

FIELD-Support LWA

The Financial Integration, Economic Leveraging,
Broad-Based Dissemination Leader with Associates

2010 ANNUAL REPORT

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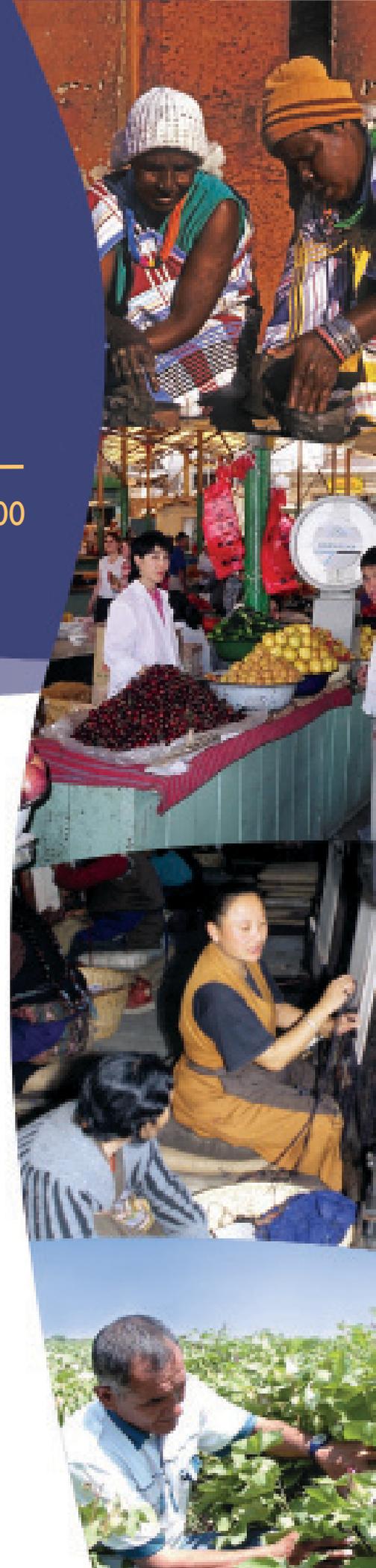


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BACKGROUND

FIELD-Support is a Leader with Associates (LWA) cooperative agreement between the Office of Microenterprise Development at USAID (EGAT/PR/MD) and AED. Consisting of nine leading core partners and 17 resource organizations (see Annex A for a complete listing), the FIELD-Support consortium, led by AED, works collaboratively to reduce poverty and promote sustained, equitable growth through microenterprise development, microfinance, value chain development, institutional and human capacity-building, and promote other market-based approaches.

The FIELD-Support LWA is a flexible mechanism that has included multi-year cooperative agreements, short-term field-based pilots, quantitative and qualitative research studies and evaluations, and targeted country assessments and program design assignments for Missions. FIELD-Support also works at every level of the economy—from regulatory agencies and financial institutions, to business service providers, MSMEs and vulnerable households. By focusing on both the supply of financial and business support services as well as the ability of households and enterprises to access those systems, FIELD-Support activities are making a lasting impact on the future of vulnerable economies around the world.

FIELD-Support encompasses both a core Leader award and a mechanism for USAID Missions to issue separate Associate Awards. The purpose of the Leader award is to advance the frontiers of practical knowledge in relation to microfinance and microenterprise development for sustainable livelihoods. Working in close collaboration with the EGAT/PR/MD Office, USAID Missions around the world, the FIELD-Support consortium members, and the broader community of development practitioners, the Leader award has funded activities that seed innovation, generate knowledge, document results, and disseminate findings that will advance the global state-of-the-practice. The Associate Awards are generally multi-year cooperative agreements that are designed and implemented in support of a USAID Mission's specific strategic objectives. (See Annex B for a quick overview of all of FIELD-Support's current Associate Awards and Leader activities.)

FIELD-Support began operations in November 2005. In April 2010, FIELD-Support was granted a three-year cost extension to expand activities under the Leader as well as design and implement additional Associate Awards. This Annual Report summarizes the activities and accomplishments of the FIELD-Support LWA from January 1, 2010 through December 31, 2010 during which time, FIELD-Support activities focused on four key programmatic themes:

- Extending the reach of microfinance and fostering more **inclusive financial systems**;
- Facilitating broad-based economic growth by upgrading and improving the competitiveness of **value chains in which enterprises participate**;
- Strengthening livelihoods and food security for **vulnerable households and marginalized groups**, including youth, women and people affected by HIV/AIDS or natural disasters; and
- Advancing strategies to address economic growth and **energy poverty**.

Each subsection below includes links to additional resources produced by the project as part of the FIELD-Support learning agenda and knowledge management strategy. Follow the links next to the  to access additional web-based resources about each activity, key lessons learned and proven best practices.

PROGRAMMATIC THEMES

FIELD-Support's broad portfolio of staff and projects works with USAID to support the full spectrum of evidence-based development activities, from conducting field-based sector assessments, to supporting program design and technical evaluations, and through the direct implementation of multi-year cooperative agreements that serve the strategic objectives of USAID and advance the state-of-the-practice of microfinance and microenterprise development. Some of FIELD-Support's key accomplishments and contributions to the USAID learning agenda are discussed in the sections below.

I) Inclusive Financial Services and Products

FIELD-Support's priorities for fostering more inclusive financial services have addressed problems at multiple levels: at the industry level to lower critical barriers that inhibit the provision of more inclusive financial services; at the institutional level to increase the capacity of service providers and other stakeholders to supply services on a sustainable basis; and at the client level to increase the ability, awareness, and willingness of consumers to access the services on offer. Some highlights from key FIELD-Support program activities under this area are presented here.

In Palestine, the **Expanded and Sustained Access to Financial Services (ESAF)** program has been working at multiple levels of financial services since 2008. While Palestine's micro-finance sector has made substantial strides in recent years toward enabling and facilitating the flow of credit to MSMEs and low-income households, it remains relatively weak. At the institutional level, some MFIs have not fully embraced the concept of achieving operational sustainability and continue to look for donor funds to cover operating losses, while others are hampered by weak governance structures that do not provide adequate supervision and oversight of their operations. Further, industry outreach to the poor remains limited: only 12% of microfinance clients fall below the national poverty line, according to ESAF research conducted in 2010.

ESAF's work over the last year has continued to address these problems at multiple levels: at the macro level by working with the Palestine Monetary Authority (PMA) and the Palestine Capital Markets Authority (PCMA), introducing essential policy reform measures; at the industry level to build capacity of supporting services by working through associations and supporting institutions such as the national MFI networks, the Palestine Insurance Federation, and the national financial services training institution (PIFBS); at the retail level by working directly with MFIs to build their capacity to deliver products and services and become more financially sustain-

Project Stats

Expanded & Sustained Access to Financial Services (ESAF)

2008 - 2011

Award Type	Associate Award
Award Value	\$36 million
Donor	USAID/West Bank & Gaza
Country	West Bank & Gaza

Implementing Partners: AED, ShoreBank International, The William Davidson Institute at the University of Michigan, CHF International, Save the Children, CARE



MFI loan officers in the West Bank attend workshops by the Palestine Institute for Financial & Banking Studies, supported by ESAF. Photocredit: AED/ESAF

able; and finally directly with consumers to increase customer awareness about financial services and client protection. With ESAF support, the PMA has made progress on internal reforms and is preparing for its future role as principal regulator of the microfinance sector; the Palestine Insurance Federation held its first ever industry conference in Ramallah; MFIs such as FATEN are commercializing their operations in order to become independent from donor subsidies; Palestinian loan officers are able to receive high quality financial training through PIFBS within the West Bank; and consumers are becoming more aware of their rights as borrowers.



The ESAF Knowledge Series:
<http://kdid.org/projects/field-support/esaf>

In South Sudan, the **Generating Economic Development through Microfinance in Southern Sudan (GEMSS)** Associate Award was designed to support the foundation for an inclusive financial sector in Southern Sudan, one that provides poor entrepreneurs and households with permanent access to a range of financial services that are delivered by a number of MFIs. In 2010, the program made important headway in three main areas:

- Supporting an enabling environment and regulatory framework: The Southern Sudan Microfinance Forum, a body that seeks to disseminate best practices to the entire sector launched MASS as a fee-based member association that is open to all MFIs. Throughout GEMSS' lifetime, MASS has become stronger and grown in membership and activities, thereby supporting a framework for MFI expansion in South Sudan.
- MFI Capacity Building: Over the last year, GEMSS has continued to work with several key MFIs in Sudan, concentrating on both improving both financial management and operational management capacity.
- Expansion of Loan Portfolio: GEMSS has worked with MFIs to expand their microloan portfolios by providing technical assistance and subgrants to develop new, market-driven loan products and open new branches in high-demand regions.

In Haiti, lending has traditionally been heavily concentrated in urban areas. Most rural areas are under-served, with many people living a 4-7 hour walk or more from any bank or non-bank point of service. Even microfinance institutions and credit unions, which are often more flexible than larger banks face difficult obstacles to expanding outreach in rural areas due to both the high cost of doing business and the lack of adequate infrastructure which could serve as a platform for business expansion. The ability of rural MSMEs to access needed finance is therefore severely restricted.

In response, the **Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE)** program was launched in 2009 to work with MFIs and other financial institutions that are best positioned to expand service delivery to rural areas and potentially to productive MSMEs. Mobilizing the HIFIVE Catalyst Fund (HCF), the program provides strategic support and technical leadership to promote the expansion of financial services in rural areas, develop and share market information to level the playing field and improve market efficiencies, identify and disseminate

Project Stats

Generating Economic Development through Microfinance in South Sudan (GEMSS) 2008 - 2011

Award Type Associate Award

Award Value \$12 million

Donor USAID/Sudan

Country South Sudan

Implementing Partners: AED, ACDI/VOCA

Project Stats

Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE) 2009 - 2012

Award Type Associate Award

Award Value \$34.4 million

Donor USAID/Haiti

Country Haiti

Implementing Partners: AED, World Council of Credit Unions (WOCCU), TechnoServe

promising innovations that will further the expansion of services as well as document and share lessons learned for the benefit of the sector.

In January 2010, the HIFIVE program saw a shift in priorities as it adjusted to provide necessary support in response to the devastating earthquake that struck on January 12, 2010. This work has included providing targeted support to MFIs and *caisses populaires* who serve vulnerable populations but were themselves heavily damaged following the earthquake. Through its MFI Earthquake and Stabilization Grant program, HIFIVE has been addressing the need for capital stabilization by providing much-needed funds which permit relending to stabilize clients, support new product development for post-quake needs, replace lost or damaged equipment, and stabilize human resource needs of the institutions in the post-earthquake period.



HIFIVE Reports and Publications

<http://kdid.org/projects/field-support/hifive>



HIFIVE on Facebook

Search "Haiti HI FIVE"



Winners of the MEMA business plan competition celebrate in Port-au-Prince, Haiti. Photocredit: WOCCU/HIFIVE

Despite the earthquake, HIFIVE continues to promote value chain financing in key commodity sectors including coffee, cocoa, mango, poultry, salt, shallot, yam, beans, peanuts, as well as tourism. In these sectors, HIFIVE has supported new marketing efforts, innovative ICT applications and other activities to expand outreach and improve access to financial services by rural-based enterprises. In June 2010, HIFIVE also launched *Mon Entreprise Mon Avenir* (MEMA), a business plan competition to inspire Haiti's entrepreneurs and provide assistance that will help them realize their dreams and make significant economic contributions in their communities.



A *caisses populaires* client in port au Prince. Photocredit WOCCU/HIFIVE

SPURRING DEVELOPMENT IN POST-EARTHQUAKE HAITI

The devastating earthquake in January 2010 destroyed one-third of Haiti's bank branches, further limiting access to financial systems that were already only serving 10% of Haiti's population prior to the earthquake. In June 2010, the Bill & Melinda Gates Foundation and USAID jointly launched an innovative new initiative to jumpstart financial services through mobile phones in Haiti and expedite the delivery of cash assistance to victims of the country's devastating earthquake by humanitarian agencies. The **Haiti Mobile Market Initiative (HMMI)**, which includes a \$10 million incentive fund that is administered by AED-ARTS and managed through HIFIVE, was established to help launch mobile money services in Haiti and enable Haitians to send, receive and store money using their mobile phones. It also lays the foundation for advanced banking services that could help millions of financially insecure Haitians. HMMI includes \$10 million in awards incentives and \$5 million in technical and management assistance from USAID.

In supporting inclusive financial services, FIELD-Support’s programs over the last year have furthered the understanding of three key priorities: a) developing stakeholder partnerships; b) expanding the delivery of rural and/or agricultural finance; and c) mobilizing remittances to increase access to finance.

A) DEVELOPING STAKEHOLDER PARTNERSHIPS

Under its recent pilot under FIELD-Support, partner **CARE** tested a partnership approach that brings together MFIs, irrigation technology companies, local government offices, and small producers and traders to improve water usage, increase local farmer income, and demonstrate opportunities for the local government to replicate similar initiatives in other locales. Continued drought and inefficient use of irrigated water in Peru’s rural communities has led to erosion and declines in agricultural productivity. There was an urgent need to improve the technical and institutional applications to water management in order to reduce waste and contribute to increased yields. To this end, the pilot explored ways to forge new relationships among key stakeholders.

One of the key barriers to improving the use of water for productive purposes was the reluctance on the part of financial institutions to loan money to purchase new irrigation technologies. Despite several risk-reducing measures introduced by the pilot, including the establishment of a guarantee fund, business planning with each producer, and the completion of technical studies of irrigated land use, financial institutions were still hesitant to assume the risk of this type of lending. After experimenting with a number of such risk reducing measures, CARE found that arranging to transfer funds directly from the MFI to the irrigation-technology supplier on behalf of the producer reduced both the operational costs of making the loan and the perceived risk on the part of the financier that the loan would not be used by the farmer to buy the productivity enhancing equipment.

On the demand side, CARE tried to instill confidence in the loan products among the farmers by working with “Producer-Leaders.” These leading farmers served the role of “early adopters” of the new irrigation technology and successfully demonstrated by their use improved crop yields and increased profits sending a clear message to neighboring farmers about the productivity gains of using the new technologies. Finally, key to the approach was CARE’s commitment to serving as a facilitator, rather than a direct implementer: by focusing on mitigating constraints that would otherwise thwart project implementation, CARE was able to assist in clarifying roles and responsibilities, addressing misconceptions, and facilitating open communication between the stakeholders for a more sustainable business partnership once the pilot ended.

Project Stats

Financing Water: Using Financial Systems to Improve Access to Irrigation and Markets in Peru 2006 - 2010

Award Type	Pilot under the Leader
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Award Value	\$124,931
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Donor	USAID/EGAT/PR/MD
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Country	Peru
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Implementing Partner: CARE



CARE’s approach in Peru forge new partnerships among key stakeholders to improve irrigation. Photocredit: CARE



FIELD Brief No. 8:

Partnering to Improve
Access to Irrigation in Rural Peru
<http://microlinks.kdid.org/node/4177>

In late 2010, FIELD-Support was awarded a new Associate Award in the Ukraine, the **Public Private Partnerships Development Program (P3DP)**, which was designed to enhance the current legal framework around public-private partnerships (PPPs), especially through the establishment of a “PPP Unit” at the national level, and to increase public awareness about the utility and benefits of PPPs. Defined as partnerships that occur when public sector and private sector entities enter into long-term, comprehensive contractual arrangements for either the development of public infrastructure and its on-going related public services or the delivery of social services, PPPs can be highly political in nature. Each deal must find the right mix of public oversight and control over what are often perceived as “public goods,” as well as community support coupled with attractive economic incentives needed to secure private sector investment and involvement to ensure the upgrading and maintenance of service provision. Throughout the course of this five-year program, P3DP will seek to establish a common understanding of PPPs amongst key stakeholders at all levels of society, enhance the working relationships between key public and private parties; and develop the institutional capacity that is transparent in its dealings to structure and support PPPs which satisfy all the requirements and elements of a successful PPP deal.

Project Stats

Public Private Partnerships Development Program (P3DP) 2010 - 2015

Award Type	Associate Award
Award Value	\$12 million
Donor	USAID/Ukraine
Country	Ukraine

Implementing Partners: AED, William Davidson Institute (WDI) at the University of Michigan

B) EXPANDING DELIVERY OF RURAL AND/OR AGRICULTURAL FINANCE

In 2010, several of FIELD-Support sub-activities focused on enhancing the understanding and expansion of rural and agricultural financial (RAF) services, financial services that meet the specific needs of smallholder farmers and which are delivered on a sustainable basis are rare. This is due in large part to the high cost of lending in rural areas where population densities are low and the risk of nonpayment is much higher due to unpredictable weather patterns, income based on long cropping cycles, and commodity price fluctuations, not to mention political risk in some countries.

To address this gap, in the **ESAF** project, for example, AED is providing technical assistance to banks and micro-finance institutions who may be seeking to increase their agricultural lending but are reluctant. ESAF’s assistance includes working directly with banks and loan officers to create easy-to-use guides that will help them make more informed decisions about lending in specific agricultural sub-sectors, as well as working with a range of businesses offering supporting services to that subsector. With increased understanding, financial institutions are able to more cogently consider alternative means to structure and appraise loans. While RAF will always be more risky than some other lending practices, better informed institutions can at least more effectively assess the upside opportunities and downside risks associated with rural and agricultural lending and introduce new and more sophisticated ways to ensure re-payments are made without relying solely on salary guarantees and/or heavy collateral requirements.

In 2010, **Opportunity International** also launched a research activity to examine the success factors related to delivering financial services in rural areas and to households that depend on agriculture to make a living. Opportunity International (OI), which has operations in 20 countries, is therefore taking a comprehensive view of a farming household’s needs, looking at production capacity, crop cycles, and revenue potential in order to refine appropriate

financing instruments that can fully account for the risk and costs associated with agricultural lending. OI is testing a variety of financial mechanisms, including input loans, savings products and pre-harvest capital injections to help farming households smooth their cash flows and avoid practices such as early harvesting and side-selling, which come with adverse economic and social consequences.

Agricultural lending can also be improved by more and better information. OI is collecting a range of data from its clients including number of dependents, household expenditures, etc. The data is being used to build a Client Relationship Management (CRM) system which is able to store and analyze client data as well as synchronize with the banks' software to help loan officers make informed lending decisions and allow OI to track the impact of its lending activities. As part of this initiative, OI is also evaluating the effectiveness of strategic partnerships with agricultural extension service providers, and the impact that these critical services have on their client's income. Examples of strategic partnerships include alliances with seed and fertilizer suppliers who provide higher quality inputs, and cooperatives and farmer groups to strengthen horizontal linkages and facilitate crop grading and aggregation. As a Strategic Learning Initiative (SLI) under FIELD-Support, the findings of this research activity which will conclude in 2011 will increase the know-how and capacity of OI's network of financial institutions as well as the broader financial services community to improve the provision of rural and agricultural finance.

The **SEEP Network** also focused on the issue of rural and agricultural finance, leading a Practitioner Learning Program (PLP) that looked at Rural and Agricultural Finance and Food Security (RAFFS). A multi-year action learning project, in 2010 RAFFS focused on approaches to and the interconnection of rural and agricultural finance and household well-being, including food security. The PLP learning network, which included representatives from development organizations in Sierra Leone, Kenya, Tanzania, and India, collaborated to research, assess, and document good practices and lessons learned from the sector at large.

In 2010, the RAFFS PLP collaborated through facilitated exchange visits, online learning events, continued work on partner learning products, conversations with SEEP staff and program facilitators, blog updates, and resource sharing. Designed to enhance the understanding and experience of practitioners in the field, the PLP explored questions around the relationship between increased agricultural production and improved food security; intra-household targeting as a way to improve household livelihoods; the challenge of collecting/analyzing household-level data to determine impacts on food security; household value chains; quantitative versus qualitative survey methods; the role of credit in increasing household food security; and types of indicators that can be utilized to measure food security impact, etc.

Project Stats

Smallholder and Rural Household Agriculture Study 2010 - 2011

Award Type	Strategic Learning Initiative (SLI)
Award Value	\$137,023
Donor	USAID/EGAT/PR/MD
Country	Ghana and Malawi

Implementing Partners: Opportunity International

Project Stats

The SEEP Network Learning Activities 2006 - 2011

Award Type	Grants under the Leader
Award Value	\$1,305,165
Donor	USAID/EGAT/PR/MD
Country	Ghana and Malawi

Implementing Partner: SEEP Network



The RAFFS Practitioner Learning Program

www.seepnetwork.org/Pages/RAFFS.aspx

C) MOBILIZING REMITTANCES AND SAVINGS

It is now widely accepted that remittances sent by migrants to their families in their home countries play an important role in fostering economic security for poor households and can even help family members lift themselves out of poverty by increasing their savings and/or facilitating investments in new or expanded economic activities. What is less appreciated is how remittances might be used to more effectively link local financial institutions with these money flows and open up new lines of service to remittance receivers, many of whom have little or no access to formal financial services.

The Migrant-Backed Loan pilot project, led by the **William Davidson Institute (WDI)** at the University of Michigan under the FIELD-Support Leader, explored precisely these types of issues. Concluding in 2010, the pilot included market research to identify how best to encourage migrants to send more resources home while facilitating access to “entrepreneurial” finance. The new financial product designed in the course of this project, called the “migrant-backed loan (MBL),” made it easier for poor households who want a loan—and do not have adequate collateral—to start a new business or expand an existing one. Targeted for US-based migrants from Guatemala, the loan product would allow migrants (working in the foreign country) to guarantee part of a loan issued in Guatemala by making a deposit in their home country that would be “frozen” to guarantee the loan until it is repaid. In essence, the deposit would be “multiplied” by the bank, so the household is able to borrow roughly twice the deposited amount being held in guarantee. As borrowers repay their loans, the deposits are “unfrozen” and migrants recoup their deposits. In designing and testing the loan product, WDI facilitated a partnership between two financial institutions, one in the US and one in Guatemala, shepherded both partners through the process of offering the first migrant-backed loans and setting them on the path towards being able to continue offering them on an ongoing basis.

In 2010, WOCCU’s Strategic Learning Initiative explored innovative techniques to encourage and mobilize savings amongst rural populations with the launch of a new website www.matchesavings.org. MatchSavings.org was a campaign of the **World Council of Credit Unions (WOCCU)** that was established in October 2008 to help educate people living in poverty about the benefits of saving and to provide them an incentive to get started. Gifts, or “matches,” from individual donors through the website helped match the savings of the rural, working poor who never before had a savings account. Through FIELD-Support, WOCCU focused on scaling up its capacity to generate a consistent source of funding through MatchSavings.org and improve efficiencies in program implementa-

Project Stats

Migrant-backed Loans: Mobilizing Remittances for Enterprise Finance 2008 - 2010

Award Type	Pilot under the Leader
Award Value	\$110,903
Donor	USAID/EGAT/PR/MD
Country	Guatemala

Lead Implementing Partners: William Davidson Institute (WDI) at the University of Michigan



**FIELD Report No. 8:
Mobilizing Remittances in
Guatemala**

<http://microlinks.kdid.org/node/3230>

Project Stats

Unbanked Poor Matched Savings Program 2008 - 2010

Award Type	Strategic Learning Init.
Award Value	\$267,566
Donor	USAID/EGAT/PR/MD
Country	Mexico

Lead Implementing Partners: WOCCU



[www.Matchesavings.org](http://www.matchesavings.org)
A WOCCU Campaign to increase
Savings in Rural Communities



Jova, 28, is saving to purchase cement blocks for the bottom of her kitchen walls so that water does not seep in as much. Jova and baby Sandra live in Miahuatlan, a community only accessible by foot. Every month, credit union officers make the 1.5 hour up-hill trek to collect savings from Jova and other savers in her Match Savings (Apoyo Semilla) group. Photocredit: WOCCU



Group treasurer (left) and president (right) collected and recorded the 200 peso deposit from each saver at the monthly meeting. The 39 members of "Santa Teresita" savers group have been saving for housing, business, education, or health and received their savings, plus the matching funds, in April 2010. Photocredit: WOCCU

tion to bring more poor people into the financial sector. Building on WOCCU's larger microfinance program in Mexico, which was funded by the Mexican government, the SLI worked with credit union employees there to bring the financial services—by motorcycle, boat or by foot—directly to poor people living in hard-to-reach, marginalized communities. The communities rarely had access to a financial institution of their own, so the credit union's visit was the first opportunity people had to open savings accounts,

Through MatchSavings.org, the two credit unions (Caja Yanga and Caja Zongolica) offered them the opportunity to open a short-term (six-month) matched savings account for housing, microbusiness or education. The savers in the program committed to depositing a set amount when a credit union staff member visited their community each month. After faithfully saving for six months, savers would receive a match on the principal amount they saved with funds given through the website's international community. They received their savings and match in goods related to their savings goal, for example housing materials, business inventory or direct payment for school fees. The SLI, which concluded in December 2010, offered some important lessons learned regarding the sustainability of matching savings which will be more broadly shared with the practitioner community in 2011.

2) Facilitating Broad-Based Value Chain Development

Activities under FIELD-Support last year continued to use the value chain approach as a framework for facilitating interventions to improve the competitiveness of selected industries. Interventions have included enhancing the business enabling environment, facilitating horizontal and vertical linkages where appropriate, and improving the roles and capabilities of supporting markets in a given business system. By addressing the development of end markets and the inter-relationships of actors in and along the chain, FIELD-Support programs are helping MSMEs upgrade their products and services to take advantage of new market opportunities. Some highlights from key program activities under this area are presented here.

In Lebanon, the **Lebanon Business Linkages Initiative (LBLI)** program has been working directly with the private sector to expand market access, support sector strategies, and strengthen private sector actors. In 2010,

LBLI continued its focus on two Lebanese industries: agribusiness (primarily fruits and vegetables) and tourism. Adopting a lead firm approach, program activities over the last year have focused on opening new markets, enhancing supply chains to expand market access for smaller firms, strengthening supporting markets in support of industry growth strategies, and improving the capacity of private sector actors to drive economic growth by cooperating on overall industry-wide issues to improve firm-level and national competitiveness.

In agribusiness, LBLI's analysis last year concluded that Lebanon has a comparative advantage relative to most regional countries in fresh and processed fruits and vegetables given the relatively high quality of produce grown and extended growing seasons due to climatic variation. Volume, however, remains an issue. As such, expanding the level of production in selected fruit and vegetable chains has been a major program priority. Under tourism, last year LBLI facilitated the establishment of "Beyond Beirut," an organization (and emerging brand) dedicated to expanding tourism beyond cities into towns and rural areas. Bringing together businesses and individuals from the disparate communities of Lebanon, the new organization is forging new modes of economic collaboration between businesses that have neither cooperated before nor trusted each other. This new, locally registered organization and its collaborative project fills a critical gap in the development of rural tourism, and has the potential to significantly encourage new domestic and foreign investment in Lebanese tourism along with generating new jobs and microenterprise and small business opportunities in this high potential growth sector.

In Ecuador, the Local Economic Development Program follow on, known locally as **PRODEL II**, continues to apply a value chain approach to improve livelihoods for families in the northern and southern border regions to help mitigate the disruptive effects of the narco-economy in these areas. Supporting the expansion of private enterprises that have the greatest potential to rapidly generate income and employment, PRODEL has been identifying and addressing major opportunities and constraints to economic growth while putting in place measures to increase the likelihood of achieving long term sustainable impact at the household level. Like LBLI, the program targets interventions at lead firms (or "anchor firms") and the linkages within that firm's specific business system.

This includes, among others, microenterprises and their families as the primary producers. Program interventions have addressed constraints to growth at all levels of the value chain. For example, working with anchor firms to identify and analyze policy-related constraints, PRODEL has facilitated municipal-level planning and decision-making to improve the local business climate. Furthermore, PRODEL has provided a range of technical and financial assistance to facilitate private investment in specific value chains, ensure the inclusion of women in productive activities, promote socially responsible practices by anchor firms and bring environmental considerations forward as an integral part

Project Stats

Lebanon Business Linkages Initiative (LBLI) 2008 - 2010

Award Type	Associate Award
Award Value	\$4.5 million
Donor	USAID/Lebanon
Country	Lebanon

Implementing Partners: AD, ACDI/VOCA, AFE



LBLI Success Stories

<http://kdid.org/projects/field-support/lbli>

Project Stats

PRODEL II Ecuador Local Development Program 2007 - 2011

Award Type	Associate Award
Award Value	\$16 million
Donor	USAID/Ecuador
Country	Ecuador

Implementing Partners: AED, ACDI/VOCA



PRODEL Updates

<http://kdid.org/projects/field-support/prodel>



Farmers from one of the anchor firms assisted by PRODEL, Cereales Andinos, prepare to plant quinoa. Photocredit: Bill Denison for AED



Employees from a PRODEL-assisted anchor firm present their end products, which source materials from smallscale producers. Photocredit: Bill Denison for AED

of the design and execution of the program. PRODEL also continues its efforts to expand and transfer the value chain model in Ecuador, through consultancies, presentations, and by collaborating directly with local stakeholders. In Esmeraldas Province, for example, the PRODEL team recently worked with a range of public, private and NGO actors, to increase the number of small-scale producers linked to anchor firms in the region, support the development of a strategy to adopt a value chain approach for local economic development, and facilitated collaboration among actors to improve their competitiveness.

The **Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening (STRIVE)** Associate Award, which is funded by USAID's Displaced Children and Orphans Fund (DCOF), is implementing market-led economic development initiatives to affect positive benefits for vulnerable youth and children in targeted households. Through its four country-based programs, STRIVE is tracking and documenting the impact of their intervention on a range of child-level indicators related to both economic (financial) and non-economic (health, education, nutrition, etc.) vulnerability factors.

In **STRIVE Philippines**, for example, partner AFE is linking producers in low-income areas (focusing on seaweed harvesting and basket-weaving) with key market actors to drive increases in household income. AFE has also taken a lead-firm approach, identifying and working with private-sector firms to address quality challenges. In basket-weaving, for instance, STRIVE facilitated quality assurance (QA) seminars for lead firms, conducted by representatives from major international buyers. Some lead firms began to offer similar QA seminars with their suppliers to increase both the quality of

Project Stats

Supporting Transformation by Reducing Insecurity and Vulnerability with Economic Strengthening 2007 - 2012

Award Type	Associate Award
Award Value	\$16 million
Donor	USAID/DCOF
Country	Mozambique, Liberia, Afghanistan, Philippines

Lead Implementing Partners: AED, ACDI/VOCA, AFE, CARE, MEDA, Save the Children



Quality Assurance seminars facilitated by STRIVE Philippines allowed lead firms to make a greater investment in local leaders & weavers. Photocredit: AFE

the baskets and productivity of their household weavers. With seaweed harvesting, the lead firms have assisted local producers gain access to a wide variety of seaweed types by expanding seedling production and distribution pilots through model nurseries. These services were supplied to the farmers on either an in-kind or fee basis to increase the prospects for sustainability.

Through **STRIVE's Afghanistan Secure Futures (ASF)** country program, STRIVE is collaborating with small business owners to improve the quality of informal apprenticeships by helping small and micro-businesses in the Afghan construction industry grow. By facilitating improved market linkages between small enterprises that employ apprentices and larger companies that create demand for the services of smaller firms within the construction industry, the project aims to create new opportunities for young people within the construction trade and improve the small business owner's knowledge and appreciation of workplace safety measures. Two key events ASF hosted in 2010 include:

- A Product Exhibition held in October 2010 which brought together many key stakeholders, allowing the general public to view and purchase products produced by workshop owners and providing an opportunity for the workshop owners to meet and others in the larger network. With an estimated 5,000 people in attendance, the exhibition spotlighted a range of Afghan products, from furniture to jewelry to local foods and delicacies. In the past, such networking opportunities have led to partnerships and subcontracting of work, a primary ASF goal. At the exhibition, a group of participating workshop owners did arrange a meeting to discuss forming their own association in order to respond to orders that are too large for one workshop owner to handle.
- A training session on Workplace Safety which was jointly conducted by the ASF team and the government's National Skills Development Program (NSDP). ASF is working with NSDP to enhance their training capacity and support this important government partner in delivering valuable training to small-scale construction workshop owners. The three-day training of trainers (TOT) included representatives from each of the participating workshops.

"After the workshop and counseling [on workplace safety], I cleaned and organized my workshop and was able to get a good contract from the Ministry of Higher Education, and therefore got many more customers," says Yaqoob, a workshop owner in Afghanistan who attended an ASF-supported workshop last year.



Cost-share agreements with lead firms have enabled AFE to support an even greater number of weavers in the Philippines. *Photocredit: AFE*



Ajmal (left) is a carpentry workshop owner in Kabul who employs 15 apprentices and is supported by the STRIVE ASF program. *Photocredit: MEDA*

Delving deeper into the role of facilitation and “lead firms” in value chain development, partner **AFE’s** SLI in 2010 advanced the work done by the FIELD-Support working group on Facilitation. Working with lead firms has become a well-used approach in value chain work, yet there is still a dearth of documentation and practical guides for doing the work. AFE’s SLI seeks to redress this problem by producing a user-friendly handbook and training materials (due for completion in 2011) that development organizations can use to train and orient their staff on effective facilitation techniques that can be used to leverage the role of lead firms in value chain development. The materials will help practitioners understand specific rules of thumb for structuring positive sum economic relationships between lead firms.

In 2010, FIELD-Support also continued implementation of the **Fostering Agriculture Competitiveness Employing ICTs (FACET)** program which provides technical assistance to improve competitiveness and productivity across agriculture sub-sectors through the use of Information and Communications Technologies (ICTs). ICTs are used as tools to enhance the functioning and competitiveness of agricultural value chains and facilitate trade in agricultural products across Sub-Saharan Africa. Designed to be interactive and collaborative, the FACET Associate Award provides targeted support through technical assistance to help USAID missions and implementing partners improve their uses of ICT and more generally share knowledge regarding sustainable and scalable approaches for using ICT to increase the success of agricultural development activities.

In 2010, FACET issued a series of briefing papers to introduce some key themes about integrating ICTs into development activities, for example for supply chain management, mobile banking, enhancing farm extension services, market pricing, and warehouse receipt systems. Last year, FACET also provided technical assistance to USAID’s Market Linkages Initiative (MLI) which aims to increase commercial integration of smallholder staple food producers into national and regional markets in order to promote growth in food staples and food security. In particular, MLI was seeking to build more efficient trading networks that link farmers to buyers. Since information is the binding factor that needed to be integrated into 15 grain bulking systems (GBS), MLI needed a flexible, scalable business solution that would also be financially sustainable. The FACET technical assistance assignment, led by partner ACIDI/VOCA, focused on designing a Market Information System (MIS) and identified the most appropriate local provider to work with stakeholder groups and design and deploy the customized, sustainable solution. The MIS is designed to support the business operations of formal traders, support rural traders and producers to be better informed and engaged; and could be used by NGO’s and farmer organizations to link-in farmers.

Project Stats

Facilitation Working Group 2008 - 2010
Final Phase

Award Type	Strategic Learning Init.
Award Value	\$144,571
Donor	USAID/EGAT/PR/MD
Country	Global

Lead Implementing Partners: William Davidson Institute (WDI) at the University of Michigan



A Manual for Facilitating Outgrowing Operations
<http://microlinks.kdid.org/node/3364>

Project Stats

Fostering Agriculture Competitiveness 2009 - 2010
Employing ICTs (FACET)

Award Type	Associate Award
Award Value	\$400,000
Donor	USAID/AFR/SD
Country	Subsaharan Africa

Implementing Partners: AED, ACIDI/VOCA



FACET Briefing Papers
<http://microlinks.kdid.org/category/kdid-project/field-support/facet>

With a focus on gender in value chains, core partner ACDI/VOCA launched a SLI in 2010 that refined and is now finalizing a framework for applying behavior change principles for integrating women into value chain development. Traditional economic theory has generally defaulted to a gender-neutral view, minimizing differences in constraints and opportunities men and women face in economic life. A “gendered economy” perspective on the other hand, allows practitioners to better analyze how social norms and inequalities shape social and economic institutions and structure the position of women and men differently. Effective value chain programming with a gender lens requires an understanding of how people respond to different kinds of incentives and how gender affects one’s response. ACDI/VOCA’s learning initiative started with an e-consultation with practitioners to present the framework and gain insight into how it needed to be modified. This modification work was carried out in 2010. In 2011, the modified framework will be field-tested in Ghana and Kenya. The framework will be used to conduct research around how gender impacts three types of value chain behaviors: money management, business practices and value chain relationships; and how these differences affect three factors central to competitiveness—upgrading, inter-firm cooperation and value chain governance.

Project Stats

Increasing Awareness of Gender Issues 2010 - 2011
In Value Chain Development

Award Type	Strategic Learning Init.
Award Value	\$149,208
Donor	USAID/EGAT/PR/MD
Country	Global

Implementing Partners: ACDI/VOCA



Behavior Change Perspectives on Gender in Value Chain Development

<http://microlinks.kdid.org/node/269>

A) SME DEVELOPMENT: CATALYZING SUSTAINABLE GROWTH

While much of FIELD-Support’s activities focus on strengthening the capacity of microenterprises, improving market linkages, and more broadly enhancing the roles of market players in competitive value chains, two programs in particular have focused on providing cash grants to SMEs holding the prospect of generating either new lessons or a broader economic impact: the African Diaspora Marketplace (ADM), a unique business plan competition for Diaspora-led enterprises in Sub-Saharan Africa, and the Palestinian Investment Partnership (PIP), a fixed capital financing mechanism that is enabling strong Palestinian SMEs to accelerate expansion and enhance economic activity in the West Bank.

The **African Diaspora Marketplace (ADM)**, is a rather unique business plan competition, led by AED under the FIELD-Support Leader and supported by USAID and the Western Union Foundation. ADM was designed to leverage the entrepreneurship, technical expertise and capital of the U.S.-based African Diaspora community for investment in new or expanding businesses in their country of origin in Sub-Saharan Africa. In phase two of the program, 70 finalists (from 700 original applicants) presented their ideas at two-day conference held at AED in Washington D.C. during January 2010. The finalists participated in an “idea marketplace,” which included learning events and presentations of the business ideas to a panel of judges comprised of leading sector experts from USAID, Western Union, development institutions, private sector companies, investors, and Diaspora leaders.

Project Stats

African Diaspora Marketplace (ADM) 2008 - 2011

Award Type	Activity under the Leader
Award Value	\$1.4 million
Donor	USAID/EGAT/PR/MD
Country	Subsaharan Africa

Key Partners: AED, Western Union, USAID



ADM Website and Grantee Profiles

<http://www.diasporamarketplace.org>

At the end of the event, the judges selected 14 businesses across seven countries to receive matching partnership grants of up to \$100,000 each. The winners represent a broad array of businesses—from a mobile phone-based service for finding counterfeit pharmaceuticals in Nigeria, to manufacturing of solar cooking ovens, to the deployment of transportation network and fleet management software in Ethiopia. The winners represented both new and existing businesses at varying stages of development. All shared a critical commitment to fostering economic growth in their countries and leveraging the resources of their own country's Diaspora's to that end.

In Palestine, under the ESAF program, AED is administering the **Palestinian Investment Partners (PIP)** program, an intervention designed to break the cycle of stagnation many SMEs face due to political uncertainty and obstacles to movement and access of goods and services within the occupied territories. PIP was designed to jumpstart private investment, making strategic grant investments in successful West Bank businesses, giving them the necessary capital and assistance to quickly grow and in turn foster broader economic growth.

For PIP, AED works closely with USAID's Enterprise Development and Investment Promotion (EDIP) project to identify and support appropriate enterprises for investment. The primary objectives of PIP include offsetting the inherent risks to foreign direct investment in the West Bank; encouraging technology and knowledge transfers by international firms to Palestinian firms; identifying new areas/sectors in the Palestinian economy where significant growth potential exists but have yet to be exploited (such as insurance, leasing and mortgage finance); and demonstrating to other foreign investors that Palestine can be a profitable and business-friendly place to invest. A fixed capital financing mechanism, PIP is enabling Palestinian SMEs to acquire new equipment and technology transfers in order to accelerate expansion, enhance economic activity in the West Bank, and create much-needed new employment opportunities. To date, the nearly 60 PIP grants have: supported companies to increase revenues by \$14 million, creating 550 new jobs, in a range of sectors, including stone and marble, food processing, textiles, dairy, home furnishing, and other manufacturing areas, and in every West Bank governorate.



ADM Winner Dr. Raymond Rugemalira (right) meets with farmer groups in rural Kenya to introduce Uza Mazao, a mobile-phone service that allows farmers to buy and sell produce directly to buyers. Photocredit: AED



Equipment upgrades made possible through fixed asset capital grants to strong Palestinian businesses, such as this marble processing machine, are spurring economic growth in the West Bank. Photocredit: AED



About PIP and Grantees

<http://microlinks.kdid.org/node/3362>

3) Strengthening Livelihoods & Food Security for Vulnerable Populations

A clear focus for the FIELD-Support LWA over the last year has continued to be the strengthening of livelihoods and food security for vulnerable populations, which has included the very poor, rural households, children and youth, and people living with HIV/AIDS (PLWHA). FIELD-Support’s diverse work in this area, discussed further below, has focused on providing technical assistance and conducting research and analysis for donors and implementing organizations in order to enhance how practitioners understand and respond to the multi-dimensional factors underlying poverty and vulnerability.

The **Livelihood and Food Security Technical Assistance (LIFT)** Associate Award, launched in late 2009, has become one of

USAID’s most critical collaborations. LIFT is a new type of award that examines the vital juncture of economic development and food insecurity, the latter having traditionally looked more at food utilization and health nutrition indicators alone. Launched initially to support PLWHA through USAID’s Office of HIV/AIDS (OHA), LIFT expanded its scope last year to target a broader range of vulnerable populations. Recognizing that food insecurity is both a primary result and a contributing factor to poverty, LIFT works with US Government agencies, implementing partners, and other key players to integrate sustainable, market-driven livelihoods strengthening into food and nutritional security interventions. LIFT’s unique technical assistance process provides conceptual guidance for field work, incorporating lessons learned that can be utilized at a global level or customized for use in individual countries. Specifically, LIFT provides operations research, M&E framework support, technical assistance and training, mentoring, and ongoing support to improve the knowledge base, management and monitoring of livelihood and food security programs. Over the last year, LIFT’s contributions have included the launch of key conceptual pieces such as the Livelihoods and Food Security Framework and the Food Security indicators for the United Nations’ HIV Monitoring and Evaluation Reference Group (MERG) Program Framework. Both of these pivotal publications are collaborative efforts that represent the latest research and analysis of this important and evolving sector. LIFT’s specialists have also provided targeted, field-based technical assistance in Namibia, Ethiopia, Swaziland, and Malawi over the last year, with discussions for further field-based learning currently under way with several other missions.

Also looking at factors around food security, as part of its Strategic Learning Initiative, **FINCA** launched a study in 2010 to explore the effects of microfinance services on the food security of its clients. In particular, the study examined the effects of FINCA’s financial products—group and rural loans, savings and insurance products—on its clients’ risk of falling into food insecurity. The study was designed to better identify what that impact was on low-income households in particular (though not the very poor as the study

Project Stats

Livelihoods and Food Security Technical Assistance program (LIFT) 2009 - 2014

Award Type	Associate Award
Award Value	\$4.1 million
Donor	USAID/OHA
Country	Subsaharan Africa

Implementing Partners: AED, CARE, Save the Children

Project Stats

Linkages Between Food Security and Microfinance 2010 - 2010

Award Type	Strategic Learning Init.
Award Value	\$82,455
Donor	USAID/EGAT/PR/MD
Country	Guatemala, Zambia

Lead Implementing Partners: FINCA

was limited to FINCA's new and continuing clients), and to identify ways to improve microfinance's impact on food security more generally. FINCA chose its affiliates in Guatemala and Zambia for three reasons: 1) prevalence of high food insecurity; 2) the existence of a mature microfinance program; and 3) the potential for synergy between them.

FINCA used a questionnaire that builds on its FINCA Client Assessment Tool (FCAT), the organization's existing reporting tool which is administered annually to the organization's client base. The questionnaire added key questions on food availability, access, and utilization, as well as household resiliency measured by how and how often families turned to coping strategies in times of crisis. Availability included questions on both purchases and production; access examined infrastructure, interpersonal relationships and social capital; and utilization examined dietary diversity, consumption levels and non-food inputs, among other factors. By comparing the experiences and testimonies of new clients versus continuing clients, the study seeks to draw some conclusions about the effect of receiving a loan has on a borrower's food security over the period of a year. Key findings of that study will be presented and disseminated in 2011.

In **STRIVE Mozambique**, partner Save the Children has been working to improve nutritional outcomes for children under the age of five by increasing household income and assessing the change in the dietary diversity and months of adequate food provisioning within their households. The program does this by facilitating savings and income earning opportunities in communities and mobilizing village savings and loan groups and promoting a rotating shared labor scheme that both increases social capital and the amount of labor available to households. Implementation continued over the last year, and in 2011, STRIVE will focus on assessing the impact of this approach on the nutrition of children.



STRIVE Mozambique is testing the premise that village savings and loan (VSL) groups, like the one meeting above, can help reduce food insecurity for households. *Photocredit: Save the Children*

In Liberia, **STRIVE's Agriculture for Children's Empowerment (ACE)** activity is increasing local production of key staple foods to support vulnerable households. Led by partner ACDI/VOCA, ACE is strengthening the vegetable and paddy rice value chains in Liberia's Bong and Nimba counties in order to magnify impacts on child wellbeing. Over the last year, ACE also targeted communities with public information campaigns about children's nutrition and the value of education. By supporting upgrading in the target communities, ACDI/VOCA aims to have significant and sustainable impacts on household income, the economic viability of communities, the attractiveness of farming as a career for caregivers and youth, and the well-being of Liberian children.



Farmers markets, organized by ACE in Liberia are strengthening linkages between smallholder farmers and buyers, like Jimmy Gboveti, a pepper farmer in Mount Barclay *Photocredit: ACDI/VOCA*



The CYES Network Learning Platform

<http://www.cyesnetwork.org>

FIELD-Support's focus on vulnerable populations also includes the **Eastern Caribbean Youth Microenterprise Program (ECYMP)** that was launched in 2010. ECYMP is designed to accelerate the creation of sustainable livelihoods and self-employment opportunities for vulnerable youth (ages 10-24) in the Caribbean who are increasingly faced with severe social issues including HIV/AIDS, high unemployment rates, increasing involvement in illicit activities, and growing rates of rural poverty often due to suffering rural economies and increased migration. Working in Barbados and the six OECS countries (St. Kitts & Nevis, Antigua & Barbuda, Dominica, St. Lucia, Grenada, St. Vincent & the Grenadines), ECYMP is developing partnerships with local youth-serving organizations and the private sector, supporting them in designing and delivering more market-oriented youth entrepreneurship programs. Applying partner EcoVentures International's participatory "Market Opportunity Assessment" model, over the last year ECYMP has conducted needs assessments in Barbados, Dominica and St. Vincent and the Grenadines, working hand in hand with local stakeholders in order to transfer the methodology for youth-focused opportunity assessments to key personnel from local partner organizations. This participatory approach also allows the program to assist in building the capacity of local partner organizations to carry out assessment activities in the future while operationalizing the those assessments and launching programs to grow youth-serving, market-oriented livelihoods opportunities.

ESAF in the West Bank and Gaza is also heavily focused on serving vulnerable youth populations. In the Gaza strip, where unemployment is at 40% and 70% of the population lives below the poverty line, Palestinian enterprises and households often do not fully understand the types of financial services available or how best to utilize them. In 2010, ESAF partner Save the Children launched a new initiative to expand opportunities for youth to learn financial and market literacy (budgeting, savings and planning, managing money, etc.), and life skills (decision-making, negotiation, planning, communication, problem solving and critical thinking, responsibility, team-work etc.) that will help them find and hold jobs or venture into self-employment. More than 1,000 youth from throughout the Gaza Strip will be involved in this financial literacy and life skills training. In addition, ESAF is also implementing an Individual Development Account (IDA) savings activity. Participants make contributions to a savings account over the course of one year. The savings are matched 100% by funds from ESAF. By requiring participants to make periodic deposits over a fixed period of time in order to earn the match, IDAs provide an incentive to build disciplined savings habits. The savings generated can then be used to support medium or long term savings goals, or as collateral for loans. This activity is also targeting youth between the ages 18-29 in Gaza from low income households, the vast majority of whom are unbanked. The primary objective is to provide access to savings services to—and encourage asset accumulation by—unbanked individuals in Gaza from low income households.

Project Stats

Eastern Caribbean Youth Microenterprise Program (ECYMP) 2010 - 2011

Award Type	Associate Award
Award Value	\$1.8 million
Donor	USAID/Dominican Repub.
Country	Barbados, St. Kitts & Nevis, Antigua & Barbuda, Dominica, St. Lucia, Grenada, St. Vincent & the Grenadines

Implementing Partners: AED, EcoVentures International



ECYMP's participatory "Market Opportunity Assessment" model is designed to improve the capacity of youth-serving organizations in the Caribbean to implement youth-focused, market-oriented programs. *Photocredit: ECYMP*



ECYMP Updates
<http://kdid.org/projects/field-support/ecymp>

Focusing on the ultra poor, FIELD-Support activities have also implemented a range of activities to support vulnerable households who live below the poverty line in various countries. In the West Bank, ESAF was one of number of projects to utilize the Poverty Assessment Tools developed by the **IRIS Center** in response to the 2009 US Microenterprise for Self-Resilience Act, which mandated that half of all USAID microenterprise funds must benefit the “very poor.” The legislation defines the very poor as those living on less than \$1 a day, adjusted for local context, or those living in the bottom half of those living below their country’s poverty line. To verify that USAID meets this target, low-cost methods for assessing the poverty status of microenterprise beneficiaries Poverty Assessment Tools

(PAT) have been developed now for 33 countries which consist of a short, country-specific household survey—administered in twenty minutes or less—and a data entry template. Using such a tool, an implementing partner can gain an accurate estimate of the share of its beneficiaries who are very poor. Through FIELD-Support, the IRIS Center has been providing trainings of trainers (TOTs) in each of the regions where USAID funds microenterprise programs. The participants of the TOTs then train additional organizations in their home countries on the use of the tools.

In Ethiopia, **Innovations for Poverty Action (IPA)** has been conducting a comprehensive evaluation on a “graduation model” pilot for bringing the most vulnerable households in Ethiopia out of extreme poverty. Local NGO Relief Society of Tigray (REST), in collaboration with CGAP and the BRAC Development Institute, is implementing the pilot project in Ethiopia to test a multi-faceted methodology for reaching the most vulnerable households. Supported households are members of the National Productive Safety Net Program (PSNP), a country-wide program in Ethiopia aimed at reducing food insecurity and includes those who are considered to be amongst the poorest, but who have the potential to engage in economic activities. The intervention includes continued participation in the PSNP public works (food-for-work), and subsequent consumption support; technical training in identified market-led livelihood options (including livestock and other); intensive personal support from field officers for each household; mandatory savings products tailored to clients who are poorer than conventional microfinance clients; and the transfer of a productive asset (bee-keeping inputs or livestock).

IPA has designed and is implementing the evaluation strategy to measure the impact of the Ethiopia Graduation Pilot on participating households. 2010 focused on designing the evaluation and completion of the baseline survey. After a year of intervention by REST which is monitored by IPA, the end-line study will be conducted in 2012 and should produce new knowledge about effective ways to graduate the poor from recipients of aid to economically productive actors, albeit even if at a relatively basic level. We need new models and methods to help the ultra poor and this pilot contributes to that end.

Project Stats

USAID Poverty Assessment Tools 2006 - 2010
Training of Trainers Program

Award Type	Activity under the Leader
Award Value	\$801,605
Donor	USAID/EGAT/PR/MD
Country	Global

Lead Implementing Partners: The IRIS Center



USAID Poverty Assessment Tools
<http://www.povertytools.org>

Project Stats

Evaluation study for Graduating the Poorest into Microfinance 2009 - 2011

Award Type	Pilot under the Leader
Award Value	\$224,224
Donor	USAID/EGAT/PR/MD
Country	Ethiopia

Implementing Partners: IPA



The Ultra Poor Graduation Pilot
<http://www.poverty-action.org/project/0005>

Looking at post-conflict/disaster regions, in 2010, the **SEEP Network's** Market Development Working Group completed the next critical stage of its initiative to develop a set of guidelines on economic recovery for practitioners operating in crisis-affected settings. The Minimum Economic Recovery Standards Handbook, the product of an initiative under FIELD-Support spearheaded by the SEEP Network and written by a representative group of 35 practitioners from 25 development organizations, addressed recovery strategies and interventions designed to promote enterprises, generate employment, and potentially protect households through better cash flow and asset management in environments affected by conflict or disaster. The Handbook is presented in six categories, as illustrated below. The first two sections, "Core Standards" and "Assessments and Analysis Standards," set out the basic considerations essential to the other technical standards and all activities supporting economic recovery. The Core Standards are the minimum requirements to ensure quality and accountability, and provide the processes and procedures required to implement good practice. Beyond these core standards, the Handbook lays out standards for Financial Services, Productive Assets, Employment Creation, and Enterprise Development. By coordinating the development of these guidelines with the Sphere Project, SEEP aims to facilitate the incorporation of the guidelines into the next revision of the Sphere Handbook. This approach will allow both Sphere and SEEP to maximize the adoption of Standards developed and accepted by a wide range of stakeholders and experienced practitioners. By coordinating the development of these guidelines with the Sphere Project, SEEP aims to facilitate the incorporation of the guidelines into the next revision of the Sphere Handbook. This approach will allow both Sphere and SEEP to deepen the adoption of standards developed and accepted by a wide range of stakeholders and experienced practitioners.

Project Stats

Market Development Working Group 2007 - 2010
"Economic Recovery After Crisis"

Award Type	Pilot under the Leader
Award Value	\$149,463
Donor	USAID/EGAT/PR/MD
Country	Global

Lead Implementing Partners: William Davidson Institute (WDI) at the University of Michigan



The Minimum Economic Recovery Standards

<http://www.seepnetwork.org/Pages/EconomicRecoveryStandards.aspx>

4) Economic Growth and Energy Poverty

In 2010, FIELD-Support's Leader activities continued to explore the spectrum of economic development sectors, furthering best practice and delving into new areas, such as the role of microfinance in addressing energy poverty. Two activities in particular focused directly on this area, testing two models designed to increase access to and availability of clean energy products.

As a pilot activity under FIELD-Support, **ACCION International** and its Center for Financial Inclusion (CFI) initiated the Energy Links Project late in 2007. Project activities were focused on developing distribution channels for the sale of inexpensive solar lamps—a clean energy product with large market potential—to people living at the base of the pyramid in Uganda. First, Energy links partnered with Barefoot Power, an Australian manufacturer of solar lamps which had



Roundtable on Energy Poverty

<http://microlinks.kdid.org/node/3333>

Project Stats

ACCION's Energy Links Project 2007 - 2010

Award Type	Pilot under the Leader
Award Value	\$196,012
Donor	USAID/EGAT/PR/MD
Country	Uganda, Mali

Lead Implementing Partners: ACCION

an affordable and appropriate product at the time. Energy Links facilitated a range of partnerships with Barefoot Power and its local distribution network, and provided training to more than 100 micro-entrepreneurs. Using micro-franchising, combined with utilization of existing NGO savings groups networks such as CARE's Village Savings and Loans associations (VSLAs), has proven to be an effective way of reaching large number of clients. Following the Uganda pilot, another market test of the product was carried out in Mali. The Mali test site was more ambitious. It aimed to establish a commercial scale operation building an effective supply chain of local and international partners. After two years, in December 2010, the pilot converted its operations into an independent local company which will continue to broker these kinds of partnerships, support training of village agents who will be selling lamps under a franchise agreement.

For its SLI, **ACCION International** turned to Tanzania, seeking to map the household energy sector, both from the consumer side and from the supply side, and creating a detailed picture of the potential connections between these two sectors. The study included consultation and information sharing among participants in the pro-poor energy and microfinance sectors to lay the groundwork for an energy deepening initiative, i.e. a comprehensive national strategy for involving financial institutions in supporting pro-poor renewable energy. Building on the first phase of Energy Links, this activity replicated the proven approach of the project as a broker to facilitate cooperation between energy suppliers and MFIs while expanding its target: instead of focusing on a single product, it aimed at being comprehensive and providing learning on all existing technologies and devices, as well as linkages with a wide range of energy and finance providers.

Also in Uganda, FIELD-Support partner **FINCA's** local affiliate led a two-year pilot to finance and create access to Solar Home Systems (SHS) for FINCA's existing client base and new, low-income customers. FINCA started by conducting market study to gauge customer demand for renewable energy products. Based on the results of the market assessment, FINCA considered several renewable energy solutions that could help meet the energy access needs of its client base. While the market study found that there was significant demand for products like the SHS, clients were often unwilling to invest in systems when they did not know how a system worked or the potential benefits of owning one. Further investigations revealed that the existing supply chain in Uganda for SHS was inadequate. Customers were experiencing late installations and lack of effective after-sales servicing and maintenance. It was also determined that FINCA's internal organizational structure and lack of technical capacity about the energy products by loan officers may be an inhibiting factor to effective marketing and sales of SHS.

Project Stats

Energy Sector Deepening Initiative 2010 - 2011

Award Type	Strategic Learning Init.
Award Value	\$128,858
Donor	USAID/EGAT/PR/MD
Country	Tanzania

Implementing Partner: ACCION International



Energy Links Podcasts

<http://www.fieldsupportlwa.org/energylinks>

Project Stats

FINCA's Microfinance and Energy Pilot 2008 - 2010

Award Type	Pilot under the Leader
Award Value	\$204,983
Donor	USAID/EGAT/PR/MD
Country	Uganda

Implementing Partner: FINCA



FIELD Brief No 9: FINCA's Model for Microfinance and Energy in Uganda

<http://microlinks.kdid.org/node/3231>

Based on these findings, FINCA developed a business plan to offer and finance SHS to their clients. The resulting model, which was developed and tested by FINCA under the pilot, sought to bridge the technical gap by facilitating a “two-handed” partnership that leverages the existing competencies of FINCA as an MFI and local energy product suppliers. FINCA Uganda established an internal “Energy Unit” to support its core field staff of loan officers, consisting of a product manager dedicated to the energy loan program as well as “energy officers” who provide specialized sales and marketing for SHS, as well as some after-sales care. To minimize the incremental administrative burden associated with loan application processing, FINCA decided not create any new loan products specifically for micro-energy loans. Instead, the energy loan is bundled with any additional amount the client may be borrowing for business needs, which has made it more appealing to borrowers and management.

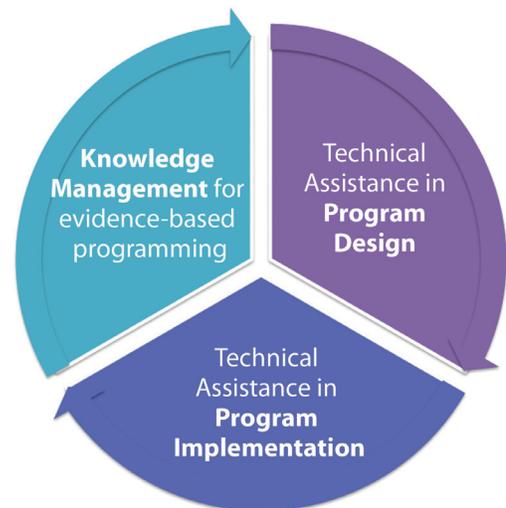


A FINCA client uses a solar home system to run a mobile phone charging business in Uganda. Photocredit: FINCA

SUPPORTING USAID MISSIONS AND OPERATING UNITS

As indicated above, FIELD-Support’s objective is to improve the state-of-the-practice of microfinance and microenterprise development through innovative, market-based approaches to sustainable economic development. FIELD-Support’s diverse portfolio of activities folks are designed to serve USAID Missions and other operating units in meeting their programming objectives relative to microenterprise development, thereby supporting the three elements of the development cycle:

- Providing technical assistance in program design;
- Providing technical assistance in program implementation;
- Knowledge management for evidence-based design and implementation.



1) Technical Assistance in Program Design

Since it launched in 2005, FIELD-Support has become prominent mechanism for USAID’s microenterprise development and microfinance programs. In addition to supporting the objectives of the Office for Microenterprise Development within EGAT, the FIELD-Support Leader continues to conduct program design assessments for USAID in Mission that support implementation of Mission’s activities going forward. In 2010, the Leader fielded such technical teams to Ukraine, Macedonia, Panama, and Rwanda:

- **Ukraine:** Launched in 2009, a team of experts from USAID and the FIELD-Support consortium completed an assessment for the USAID Mission in the Ukraine to assist the Office of Economic Growth better define and operationalize opportunities for agricultural assistance in the country. The team conducted an assessment of the agricultural sector and food industry for USAID/, exploring four key areas of potential programming: wholesale markets; sound, market-oriented policies; grain & oilseeds market development; and support for Crimean agricultural enterprises through access to finance. The purpose of the assessment was to characterize and investigate opportunities for USAID assistance and make recommendations for a strategy mix or direction for future assistance. The team found that agriculture is an important source of growth during crisis and smaller farmers in particular play a significant role. While there is no “silver bullet solution,” policy reform and strengthened financial systems would be necessary but not sufficient, and the grain and oilseeds market growth would be a strong pull factor. Therefore, the assessment recommended that USAID should push for diversification to strengthen farmer business models, which ultimately became part of the Mission’s next RFA.
- **Macedonia:** At the request of the USAID Mission in Macedonia, in March 2010 AED led a rapid study of the SME support structure in Macedonia. The study was undertaken by a six-person team of enterprise development professionals and carried out in close collaboration with USAID staff from both the Economic Growth and Education teams. The scope of work started with a field assessment, during which the team conducted an in-depth analysis of organizations that provide support to SMEs in Macedonia and identify opportunities for improvement of their performance. This analysis included existing business support organizations, consulting firms, incubators, and relevant government and donor programs. Second, based on these findings, the team assessed the relevance and validity of the already formulated objectives for a planned Entrepreneurship Project in Macedonia, and once the project objectives were validated, the team proposed a project design in pursuit of the overall purpose to create significant numbers of new jobs through microenterprise and SME start-ups and expansions.
- **Panama:** FIELD-Support mobilized an evaluation team to Panama to conduct an assessment of the microfinance sector in Panama in support of a new microfinance program for the Mission to increase the flow of commercially viable financial products and services to microenterprises and productive MSMEs in value chains, and to increase and broaden the participation of poor Panamanians in competitive value chains. The assessment was led by AED consultants Robert Vogel and Madeleine Gonzalez. The initial assessment was submitted in April 2010, and a revised report was submitted in June 2010.
- **Rwanda:** At the request of USAID/Rwanda, FIELD-Support mobilized a design team to develop a program description that included validation of USAID’s approach to integrating the provision of financial services, literacy and numeracy training, business development services, agricultural extension services, and health/nutrition education for the target population; addressed the supply of financial services; minimally addressed the policy environment, examining the extent to which GOR attitudes and policies toward informal financial institutions (savings clubs, tontines supported by CARE and other NGOs, etc.) and the GOR’s recent roll-out of Savings and Credit Cooperatives (SACCOs) might affect the success of the proposed program; and building on USAID/Rwanda’s recent analysis of the very poor, recommend geographic targets for the program.

2) Technical Assistance in Program Implementation

In addition to direct implementation through the dozens of field-based Associate Awards and pilot activities, two

of FIELD-Support's Associate Awards are specifically designed to provide targeted technical assistance to USAID Mission, operating units, and implementing partners:

- **Economic Strengthening and Food Security:** The Livelihood and Food Security Technical Assistance (LIFT) project funded by the USAID Global Health Bureau's Office of HIV/AIDS (OHA) supports the design and implementation of programs that strengthen the livelihoods of vulnerable households by linking food security interventions to sustainable, market-led economic activities. LIFT provides global leadership and country-level technical assistance and support services that leverage evidence-based activities, best practices, and innovative solutions. LIFT enhances investments in food security through strengthening livelihood support and working globally in countries with high prevalence of food insecurity and HIV/AIDS.
- **ICTs and Agricultural Development:** The FACET Associate Award is funded by USAID/AFR/SD/EGEA—the team that oversees the design and implementation of USAID's Global Hunger and Food Security Initiative (now named FTF) for sub-Saharan Africa. FACET works closely with USAID/EGAT and several USAID/Field Missions, as well as implementing partners, governments, and the private sector to provide technical assistance to better enhance the competitiveness and trade in the agriculture sector across Sub-Saharan Africa. FACET is designed to help USAID Missions and their projects build upon best practices, use cross-border solutions where appropriate, use ICT intelligently to meet or exceed ambitious goals in agriculture development and find sustainable and scalable ways to use ICT that do not rely on ongoing donor subsidies.

3) Knowledge Management for Evidence-based Design and Implementation

Completing the cycle, Knowledge Management (KM) is a disciplined process for capturing and disseminating knowledge that is generated through program implementation so that future programs designs are evidence-based and leverage the lessons that have been learned and best practices that have been proven through program implementation. The FIELD-Support Leader focuses on this critical component to directly enhance the state-of-the-practice for microenterprise development and microfinance.

In 2010, FIELD-Support's KM strategy focused on optimizing learning, recognizing that practitioners learn in real time, which means that they tend to absorb new information both proactively—through professional development opportunities—as well as reactively—during teachable moments as and when they encounter challenges during their work. To that end, the FIELD-Support KM approach, which builds on USAID's KM approach, is geared towards giving practitioners the tools they need to optimize learning by focusing on three key components:

- FIELD-Support activities are intended to test and refine effective methodologies for sustainable poverty reduction through microenterprise development and microfinance. Through the implementation of Associate Awards, Pilots, and Strategic Learning Initiatives (SLIs), practitioners **generate knowledge**. However, to be useful it is not enough for that knowledge to remain tacit or stove piped within the practitioner, project, or implementing organization. Key to this component, then, is documenting the methodologies, approaches, and findings that are used and modified.
- Once documented, it is important to **share knowledge** by disseminating and distributing key findings, lessons,

and methodologies that are developed under FIELD-Support—especially to target audiences: the practitioner community. To that end, FIELD-Support collaborates closely with USAID’s Knowledge Driven International Development Initiative, through the Knowledge Management for Microenterprise Development (KDMD) project.

- Through electronic publications, events, and trainings, the knowledge that is captured and documented by FIELD-Support’s activities is shared with the practitioner community, maximizing opportunities for the **acquisition and application of new learning** by NGOs, practitioners, donors, and beyond.

For the next two and a half years of implementation, FIELD-Support will continue to support this critical knowledge management agenda through consistent and targeted knowledge dissemination and by creating more dynamic opportunities for the exchange of strategic technical information that practitioners can use to ground their implementation plans. Project documents—for example, briefs, reports, handbooks, videos, podcasts, case studies, etc, are designed and disseminated to give development practitioners the tools they need to both learn about general approaches and methodologies as part of their professional development, as well as delve deeper to find answers to specific questions as and when they need it. By allowing practitioners to discuss their experiences while implementing new approaches and techniques facilitates a continuous loop of knowledge acquisition, sharing, and application.

About the FIELD-Support Consortium Partners

The FIELD-Support team, led by AED, comprises a pool of 10 core members and 17 resource organizations, all with proven track records in reducing poverty and promoting sustained, equitable growth. FIELD-Support works with each USAID Mission or operating unit to select the best team for each assignment, which may also include additional strategic partners or local organizations if more specialized expertise is required.

CORE ORGANIZATIONS:

The Academy for Education Development (AED)	www.aed.org
ACCION International	www.accion.org
ACDI/VOCA	www.acdivoca.org
Action for Enterprise	www.actionforenterprise.org
CARE	www.care.org
FINCA International	www.villagebaking.org
IRIS Center-University of Maryland	www.iris.umd.edu
Opportunity International	www.opportunity.org
Save the Children	www.savethechildren.org
World Council of Credit Unions	www.woccu.org

RESOURCE ORGANIZATIONS:

Alternative Credit Technologies	www.alternative-credit.com
Americas Association of Cooperative/Mutual Insurance Societies	www.aacmis.org
Cornell University-Base of the Pyramid Laboratory	www.johnson.cornell.edu
Development Training Services	www.onlinedts.com
Freedom from Hunger	www.freefromhunger.org
Georgetown Center for Intercultural Ed. & Development	cied.georgetown.edu
International Development Enterprise	www.ideorg.org
International Real Property Foundation	www.irpf.org
Mennonite Economic Development Associates	www.meda.org
Michigan State University-Agricultural Economics Department	www.aec.msu.edu
Microfinance Opportunities	www.microfinanceopportunities.org
Rainforest Alliance	www.rainforestalliance.org
Small Enterprise Education and Promotion (SEEP) Network	www.seepnetwork.org
Technoserve	www.technoserve.org
University of Michigan-William Davidson Institute	www.wdi.umich.edu
Women's World Banking	www.swwb.org
World Vision International	www.worldvision.org

Summary of FIELD-Support Activities

ASSOCIATE AWARDS in 2010:

FIELD-Support Associate Awards are multi-year cooperative agreements between USAID Missions or Operating Units and AED, and its implementing partners. They are linked together through the FIELD-Support Leader which provides general technical and operational oversight and supports knowledge generation and dissemination to ensure broad-based learning.

(Presented in alphabetical order)

Agricultural Policy Transition Support (APTS)

Implemented by: AED, Agrarian Markets Development Institute (AMDI)

Funded by: USAID/Ukraine

Duration: 9/1/2010 - 5/31/2011

Total Award Value: \$383,193

Building on the work done to date in Ukraine by USAID and other stakeholders, the Agricultural Policy Transition Support (APTS) project seeks to bridge some necessary gaps in agricultural development in Ukraine through locally-driven policy research and reform. AED is implementing APTS through the Agrarian Markets Development Institute (AMDI), a non-partisan Ukrainian think tank which was established in 2005 to engage the private sector, mobilize financial and regulatory reform, and more effectively engage civil society in the policy making process. This nine-month long project includes providing targeted assistance to AMDI support its long-term efforts to support Ukraine realize its untapped economic potential in the agriculture sector and therefore strengthen broader economic growth for the country.

Eastern Caribbean Youth Microenterprise Program (ECYMP)

Implemented by: AED, EcoVentures International (EVI)

Funded by: USAID/Dominican Republic

Duration: 5/6/2010 - 9/30/2011

Total Award Value: \$1,848,000

ECYMP is designed to accelerate the creation of sustainable livelihoods and self-employment opportunities for vulnerable youth (ages 10-24) by supporting both increased income-generating opportunities and the establishment of micro-businesses by and for youth in Barbados and 6 OECS countries. ECYMP will develop partnerships with local youth-serving organizations and the private sector; and apply proven evidence-based and market-driven approaches to support local institutions to design and deliver market-oriented youth entrepreneurship programs. ECYMP operates in: Barbados, Dominica, St. Vincent & Grenadines, Antigua & Barbuda, St. Lucia.

Expanded and Sustained Access to Financial Services (ESAF)

Implemented by: AED, WDI, Shorebank International (SBI), Save the Children, CARE, CHF International, SEEP, IRIS, MEDA, Making Cents

Funded by: USAID West Bank/Gaza

Duration: 9/2008 -10/2011

Total Award Value: \$36,299,966

The Expanded and Sustained Access to Financial Services program (ESAF) supports USAID in its efforts to build a more inclusive financial sector that increases the sustainable access to financial services for Palestinian households and MSMEs. Through a variety of interventions, ESAF is addressing identified weaknesses in the financial system at the consumer, institution, and enabling and regulatory environment level input. ESAF works with a range of local partners including Association of Banks of Palestine, Palestinian Insurance Federation; Sharakeh Law Council, REEF/Bisan (local MFI), Bank of Palestine, the Palestinian Monetary Authority (PMA), the Palestinian Capital Market Authority (PCMA), the Palestinian Ministry of Education, as well as more than 25 small- and medium-sized Palestinian businesses for in-kind, cost-shared procurement of production equipment agreements.

Fostering Agriculture Competitiveness Employing Information Communication Technologies (FACET)

Implemented by: AED, ACDI/VOCA

Funded by: USAID Sub-Saharan Africa

Duration: 10/2009 - 9/2011

Total Award Value: \$400,000

FACET will help USAID Sub-Saharan Africa Missions to improve competitiveness and productivity across the agriculture sub-sectors through the use of information and communication technologies. FACET is designed to provide expert technical support to USAID missions and their implementing partners. The project will develop analytical tools and provide technical support to assist development practitioners in the field on how to design and employ various kinds of ICT to upgrade agricultural value chains being supported by mission programs. The project will also establish a learning network to share results, detail what works, what doesn't and how to improve ICT applications in value chain development.

Generating Economic Development through Microfinance in Southern Sudan (GEMSS)

Implemented by: ACDI/VOCA, AED

Funded by: USAID Southern Sudan

Duration: 12/2008 -9/2011

Total Award Value: \$11,999,162

AED, in partnership with ACDI/VOCA, aims to support USAID in its effort to build the foundation of an inclusive financial sector in South Sudan that provides poor entrepreneurs and households with permanent access to a range of financial services delivered by a number of MFIs. It is the projects goal to give entrepreneurs access to financial services that will enable them to mitigate risk and invest in a variety of livelihood activities that will increase household income and employment, and thus, contribute to economic growth in South Sudan.

Haiti Integrated Finance for Value Chains and Enterprises (HIFIVE)

Implemented by: AED, World Council of Credit Unions (WOCCU), Technoserve

Funded by: USAID Haiti

Duration: 7/2009 -7/2012

Total Award Value: \$37,169,702

HIFIVE is a financial sector service project designed to encourage a dynamic Haitian economy by increasing the availability of financial products and services to its people and to its enterprises. A catalyst and a facilitator, HIFIVE will work primarily on the supply side of the financial sector to empower Haitians by providing access to innovative financial products and services with a focus on rural areas, targeting high potential value chains, encouraging Diaspora investments, supporting the use of technology while maximizing synergies with other USAID projects.

Lebanon Business Linkages Initiative (LBLI)

Implemented by: ACIDI/VOCA, AED, AFE

Funded by: USAID Lebanon

Duration: 8/2008 - 8/2010

Total Award Value: \$7,528,332

In support of achievement of USAID/Lebanon's goal of fostering growth and reducing poverty in rural Lebanon by building on previous activities in agribusiness, tourism and ICT, the LBLI is implemented through activities focused on expansion of market access in target supply chains; improvement of access to financial markets; elimination of restraints to industry and SME growth; and improvement of private sector capacity to drive economic growth. LBLI partners with private sector actors--especially Market Driver Firms (MDFs)--and supporting organizations to carry out program activities and achieve these objectives.

Livelihood and Food Security Technical Assistance (LIFT)

Implemented by: AED, CARE, SAVE

Funded by: USAID's Office of HIV/AIDS

Duration: 9/2009 - 9/2014

Total Award Value: \$4,136,862

LIFT is five-year project providing rapid technical support, in close collaboration with USG agencies and partners, on market-driven livelihoods strengthening for food and nutritional security in order to sustainably improve the economic circumstances of highly vulnerable households, including those infected or affected by HIV/AIDS.

PRODEL II - Local Business Development (LBD) in Ecuador

Implemented by: AED, ACIDI/VOCA, CARE

Funded by: USAID Ecuador

Duration: 11/2007 -9/2012

Total Award Value: \$16,093,000

This activity supports USAID in its efforts to promote the competitiveness of Ecuadorian enterprises along the southern and northern borders and create licit employment opportunities. The overall objective of the program is to increase income and employment for families along the southern and northern borders by supporting the expansion of private enterprises that will rapidly generate income and employment. PRODEL works with anchor firms to identify and analyze policy-related constraints and constructively contribute to municipal- level planning and decision-making to improve the local business climate; provides demand-driven assistance packages, including technical assistance, financing and targeted training, to stimulate and facilitate increased investments; and ensures inclusion of women, trains participating anchor firms to promote socially responsible practices, and makes environmental considerations an integral part of the design and execution of the program.

Public Private Partnerships Development for Ukraine (P3DP)

Implemented by: AED, WDI, IRIS Center

Funded by: USAID Ukraine

Duration: 9/30/2010 - 9/29/2015

Total Award Value: \$12,500,000

The goal of the Public-Private Partnership (P3DP) Development Program for Ukraine is to promote the use of public-private partnerships, with an expanded role of private sector finance and operational expertise in public infrastructure development, to improve infrastructure and public services in both urban and rural areas. The program is promoting the use of public-private partnerships through: 1) undertaking necessary legal and institutional reforms; 2) establishing a national public-private partnership unit to serve as a bridge between government and private sector interests; 3) undertaking a capacity building and stakeholder communications program; and 4) creating a project development facility to build and finance a sustainable pipeline of PPP projects.

Supporting Transformation by Reducing Insecurity & Vulnerability with Economic Strengthening (STRIVE)

Implemented by: AED, SAVE, MEDA, AFE, IRIS, ACDI/VOCA, CARE

Funded by: USAID Displaced Children and Orphans Fund (DCOF)

Duration: 9/2007 - 9/2012

Total Award Value: \$15,935,785

Through STRIVE, AED is working to demonstrate an effective means to strengthen the economic circumstances of highly vulnerable children and the families and communities that care for them. To achieve this, AED works in close collaboration with the Displaced Children and Orphans Fund (DCOF) and a team of leading child-focused organizations and economic strengthening organizations to partner on producing replicable methodologies for economic development that demonstrably benefit vulnerable children.

PILOT ACTIVITIES in 2010

FIELD-Support pilots are smaller-scale implementation activities funded through the FIELD-Support Leader that are designed to field-test development practices in order to improve microfinance and microenterprise development activities. Pilots are designed and led by consortium members and their local partners, with technical input from USAID and AED.

(in alphabetical order)

Consumer Protection Principles (SMART Campaign)

Implemented by: SEEP, ACCION

Country: Global

Led by the Center for Financial Inclusion at ACCION International and the SEEP Network, the SMART Campaign is engaging approximately 50 participants from microfinance networks around the world in a training of trainers for basic consumer protection principles as well as more in-depth protocols for conducting self-assessments. The activity is designed to equip regional and national microfinance networks to advance the implementation of the Client Protection Principles (CPPs) through a "Putting Principles into Practice (PPP)" and SMART assessor trainings.

Energy and Microfinance

Implemented by: FINCA

Country: Uganda,

In 2008, FINCA Uganda undertook a pilot project on micro-energy to finance to create access to Solar Home Systems (SHS) for FINCA's existing client base as well as new low-income customers. FINCA had attempted micro-energy lending prior to 2008, but had not been able to achieve significant customer uptake, despite indications of strong potential demand. Under this Energy and Microfinance Pilot, FINCA therefore conducted a market study and business planning activities to develop an innovative and more effective model for sales, financing, and delivery of renewable energy products to low income clients in rural areas.

Financing Water: Using Financial Systems to Improve Access to Irrigation and Markets in Rural Peru

Implemented by: CARE

Country: Peru

The Financing Water pilot activity, implemented by CARE, was designed to explore innovative ways to make technified irrigation more accessible to rural farmers in Peru which would both reduce waste and contribute to increased yields and productivity. Through development of strategic partnerships among producers, irrigation technology companies, local government, and microfinance institutions, the aim was to improve water usage, increase farmer incomes, and demonstrate opportunities for the local government to scale up similar initiatives. The pilot activity focused on the Department of Ayacucho, the second poorest in the country. CARE Peru, which has operated in the country since 1970, found that access to water represents the principle barrier to improved productivity across all of these activities, and worked to identify the right mix of stakeholders to engage in the pilot.

Graduating the Poorest into Microfinance: Linking Safety Nets w/ Financial Services

Implemented by: IPA

Country: Ethiopia

Based on the CGAP/Ford Foundation global initiative that combines safety net programs with entrepreneurial activities to develop a graduation model for the poorest households, Innovations for Poverty Action (IPA), in collaboration with USAID, the Consultative Group to Assist the Poor (CGAP), and the BRAC Development Institute, is testing a methodology for reaching the most vulnerable households in Ethiopia. Through FIELD-Support, IPA is conducting an assessment of the impact of the graduation model in Ethiopia. The assessment is designed to determine the social and economic impact on targeted households of the intervention, including changes in income, assets, school attendance of children, health and food security. In addition, the study will provide some evidence regarding the viability of "graduating" the ultra poor to food security, and potentially traditional microfinance.

Market Development Working Group: Economic Recovery after Crisis

Implemented by: SEEP Network

Country: Global

This activity brought together practitioners from relief and development agencies working in enterprise development and financial services, including nonprofit institutions and private contracting organizations, to develop a set of guidelines for practitioners operating in the "relief to development continuum" in post-conflict, conflict, natural

disaster and other crisis settings. The final product is the “Minimum Standards for Economic Recovery After Crisis,” a practitioner toolkit that is publicly available through SEEP.

Migrant-backed Loans: Mobilizing Remittances for Enterprise Finance

Implemented by: WDI

Country: Guatemala

WDI partnered with the Microfinance International Corporation (MFIC) and ACREDICOM to design, test and market a migrant-backed loan product that targeted Guatemalan migrants residing in the United States. Through this project, migrants had a portion of their remittances deposited into a personal savings account, and they were able to use portions of the account as collateral, which MFIC and ACREDICOM then lent to borrowers as identified by the migrant and approved by the bank. WDI designed and tested an innovative financial facility that allows migrants in the United States to act as guarantors for micro and small enterprise loans in Guatemala.

Microfinance Energy Links

Implemented by: ACCION

Country: Uganda, Mali

ACCION’s Energy Links project was designed to engage local partners to develop test, refine, document and publicize holistic integrated approaches to financing and marketing clean energy products to large numbers of people in developing countries. The pilot focused on brokering partnerships among suppliers, sources of finance, and distribution networks in order to help partners work together to attain massive outreach through bottom-of-the-pyramid solutions.

Regional Training of USAID Poverty Assessment Tools

Implemented by: IRIS Center

Country: Global

The lack of widely applicable, low-cost tools for poverty assessment makes it difficult for USAID to determine whether it is meeting mandated targets that half of all USAID microenterprise funds benefit the very poor. In 2003, USAID/EGAT/MD contracted IRIS to develop, test and disseminate poverty assessment tools that meet Congressional requirements for accuracy and practicality. Under this pilot, a number of Training of Trainers workshops (TOTs) are being offered to those implementing USAID funded microenterprise programs. The participants of the TOTs will then be available to train local organizations in their home countries on the use of the poverty assessment tools.

STRATEGIC LEARNING INITIATIVES in 2010:

Strategic Learning Initiatives (SLIs) are specialized studies and research activities by FIELD-Support’s core partners and are designed with a strong learning focus to enhance the state-of-the-practice both internally for the implementing organization as well as externally to the development community at large. Most SLIs aim to assess, evaluate and document best practices in microenterprise development and microfinance for more innovative, market-driven poverty reduction.

(Presented in alphabetical order)

ACCION: Energy Links – Energy Sector Deepening Initiative

For their SLI, ACCION sought to map the household energy sector in Tanzania, both from the consumer side and from the supply side, and creating a detailed picture of the potential connections between these two sectors. The study included consultation and information sharing among participants in the pro-poor energy and microfinance sectors to lay the groundwork for an energy deepening initiative, i.e. a comprehensive national strategy for involving financial institutions in supporting pro-poor renewable energy. Building on the first phase of Energy Links, this activity replicated the proven approach of the project as a broker to facilitate cooperation between energy suppliers and MFIs while expanding its target: instead of focusing on a single product, it aimed at being comprehensive and providing learning on all existing technologies and devices, as well as linkages with a wide range of energy and finance providers.

ACDI/VOCA: Increasing Awareness of Gender Issues in Value Chain Development

Focusing on gender issues in enterprise development, ACDI/VOCA is field-testing a framework for including gender analysis as an integral part of value chain analysis. The team is building on work completed under USAID's Greater Access to Trade Expansion (GATE) project as well research by the International Labor Organization, the UK's Institute of Development Studies, the Danish Institute for International Studies and others. The framework is to be tested in two different project locations in order to refine the tool, identify best practices and generate lessons learned—in addition to contributing to the effectiveness of the programs in the two locations.

ACDI/VOCA: Value Chain Finance Analysis and Financial Product guides

ACDI/VOCA is also developing and field testing tools for practitioners for assessing financial service needs in priority value chains. Often designers ask how to expand lending to the small farmers or other small firms within the chain, assuming automatically that this is a constraint to value chain development. In addition, an expandable set of two-to-three-page “product guides” of value chain finance products, services and alliances to be used by project staff in conjunction with a value chain finance analysis and needs assessment exercise will be developed. This framework can be expanded as material on new pilots and applications are identified and will be tied to project learning as it can be used during project design and implementation but also integrated into training and ongoing organizational learning processes.

AFE: Facilitation Working Group Phase II

This SLI is for a continuation of the FIELD Facilitation Working Group, an initiative to capture and share the knowledge of FIELD-Support LWA consortium members on effective facilitation in enterprise development, particularly in the context of dealing with lead firms. Building on the efforts to date, the activity is pursuing the continuation of further cycles with the working group (including how working with “lead firms” can have a systemic impact on value chains), conduct a conference entitled “Working With Lead Firms” next year and put together a publication to share the model with the wider development community.

CARE: Capacity Building for CARE Staff on Implementation of Value Chain Programs

CARE, in collaboration with current partner MEDA, is developing a process for CARE's field-based staff to better implement market facilitation. Leveraging field staff who are experienced in the approach to mentor CARE colleagues, by the initiative's end, CARE will have a cadre of experienced mentors, equipped with a system and tools that enable

them to take the market development approach to scale within CARE. The larger industry will also benefit from this initiative, as CARE and MEDA will document the approach undertaken and the resources developed and share these through a case study of the experience. The activity will closely coordinate on this effort with other New Partners in Value Chain Development grantees of USAID, sharing experiences and as applicable presenting findings as appropriate.

FINCA: Linkages between Food Security and Microfinance

FINCA launched a study to establish the effects of FINCA's financial services (village banking and agricultural and rural loans, savings and insurance) on rural and urban clients' risk for food insecurity. For this study, FINCA focused its research on two of its affiliates: Guatemala and Zambia. The study is exploring the relationship between microfinance lending and food security, in order to assess the viability of incorporating a microfinance element into food security strategies and programs.

IRIS Center: Achieving Food Security through Water Security – Evidence from Kenya

IRIS Center conducted a research activity to study the food security effects of improving access to water through a community-based project in Kenya, the Kitui Development Centre (KDC), which started in 2007 and is now a community-run and -owned, fee-based water system which has become self-sustaining, with no additional donor funding required for operations. The study seeks to understand the effects of the water project on improving food security through increased agricultural production and households' purchasing power of food as well as other factors, such as the fact that the water project contributes to a reduction in loss of productive time due to transactions costs to access water from alternate sources and due to waterborne illnesses.

Opportunity International: Smallholder and Rural Household Agriculture Study

Opportunity International is testing a rural and agriculture strategy to help smallholder farmers and rural households improve crop productivity and increase household income. As part of this initiative, Opportunity will evaluate the effectiveness of strategic partnerships with extension service providers for the agriculture sector, including the impact that these services have on clients. Key questions to be addressed include:

- What is the effectiveness of strategic partnerships between microfinance institutions or banks and extension service providers in delivering complementary services to rural and agriculture households? What are the challenges? What are important steps to be taking in forming these partnerships?
- What is the impact of these strategic partnerships on farmer households? Has crop productivity increased? Have household incomes increased?
- How do key value chain interventions mitigate risk and support the extension of financial services into rural areas and into the agriculture sector?
- What are the critical success factors to delivering financial services in rural areas and to agriculturally-dependent households?

Save the Children: Developing Education & Awareness Tools for Microhealth Insurance in Nepal

Save the Children and its partners are developing a suite of education/awareness materials for use in micro health insurance programs. These materials, built on education/awareness concepts valid across different settings, are being

field-tested in Nepal, where the partners are embarking on a three-year pilot testing of a menu of health insurance with 15,000 families in two rural districts. While they will directly contribute to the success of the Nepal program, the proposed materials will be designed with global practitioners in mind. The program will also add to Save the Children's portfolio of materials about insurance, one of its expected growth areas.

WOCCU: Exploring the Potential of Online Matched Savings Programs to Bring the Unbanked Poor into the Financial Sector

In October 2008, WOCCU created the Match Savings program and corresponding website (www.matchsavings.org), through which individuals can match the deposits of poor people beginning saving for the first time in a regulated financial institution. Initial results from WOCCU's pilot phase indicate that the Match Savings program is successfully bringing unbanked poor into the formal financial sector through savings. Online communities have proven to be effective vehicles for raising funds and WOCCU is working with public relations and IT specialists to train WOCCU's staff on developing new online marketing strategies, increasing efficiencies and documenting implementation for the Match Savings program.