practical local economic development planning training that will commence at the end of July. The project has contracted five local consultants to work with partner municipalities to develop LED plans. Value chain analyses conducted by project technical teams and MSE survey findings will also be integrated into the planning exercise, while the project will support partner municipalities in organizing public-private dialogue (PPD) as an additional tool in support of local economic planning.

Meanwhile, refurbishments of LDU office spaces are expected to begin in July, and delivery of necessary IT equipment and furniture by the end of August.

III. SUMMARY OF GRANT IMPLEMENTATION & APPRAISAL

In Q3, FHI 360 Home Office signed grant agreements with three MSE applicants and one MFI under the 2014 RFA mechanism. These are:

Dhulail Pickle and Foodstuff Co. (Fixed Obligation Grant, JOD 105,317): The objectives of this grant are to introduce new technology in several stages of production (coring, packaging and storing) to increase quality and production volume. Specific activities include installation of new equipment; hiring and training staff on new production processes; and development and implementation of a new marketing strategy.

Al Zyoud Olive Oil Mill (Simplified Grant, JOD 91,764): The objectives of this grant are to support the supply chain of the mill by enhancing the capabilities of local farmers and increase their productivity. Specific activities include capacity building of farmers on harvesting and quality improvement; providing baskets and harvesting equipment to farmers; subsidizing milling fees to increase productivity; introducing new technology in olive oil filling and packaging; and implementing a new marketing strategy.

Jordan Beekeepers Association (Tandem Fixed Obligation Grant, JOD 43,907 and In-kind Grant, JOD 55,290.40): The objectives of this grant are to train local beekeepers in best practices to produce high quality honey and improve marketing for locally produced honey from quality testing to packaging and labeling. Specific activities include: training beekeepers on best practices in production; establishing an office and introducing new technology in processing, packaging and labeling locally produced honey; and increasing consumer awareness of the improved quality of locally produced honey through an awareness and marketing campaign.

National Microfinance Bank (In Kind Grant, JOD 220,000). The objectives of this grant are to establish an SME unit within the bank to serve micro and small enterprises. NMB requested a technical assistance provider to assess the current capabilities of the NMB in developing new products and to conduct market research among existing and potentially new clients. The service provider will make recommendations for creating new products and services and then support NMB in implementing these recommendations. Following USAID AOR approval, these grants will be submitted to the grantees for final signature.

Another agreement is under negotiation with an applicant to support the development of sustainable, community-based tourism in one of the project's target geographies. Meanwhile, the project anticipates concluding an agreement with a BSP in the tourism sector early in Q4.

Several other grants to microfinance institutions are at various stages of procurements for technical assistance providers and commodities to be provided through these grants. (See: *Sub-component 1.3 Access to Finance* above.)

The Project continued to seek to address challenges created by large number of applications generated by the New Business APS. In April the project introduced new criteria to better define the sectors and activities that would be supported by the project's New Business grants. This greatly reduced the number of applications received but the quality of these applications has overall been weak, resulting in a low acceptance rate. As a result, the project decided to close the New Business APS in July and developed a communications plan to inform applicants and stakeholders, including the LDUs and other counterparts, of the planned closure while making them aware that LENS will continue to have grant solicitations in the future that are better aligned to project activities.

To get through the backlog of these New Business grants, the team restructured the grants evaluation committee (GEC) processes and drafted a protocol to address and assign responsibility for all logistical, operational and technical aspects of GECs. The teams are also beginning to work to evaluate Fast Track and BSP applications that have been received, which are more clearly aligned to project objectives.

In terms of overall numbers, at the close of Q3, the project had received 6,898 applications, the majority of which (6,053) were New Business applicants; 798 Fast-Track and 47 BSP applications were also received. Sixteen (16) New Business applications and three Fast-Track applications have been approved by the project's Grants Evaluation Committee (GEC); these were selected after interviews with 101 applicants. At the end of Q3, three BSP Support grants had also been shortlisted. Evaluations and scoring of administratively and technically eligible applications are ongoing; 3,725 applications have been rejected.

In spite of the project’s success in generating interest in the grants program among its target demographics through the APS, several factors indicate the need for a stronger and even more targeted approach. (See: *Section V. Challenges Encountered and Proposed Remedial Actions*)

USAID LENS APS Mechanism:

USAID LENS APS Grant Opportunities			
Grant Type	Target	Max. Amount (JD)	Max. Time
New Business	Supports individuals/groups wishing to establish start-up businesses, with priority given to businesses in LENS selected sectors (food processing, transport and logistics and tourism). ICT projects that provide solutions/applications in support of business processes in the abovementioned sectors may also be considered.	JD 15,000 for non-existing businesses; JD 17,000 for existing businesses	12 months
BSP Support	Supports business service providers, including business and professional associations, business incubators, cooperatives, consultative centers at universities etc., engaged in promoting collective action among a number of MSEs and providing products/services to MSEs.	JD50,000	3-18 months
Fast Track	Supports existing MSEs, whether formal or informal, through the provision of well-defined business development services. Services provided will strengthen MSE competitiveness through improving current operations and/or developing new products/services and/or aiding MSEs to access new markets.	JD17,500	6 months

IV. CHALLENGES ENCOUNTERED & PROPOSED REMEDIAL ACTIONS

In spite of some challenges in the management and implementation of grants, USAID LENS has been satisfied with the response to the publication of the APS in February. Challenges remain in the management and implementation of the grants program, although some positive developments have occurred. These can be described as follows:

- **New Business APS Grants Processing:** In June, the Director of the FHI 360 CMS Department traveled to Jordan to work with the project to facilitate the grants approval process. Several revised processes were developed, including having signing authority for grants under \$25,000 delegated to the field; to have larger and better structured organizations (such as MFIs) lead the procurements under In Kind Grants mechanisms, following USAID LENS verification of their procurement processes as adequate; and to have a simplified Pre Award Assessment tool for New Businesses. However, FHI 360 has revisited some of these practices, and the team is working to

clarify with the HO to have a clear process going forward. One positive development is that CMS has agreed to have a full time representative in the field to work with LENS and the position description will be posted to recruit for this position in the near future.

- **Modest interest in Tafilah and Aqaba, low quality of New Business APS applications and lack of alignment with project objectives:** USAID LENS is closing the new business APS in Q4 and will develop future APS and RFA mechanisms to be more targeted to project sectors and geographies in order to elicit applications that are more aligned to project objectives. The project also plans to revisit its approach to Tafilah and Aqaba to understand what mechanisms will be most productive in these two geographies, where poverty is extreme and disenchantment with donor programs is abundant.
- **Implementation challenges for procurements under grants:** This has been most evident in MFI-related grants where RFPs have been issued for complex technical assistance and commodities that have taken several months to procure and award. USAID LENS has worked with FHI 360 Home Office to review and streamline the current process.
- **Grants management system:** USAID LENS has encountered some issues in its grants management system, particularly feature and design limitations of the software relevant to the needs of the grants and M&E functions. USAID LENS is streamlining the development process by providing one point of contact and centralize oversight of the process, providing additional training to staff members with respect to extracting business intelligence and syncing records with the mission, and closely coordinating with developers to complete or continue work on subsequent phases of development.

V. IMPACT ACHIEVED AGAINST THE OBJECTIVES

Data collection tools have been developed by the USAID LENS’ monitoring and evaluation and technical teams. Customized reports in the project’s KMS system are being further developed to allow for streamlined reporting in some of the indicators. The project’s primary tool for assessing and reporting on project impact will be through the MSE and Targeted MSE surveys. The project is developing an RFP for conducting the Targeted MSE survey to be posted in July with implementation to begin in September for developing a baseline for a sample of Targeted MSEs that are project beneficiaries.

In the meantime, USAID LENS continues to make steady progress towards the achievements of targets in several areas. As noted in the table below, there are several indicators where results will be achieved through grants, including both MFIs and businesses. In addition, several training and workshop activities have been implemented that have produced the results shown below. The quantification of these results will be demonstrated through the monitoring and evaluation of grantees, direct data collection tools by the project, and ultimately the TMSE survey.

Indicator	2015 Target	Key Activities to Date	Beneficiaries Reached (Est. Number)
I.1.1 Percentage of targeted MSEs with increased awareness of resources	500	<ul style="list-style-type: none"> • 23 Grants Solicitation Workshops have been held in 21 Municipalities to inform them of LENS grants program • Through a LENS grant, the Jordanian Beekeeper Association (JBA) will 	<ul style="list-style-type: none"> • 1135 potential grantees attended the Grants Solicitation workshops • JBA has 120 members currently and through our grant they will conduct training and awareness workshops to reach 150-

		increase beekeepers' access to markets and improve their production.	200 participants.
I.1.2 Percentage increase of targeted MSEs with more revenue	500	<ul style="list-style-type: none"> • Zyoud Olive Oil grant will target 16 olive oil producers to improve their production and increase exports. • JBA will support at least 120 members in marketing their products and increasing their revenues • 19 New Business grants are in the pipeline that will allow newly established MSEs to generate revenues 	<ul style="list-style-type: none"> • Current estimate of MSEs that will increase revenues are 158
I.1.3 Number of new jobs created in targeted MSEs in targeted localities	250	<ul style="list-style-type: none"> • Zyoud Olive Oil grant expecting to hire 5 new employees • JSTA expecting to hire 6 new staff • JBA is expected to hire 2 new staff • Baraka is expected to hire 1 new staff • Dhulail Pickles is expected to hire 12 new staff • 19 new businesses will be established with official employees 	<ul style="list-style-type: none"> • Estimate of new jobs is currently 45
I.1.4 Person hours of training completed in private sector productive capacity supported by USG assistance	3,750	<ul style="list-style-type: none"> • Activities in "Linking Agri-business MSEs to supermarket value Chains" resulted in a training orientation workshop by Safeway on March 12, 2015 in Muath Bin Jabal-Waqqas-rbid that reached 12 participants • The Intel Ideation workshop for innovation skills training. Included 23 young females from Naour over 3 days 	<ul style="list-style-type: none"> • Total of 318 person hours
I.1.6 Percentage of targeted BSPs with more clients	5	<ul style="list-style-type: none"> • JBA is expected to increase its clients through reaching out to them and offering them services 	<ul style="list-style-type: none"> • 1 BSP

I.1.7 Number of policies, regulations, administrative procedures in development stages of analysis, drafting and consultation, legislative review, approval or implementation as a result of USG assistance	2 policies analyzed	<ul style="list-style-type: none"> The policy agenda identified 10 policies related to LENS activities that will help enabling the business environment, 2 of them will be analyzed during the coming two months 	<ul style="list-style-type: none"> 2 policies analyzed
I.1.8 Percentage of MSEs assisted that increased vertical linkages (e.g. outsourcing relationships, partnerships, mentoring) and horizontal linkages (e.g. joint procurement of inputs, use of BDS)	100	<ul style="list-style-type: none"> Grants are being awarded through the RFA to firms that will integrate other MSEs into vertical and horizontal linkages, including Olive Oil, Pickles, Honey and Tourism Project initiative with Safeway will provide participants in targeted cooperatives the opportunity to sell to Safeway 	<ul style="list-style-type: none"> JBA will link 120 member to the market Alzyoud will help 16 olive oil producers to export Safeway will help 12 producers to reach end market
I.1.9 Number of firms that have applied improved technologies as a result of USG assistance	150	<ul style="list-style-type: none"> Several grants will include new equipment and technology under both the APS and RFA mechanisms. These include the RFA grants noted above as well as several MSE New Business grants in the pipeline 	<ul style="list-style-type: none"> 3 MSE RFA grants all include introduction of new technology 19 New Businesses grants will apply new technologies to start their businesses
I.1.2.1 Number increase in MSE clients of FIs	250	<ul style="list-style-type: none"> Grants and technical assistance is being provided to MFIs to reach underserved populations. Key grants for this purpose include mobile banking services, and remote kiosks to serve MSEs 	<ul style="list-style-type: none"> We will not produce results this year due to lengthy procurement processes. The Mobile Banking Branch, for example, will require at least 6 months to deliver following issue of an RFP; the kiosks could be installed by the end of the year.

1.1.2.2 Number of new products in MFI sector resulting from USG assistance (including new services by Tanmeyah to the sector)	2	<ul style="list-style-type: none"> Grants and technical assistance to MFIs will result in introduction of new products. Specific examples include NMB's SME Department and anticipated grants for Innovation to MFIs. 	<ul style="list-style-type: none"> We will not produce results this year due to lengthy procurement processes. The NMB SME Dept grant has taken over a year.
1.1.2.3 Number of women businesses financed	25	<ul style="list-style-type: none"> 5 of New Businesses applicants in the pipeline are females 	<ul style="list-style-type: none"> 5
1.1.3.4 Person hours of training completed in business enabling environment supported by USG assistance	3,570	<ul style="list-style-type: none"> Different meeting and workshops were conducted with local governments to improve their capacities in LED, including PPD Meetings, PPPs workshop and LED planning 	<ul style="list-style-type: none"> To date, a total of 852 person hours
1.2.2.1 Number of new formalized businesses among project beneficiaries	50	<ul style="list-style-type: none"> Any grants issued under the New Business APS will require the grantee to register before the grant is awarded. 	<ul style="list-style-type: none"> 19 New Business grants are in the pipeline for approval with the goal of awarding before the end of the year
1.2.2.2 Number of MSEs reached with MSE support services	500	<ul style="list-style-type: none"> The total number of MSEs to be reached through grants and BSPs include: <ul style="list-style-type: none"> 120 members of JBA 16 MSEs through Zyoud Olive Oil grant 12 through Safeway initiative 19 New Business grants 3 MSE strengthening grants 	<ul style="list-style-type: none"> Total MSEs reached 170
1.2.4.3 Number of targeted LDUs have increased capacity to implement LED activities in targeted localities	13	<ul style="list-style-type: none"> LDU assessment will start in September to baseline LENS targeted LDUs capacities 	<ul style="list-style-type: none"> 9 LDUs will be assisted

I.2.4.4 Number of community grants issued that meet growth needs	10	<ul style="list-style-type: none"> • MLDUs in selected municipalities received grants to improve their capacity to advance economic growth in these communities. Although this was only 1 grant, it will provide infrastructure and capacity improvements in 10 municipalities 	<ul style="list-style-type: none"> • One grant was issued to support 10 communities through the MLDUs
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VI. NEXT QUARTER ACTIVITIES

- Finalize several procurements under MFI grants, including the NMB Mobile Payments, NMB SME Department, Tamweelcom Kiosks and possibly the MFW grant for a Learning Academy.
- Conclusion of work on the credit information database, with final deliverables anticipated for the end of August.
- Anticipate procurement of consultant for development of credit information database for Tanmeyah and finalization of SOW and contract/coordination with a risk management expert to conduct training with Tanmeyah.
- Review and evaluation of policy reform agenda.
- PIL signing ceremony for LTRC initiative.
- PIL signing ceremony for CCD initiative and publication of CCD guide, public awareness campaign.
- Stakeholder meetings for adventure tourism.
- Development of adventure tourism association.
- Publication of CCD guide and public awareness campaign.
- Finalization of refurbishment of LDUs and delivery of equipment and furniture.
- Significant progress in developing LDU Economic Development Plans.
- Publication of RFP for Shaoula initiative.
- First pilot for home based business tasting event.
- Recruitment of a junior technical A2F advisor.
- Recruitment and hiring of additional staff for the Grants and M&E Teams.
- MSE Survey launch.
- Website redesign.
- Expansion of MSE Survey to Aqaba and Tafilah.
- Year 3 work planning and work planning retreat.

VII. BUDGET INFORMATION

[End of Quarterly Report]