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QUARTERLY PROGRESS REPORT NO. 5

September 15 to December 14, 1993

**IQC for Worldwide Technical Assistance
in Private Enterprise**

**Contract No. PCE-0001-I-00-2051-00
Project No. 940-0001**

**Prepared for:
Office of Emerging Markets
Bureau for Private Enterprise
U.S. Agency for International Development**

**Prepared by:
Chemonics International**



January 14, 1994

Chemonics Consortium
Quarterly Progress Report
September 15, 1993 to December 14, 1993
Indefinite Quantity Contract (IQC) for
Worldwide Technical Assistance in Private Enterprise

Summary

The Chemonics Consortium did not receive any requests for services during this reporting period. As of December 14, 1993, the Chemonics Consortium had been selected to provide technical assistance services in 16 of the 26 instances when a decision has been made regarding services to be provided (see Annex A). To date, this has resulted in the negotiation of 12 delivery orders (DOs); four delivery orders were not negotiated due to various reasons, explained below. Of the remaining five activities, two are still pending decision, while three have been dropped due to lack of Mission follow-on.

The Consortium conducted field work for three DOs during this reporting period: continued field work in Zambia (DO No. 4); completed field work in El Salvador (DO No. 5), and initiated and completed field work in Kenya (DO No. 13). As of the end of this reporting period, eight DOs had been completed (i.e., final report submitted and officially distributed): Jamaica (DO No. 1), Nicaragua (DO No. 2), Egypt (DO No. 3), Burundi (DO No. 6), Uganda (DO No. 7), Cape Verde (DO No. 9), Indonesia (DO No. 10), and Jordan (DO No. 11). One DO, No. 8, was assigned but not negotiated due to problems in negotiations. One DO (Honduras, No. 14) was negotiated but is not effective until December 27, 1993. DO No. 12 was never assigned. No new DOs are pending negotiation at this time.

A. Activities Conducted

A1. Consortium Management

Chemonics is the management entity for this contract. It continues to monitor the implementation procedures to ensure smooth interaction with AID in executing DOs, to divide equitably and functionally the work among the various subcontractors in the consortium, and to bear the overall responsibility for quality control. Status reports are prepared periodically, more frequently when activities merit. Monthly DO progress and financial reports are prepared, as required by the contract. An evaluation email or fax, assessing the PRE IQC process, the contractor's performance, the team's performance, and the quality and caliber of the deliverable, was designed and is now being transmitted by the PRE Bureau to Missions upon receipt of the final product. Ongoing monitoring of DO proposals has been conducted to ensure prompt, high-quality responses to requests for services.

A2. Information Dissemination

A detailed PRE/IQC fact sheet is attached to all proposals submitted for consideration by a requesting entity. The PRE/EM Bureau has developed its own fact sheet and/or instruction information for Missions, based on Chemonics' fact sheet. It is evident that this information dissemination has greatly improved Mission use of the PRE IQC, particularly in regard to the designation of functional labor categories.

A3. Subcontractors

A very collaborative approach is being pursued with the Consortium members by Chemonics, the prime contractor. To date, all Consortium members, with the exception of MSI, have received some work under this IQC.

B. Accomplishments During Reporting Period

Eleven of the Consortium's twelve DOs were managed during this reporting period, each one in different stages of implementation and completion. One DO (Nicaragua, DO No. 2) was completed prior to this reporting period. Activities conducted on each of the active DOs, and ongoing activities in response to inquiries previously received, are reported on below.

B1. DOs

B1a. DO No 1: USAID/Jamaica: Midterm Evaluation of the Export Development and Investment Program (EDIP)

This DO has been completed. The total level of effort provided was 112 working days. The activity was executed within budget. One extension of the estimated completion date was required due to the delay in receipt of Mission comments. The final invoice has been processed and paid. An evaluation cable on the contractors' performance was received, indicating that the Mission was pleased with the team's performance, the management of the IQC, and PRE/EM's responsiveness.

B1b. DO No. 3: USAID/Cairo (Egypt): Assessment of the Potential for Liberalization and Privatization of the Egypt Cotton Textile Subsector

The final report for this DO was officially distributed September 20, 1993, following the revision of one paragraph in the text on cotton prices, a very sensitive issue to the Mission. The revised paragraph was approved by the Mission on September 9, 1993. The Mission greatly appreciated the extraordinary effort made by the team leader to respond to the Mission's concerns. The total level of effort provided was 697.5 working days. The DO was executed on budget and within the original time period. An evaluation cable has been

received, indicating Mission's satisfaction with the team's performance, in particular the team leader. The final invoice has been paid and there are no other pending issues.

B1c. DO No. 4: USAID/Zambia: Short-term Technical Assistance to the Zambia Privatization Support Project

The effective dates of this DO were April 14 through September 17, 1993. The DO was amended September 21, 1993 to: (1) increase the number of work days ordered and associated other direct costs; (2) extend the estimated completion date from September 17, 1993 to December 31, 1993; and (3) to increase the ceiling price.

The objective of this DO is to supply four senior privatization specialists as short-term consultants to the Zambia Privatization Agency (ZPA) in the bridge period between two long-term institutional contracts. The team, managed by Deloitte & Touche, is responsible for the following four tasks:

1. Participate in the completion of sales of companies in Tranche 1.
2. Collect and analyze information for Tranche 2 companies, including assessment of strategies for divestiture and potential sales values.
3. Design the methodology and prepare the first public flotation, assessing impact.
4. Develop a national and international publicity and marketing campaign to assist in the sales of parastatal companies.

The team was fielded April 21, 1993. As of December 14, 1993, 18 bi-weekly reports have been submitted. Three of the four team members: the team leader/business analyst, the business analyst, and the public relations specialist, completed their assignments by October 18, 1993. The only remaining team member in field providing services is the public flotation specialist, who is scheduled to complete his assignment on December 21, 1993.

The activities conducted under this DO can be summarized as follows:

Task 1: Help complete sales of companies in Tranche 1

The team had no input into achieving this task; instead the task was delegated by the ZPA to the Price Waterhouse-supported team.

Task 2: Collect and analyze information for Tranche 2 companies, including assessment of strategies for divestiture and potential sales values.

The team designed a standard questionnaire for data collection, which was used to collect or update data on 17 companies in Tranche 2. For 12 companies, the team reviewed privatization studies undertaken to assess strategies for divestiture and to prepare the

companies for sale. Actual divestiture strategies were developed for six companies. Memoranda of sales for eight companies were prepared or updated. Potential company values and asset values for 11 companies were assessed. Six companies were advertised for sale; three reached the stage where negotiations for sales were conducted. Negotiations were concluded in the case of one company.

Task 3: Design the methodology and prepare the first public flotation, assessing impact.

A flotation action plan, describing the proposed timetable and listing tasks required to complete the first public flotation, was prepared. Roles and responsibilities for all Zambian financial institutions involved in the process were identified, and liaison networks established. Assistance was provided to the World Bank-funded stock exchange team, providing inputs to the new Securities Act, Stock Exchange rules and regulations, prospectus design, etc. A public prospectus was drafted for one company based on the rules outlined in the new Securities Act. Terms of reference and a budget for printing 100,000 copies of the prospectus were drafted and contracted for. Indications of interest to market the proposed prospectus were solicited and received from 12 financial institutions. A flotation team, with members from the legal, marketing, planning, and development departments of ZPA, was formed. Several articles were prepared and published by the Zambian press for the purpose of educating the Zambian public about public flotations and their role in the privatization process. Negotiations with minority shareholders to facilitate the first public flotation were held. Two banks were approached to provide financial services (bank office work) for the first public flotation. Negotiations were concluded and a signed agreement of sale of shares of one of Zambia's largest industrial companies was completed. This agreement called for a 30 percent public flotation in the first half of 1994.

Task 4: Commence the development of both a national and international publicity and marketing campaign to assist in the sales of parastatal companies.

A weekly question and answer column in a leading Zambian newspaper was designed and implemented for the purpose of increasing public awareness about the privatization program in Zambia. Various educational brochures on the privatization program in Zambia were drafted. Terms of reference for a radio program in Zambia were drafted. Press releases to announce various bench marks in the privatization of several companies were prepared and issued, as were press releases to counter various allegations on the privatization program. An evaluation of other publicity and media strategies to assist in publicizing the Zambia privatization program was conducted.

All of the above activities were deemed critical in assisting the ZPA to continue its privatization program and to meet the goals of Zambia's structural adjustment program.

The total LOE for this assignment, as amended, is 559 working days. A final summary report, outlining accomplishments, activities, work methodology, training, comments, and recommendations, will be prepared at the end of the assignment.

B1d. DO No. 5: USAID/El Salvador: Midterm Evaluation of the Microenterprise Development Project

The effective dates of the DO were May 12 through September 10, 1993, amended to November 10, 1993.

The objective of this DO was to provide a three person team to conduct the midterm evaluation of the Microenterprise Development (FINCA) Project for USAID/El Salvador. The purpose of the evaluation was two-fold: (1) to assess progress to date under the project; and (2) to look at the current implementation of the village bank model by surveying other AID-funded organizations currently implementing this project in El Salvador. Among the issues being evaluated were: basic project design elements; financial self-sufficiency; institutional effectiveness and role of counterparts; effectiveness and relevance of training provided; financial and management procedures; managerial and administrative capabilities and systems; women in development; and relationship to USAID/El Salvador program objectives. The team consisted of a team leader/senior business development specialist, a senior financial markets specialist, and a staff financial markets specialist. A local subcontractor was hired to assist in the survey design, implementation, and analysis.

The work plan for the DO was divided into two distinct stages: Stage 1 involved the design and implementation of the impact survey, and comprised four activities—document review/survey preparation, survey design and testing, survey implementation and analysis, and survey report write-up. Stage 1 was conducted May 24 through July 17, 1993. USAID/El Salvador was given two weeks (July 17-30) to review the survey report. Stage 2 involved the actual evaluation of the project and consisted of three activities—preparation of evaluation materials, project evaluation, and debrief on assignment/final report preparation.

Stage 2 was conducted August 9 through September 10. The team found that while FINCA's field work had been impressive, its organizational contribution to CAM had been marginal. Further, the low level of funding from non-AID sources as compared to the overall budget places the project in a precarious position. FINCA had been lobbying AID for a large grant to duplicate the El Salvador project worldwide. The El Salvador Mission and AID/Washington are concerned with certain aspects of the current project, and are not yet convinced that the lending model is fully developed and therefore ready for replication worldwide. The team was in general agreement with the Mission.

A draft evaluation report substantiating the above findings was submitted to the Mission August 23-27. A final presentation of the report was made on September 7 and the team departed on September 8. The team leader, Mr. Ganuza, traveled to Washington, D.C.

to participate in presentations to AID and FINCA. On September 10, a meeting was held with FINCA staff. During that meeting it was agreed that FINCA could submit recommendations to "fine tune" the language of the final evaluation. These recommendations were incorporated as deemed appropriate. On the afternoon of September 10, a meeting was held with AID/Washington to discuss the results.

The draft report was accepted by the Mission, and final comments were received in mid-October. The final evaluation report was officially distributed, in both English and Spanish, on November 12, 1993. The only pending matters are the submission of a final invoice and the receipt of the evaluation cable. The total LOE for this project was 113 working days.

B1e. DO No. 6: USAID/Burundi: PID/PAIP Design for Burundi Agricultural Enterprise Support Project

This DO has been completed. The total level of effort provided was 89 working days. The activity was executed below budget and within the specified time frame. The final invoice has been submitted and paid; the only pending matter is the receipt of the evaluation cable.

B1f. DO No. 7: USAID/Uganda: Preparation of substantive sections of a Project Paper (PP) for the Investment in Developing Export Agriculture (IDEA) Project

This DO has been completed. The total LOE provided was 167 working days. The activity was executed within budget and specified time period. The final invoice has been submitted and paid; the evaluation cable has been received.

B1g. DO No. 8: USAID/Bolivia: Midterm Evaluation of the Industrial Transition (INTRA) Project

This activity was marketed and generated by Socimer, a Chemonics Consortium member. A scope of work was received through PRE/EM from the Mission on January 26, 1993. The objective of the activity was to conduct a midterm evaluation of the INTRA project by assessing its progress towards the overall project goal of promoting Bolivia's economic growth through a more rational and efficient allocation of resources.

A proposal to conduct the assignment was prepared by Socimer and submitted to the Mission on February 2, 1993. The PIO/T was received on March 29. A DO number (No. 8) was assigned to this activity, and Chemonics was requested to prepare a DO proposal on May 12; it was submitted on May 13. The DO was not successfully negotiated, primarily due to differing interpretations of how to cost third-country national individuals. The

Mission decided to postpone the activity until September 1993, primarily because national elections were scheduled for early June 1993.

During August, renewed conversations were held with the Mission to discuss the activity and possible team members. On August 20, 1993, a revised proposal was submitted to USAID/Bolivia for their consideration. In late September, the Mission decided to postpone this activity indefinitely. No further action is being taken at this time.

B1h. DO No. 9: USAID/Cape Verde: Assessment of the Organizational and Development Needs of the Private Sector in Cape Verde

The effective dates of this DO were June 14 through September 30, 1993. The objective of the DO was to provide a two-person team to conduct an assessment of the needs, potentials, and limitations for the development of the private sector in Cape Verde, with special emphasis on the organization and development of the formal sector. Based on the outcome of the assessment, the team prepared recommendations and subsequent steps, including an action plan of specific options to serve as a guide to the USAID Mission as they determine how best to support private sector development in Cape Verde.

Carana marketed and generated this DO and managed its implementation. The team, consisting of two senior sectoral development specialists, began work June 17, 1993, reviewing documentation and preparing a detailed work plan. The team traveled to Cape Verde on June 22, and worked in country through July 20. The team conducted a total of 63 structured interviews in Praia and the commercial center of Mindelo. They interviewed business owners and public sector officials in order to determine the needs, potential, and limitations of private sector development, with special emphasis given to the organization and development of the formal sector. Studies prepared by AID, the World Bank, the UNDP, and the Government of Cape Verde, among others, were reviewed and analyzed.

The impact of recent government reforms were assessed with regard to the macroeconomic, political, and social context. The strengths and weaknesses of existing private sector organizations were evaluated, and recommendations to enhance private sector development through business organizations and government support programs were developed. Financial and credit needs through existing and anticipated financial structures were identified. Other resources and support needs were determined, such as special programs and projects, training, infrastructure development, and foreign direct investment. As a final activity, the team developed an action plan for USAID and a strategy for private sector development.

A draft version of the final report was presented to the Mission on July 19 and initial comments were received prior to the teams departure on July 20. Comments and final data were compiled into a second version of the report, which was emailed to the Mission on July 28, 1993. The team leader was asked to conduct an informal survey of selected members of

the Cape Verdean expatriate community located in the northeast corridor of the United States to solicit their opinion regarding private sector development in Cape Verde, and to measure their potential interest as a source of direct investment in the country. This survey was conducted during the month of August and its findings were incorporated into the final report.

On September 23, the DO estimated completion date was extended by 30 days to October 30, 1993 to allow sufficient time to receive Mission comments. Mission comments on the draft report were finally transmitted to Carana on October 20, while the team leader, Mr. Landmann, was on a follow-on assignment in Cape Verde. The revised final report was submitted to Chemonics for editing and packaging on November 12. Chemonics edited the report and sent it via e-mail to the Mission on November 23; six copies were couriered that same day. The final report was officially distributed November 23, 1993.

A problem did arise due to the delay in receipt of Mission comments on the final report. One 30-day, no-cost extension of the estimated completion date, from September 30 to October 31, 1993, was approved by the Mission. Any additional extension to the DO had to be approved by USAID/Washington Contracting Office. Although Carana and Chemonics worked with the Mission to secure this additional extension, it was not granted by the Contract Office. As a result, the complete scope of work for this assignment, in particular the translation of the final report to Continental Portuguese and the production of twenty copies of the report, will not be complied with, since expenditures for these items will not be allowed. The Mission has been informed and is making alternative arrangements.

The only pending matters in regard to this DO are the submission of the final invoice and the transmission and receipt of the evaluation cable. The total LOE provided was 66 working days.

B1i. DO No. 10: USAID/Indonesia: Midterm Evaluation of the Financial Markets Project

The effective dates of this DO were June 11 through August 27, 1993. Due to the added work required to complete this assignment, a no-cost 30 day extension of the estimated completion date of the DO was requested and approved by USAID/Indonesia; the amended estimated completion date was September 27, 1993.

The objective of this DO was to conduct a midterm evaluation of USAID/Indonesia's Financial Markets project, providing the Mission and the Government of Indonesia with both a detailed assessment of project implementation and progress achieved to date, as well as an evaluation of the overall impact of the project on the development of Indonesia's financial markets and state-owned enterprise privatization and/or restructuring program. This evaluation provided the Mission with recommendations for future project activities.

A five-person (three expatriate, two local) team was provided to conduct this assignment, consisting of a team leader/senior financial markets specialist, a senior financial markets specialist, a senior privatization specialist, a local financial market researcher, and a local training evaluation specialist. Two members of the expatriate team began work on June 11, 1993, conducting the informational interviews in Washington with the World Bank, the PRE Bureau, the International Development Management Center (IDMC), and the Financial Markets Project (FMP) contract personnel. The objective of these interviews was to gather viewpoints on developments in Indonesia's financial markets and project activities.

The expatriate team began work in Jakarta on June 18. Following an initial working meeting with USAID/Indonesia, the expatriate team developed an evaluation work plan, and began conducting interviews and data gathering. A slight delay occurred in the project's implementation because the individuals originally identified to serve as the two local hire specialists were not available when the team leader arrived in Jakarta. The team leader actively recruited for the two slots, and two excellent replacement candidates were identified, interviewed by the Mission and the Government, and hired. The full team was working together as of approximately June 30, 1993.

The team conducted extensive and varied interviews and gathered data for the evaluation. Many meetings were held to discuss the management and outputs of the project to date and the primary problems areas identified by the evaluation team. The extent and sensitivity of these issues did delay the writing of the report. As a result, only a first, rough draft of the report was ready for presentation to USAID on July 20. It was refined and re-submitted during a final briefing to USAID on July 23, but still in rough form. The team departed on July 24, 1993.

The Mission decided to distribute the document for comments to appropriate Government agencies on July 26. These comments were received during the first week of August and indicated that although the evaluation report had produced many valuable and insightful recommendations, its quality was uneven, was too long and poorly organized, and required additional information in certain sections. The team was requested to produce a concise and readable final document. Extensive revisions to the document were made by the respective team members and a Chemonics' editor; a second version was sent to the Mission on August 20, 1993. Final comments on the second version of the evaluation report were received September 2, 1993. Again, while many of the basic project recommendations made by the evaluation team were deemed sound and in some cases already being pursued by the Mission, the report was still deemed to be of poor quality in certain sections, in particular the training evaluation section. Given this situation, Chemonics decided to take the extraordinary step of sending a home-office person to Jakarta to gather the missing data and to complete the report to ensure that it met Chemonics' professional standards and the Mission's needs.

Permission was requested and received from the Mission to send a home-office technical writer and editor, Jonathan Simon, to Indonesia to gather missing data and to complete the report to ensure that it met Chemonics standards and the Mission's needs. Mr. Simon traveled to Indonesia on September 17, arriving September 19. He had three main tasks: (1) to incorporate the extensive comments and revisions from evaluation team members and USAID officials concerning earlier evaluation drafts; (2) to redo the assessment of FMP's training component; and (3) to edit and produce the final evaluation report, which would be left with the Mission prior to his departure. In regard to the first task, Mr. Simon conducted several rounds of meetings with USAID/Indonesia, clarifying comments and faxes received from the team in response to comments submitted by the Mission, counterpart organizations, and the project contractors. Several sections of the evaluation report were reorganized to ensure that the information was presented clearly and in a coherent order. The most extensive revisions were to the logical framework analysis, which was rewritten, using the purposes and objectives from the project paper and amendment.

In regard to the evaluation of the FMP training activities, Mr. Simon reviewed all relevant project documents and interviewed trainees and officials in each of the target groups: the Capital Markets Supervisory Agency (Ministry of Finance), Jakarta Stock Exchange, private sector securities firms, and financial markets training and accreditation organizations. To ensure workable results, he developed a standard set of questions concerning overseas and in-country training activities. Based on these interviews, he developed a comprehensive assessment of this project component.

The final task involved several edits of the full report to ensure quality control, and production of the final document. The final report was presented to the Mission on October 8, 1993. Mr. Simon departed Indonesia on October 9, 1993. On October 26, 1993, Chemonics received an unsolicited fax from the Mission, commending Mr. Simon on his work, and Chemonics' extraordinary effort to produce, in the end, a valuable document meeting the Mission's needs.

The only pending matters in regard to this DO is the submission of the final invoice and the receipt of the evaluation cable. The total LOE provided was 150 working days.

Blj. DO No. 11: USAID/Jordan: Tourism Marketing Study

The effective dates of this DO were July 22 through September 6, 1993. Due to the delay in receipt of Mission comments, the estimated completion date was extended days to October 6, 1993.

The objective of this DO was to provide one specialist, a senior trade and investment promotion specialist, to prepare a tourism marketing feasibility study for USAID/Jordan. The specialist analyzed Jordan's tourism resource attraction potential; international tourism

market and competitive position; current tourism marketing practices; and current institutional arrangements. The specialist worked directly with the USAID Project Paper team members and other designated officials.

Following a pre-departure orientation, the specialist traveled to the field on July 24 to conduct the assignment. An initial working meeting was held with USAID/Jordan upon the specialist's arrival in country. Interviews with key players in the public and private sector tourism industry were conducted during the first working week (July 25-29). The second working week (July 31-August 10) was spent in conducting field visits to selected sites to continue gathering data. The third working week (August 11-15) was spent in completing information meetings and in the preparation of a marketing strategy and implementation plan. The draft document was submitted to the Mission for review and comments on August 16, and a formal debriefing was held August 17. The specialist returned to the United States on August 18, 1993. The specialist finalized the draft report and submitted it to Chemonics on August 28. An informal debriefing on the project was also held with Chemonics' management team on that date.

Mission comments were received on September 13. They consisted primarily of a request for an executive summary to the report; the Mission was extremely satisfied with the report and its contents, and the performance of the specialist. Mr. Lloyd prepared the executive summary upon his return from another assignment on September 20. The final report was officially distributed September 29, 1993.

The only pending matters in regard to this DO is the submission of the final invoice and the receipt of the evaluation cable. The total LOE provided was 24.25 working days.

B1k. DO No. 13: Evaluation of the Equity Capital Component of the Trust for Enterprise Development, USAID/Kenya

The effective dates of this DO were September 23 through December 10, 1993. Due to the delay in transmission of the final report, the estimated completion date was extended 30 days to January 10, 1994.

The objective of this DO is to provide a team to conduct an independent evaluation of the Equity Capital Component being implemented through the "Kenya Trust for Enterprise Development" to review project effectiveness, impact, and to provide lessons that will assist in the design of a new project. The purpose of the evaluation is to provide USAID/Kenya with an independent assessment of the progress made so far in meeting the objectives of the project, in particular setting up and funding the respective institutions under the Trust. In addition the evaluation will assist USAID/Kenya in determining its future funding of equity capital in Kenya.

Socimer International and Deloitte & Touche, two members of the Chemonics Consortium, are fielding the selected team members, a senior and staff financial markets specialist. Socimer International is providing the day-to-day management of this activity.

The team began working as soon as the DO became effective, September 27, 1993. Initial activities centered on reviewing Mission-provided documentation, and drafting a detailed evaluation work plan; this work plan was sent to the Mission on October 5. Country clearance for the team was received October 6. The team traveled October 11 and arrived in country the morning of October 13. Their first working meeting with the Mission was held that same day, at which time the evaluation work plan was approved and the evaluation questionnaire refined and approved. For the rest of the first week, document and institutional reviews were conducted; interviews with recipients of assistance from the project were initiated the week of October 18 and continued through October 30, including in Mombasa. The team presented a detailed debriefing of their findings, recommendations, and conclusions prior to the departure of the team leader, Mr. Macy, on November 2. The other team member, Ravi Ruparel, stayed through November 9 to complete the financial analysis of the various recipient companies.

The partial draft report was sent to the Mission on November 23, 1993; a complete version of the report was sent both via fax and courier on November 30, 1993. As of December 14, 1993, final comments to the report are still pending. In the approval of the no-cost, 30-day extension, the Mission did indicate that additional work by the evaluation team might be required prior to the conclusion of this DO.

B2. Active Inquiries

B2a. USAID/Honduras: Training Program for the Central Bank (Inquiry No. 12)

A brief scope of work was received from PRE/EM on January 25, 1993. USAID/Honduras required the services of a qualified training specialist to assist the Central Bank of Honduras and the Superintendency of Banks and Insurance in developing a comprehensive training program for their staff as part of a career development program. Representative resumes from the consortium were submitted to the Mission on January 29, 1993.

On April 19, the Mission informed PRE/EM that it was still interested in developing this activity, and a revised scope of work was forthcoming. On June 1, Chemonics discussed the activity with USAID/Honduras, at which time the Mission indicated it was seeking a three-person team to assist the Central Bank of Honduras in revising/updating its human resource development strategy and program. A draft scope of work was received from the Mission on June 3 and a proposal was prepared and submitted on June 10. On June 11, the Mission informed Chemonics that it was very interested in proceeding with the activity and

requested assistance in refining the scope of work for preparation of the PIO/T. A draft outline for the PIO/T was submitted to the Mission on June 18. The PIO/T was submitted to AID/Washington prior to the July 30, 1993 cut-off date. The Mission informed Chemonics on August 16 that Contracts would not be able to negotiate the contract until after October 1.

Chemonics was requested to prepare the DO proposal for negotiation by Contracts/Washington on November 10; a response was submitted November 19. The mission subsequently called to say that the Central Bank wanted to replace one of the previously selected specialists. Alternative candidates were presented to the Mission on November 24, and approval for one of the proposed candidates was received December 1. A revised DO proposal was submitted to Contracts on December 6, 1993. Negotiations began December 14, 1993 and were concluded December 16, 1993. DO No. 14 will become effective December 27, 1993.

B2b. USAID/Bolivia: Midterm Evaluation of USAID/Bolivia's Investment and Export Promotion Project (Inquiry No. 21)

On May 11, 1993, the Mission transmitted to Chemonics a scope of work for the subject activity. The objective of the activity is to provide a two-person team to conduct an evaluation of the Mission's Investment and Export Promotion project, and to determine the effectiveness of the Mission's export-investment promotion strategy, three years into the project. The evaluation will shed light on how this strategy compares to those of other countries in the region. The evaluation will also analyze the strengths and weaknesses of the project and develop recommendations as appropriate.

An initial proposal was submitted to the Mission on May 14, 1993. On May 20, the Mission informed Chemonics that it had decided to postpone the activity until after the national elections, scheduled for early June 1993. On August 13, Chemonics was requested by the Mission to re-confirm its original candidates. This was done, although some candidates had specific time limitations. On September 2, the Mission called to indicate their preference for one of Chemonics candidates, and suggested a start date of October 1. Unfortunately, the preferred candidate was no longer available for the assignment. Although alternative candidates were proposed, the Mission informed Chemonics on September 30, 1993 that it had opted to use a team provided by another contractor.

B2c. USAID/Jordan: Draft Project Paper for the Support for Export Enterprise Development (SEED) Project (Inquiry No. 27)

An initial inquiry was received June 18, 1993 from the Private Sector Office in USAID/Jordan. The objective of the proposed activity would be to provide two specialists to assist the Mission in the preparation of a PP for the SEED project. A detailed proposal was submitted to the Mission on June 30. On July 13, Chemonics was informed by the Mission that while they were very pleased with the proposed team, the activity was on hold due to

problems with funding. The Mission is still interested in pursuing this activity, but as of December 15, 1993, the funding issue has not been resolved.

B2d. USAID/Cape Verde: Assessment of the Organizational and Development Needs of the Informal and Small-scale Private Sector in Cape Verde (Inquiry No. 30)

The Mission was very pleased with the performance of the Carana-provided team under DO No. 9. As a result, they requested Carana to submit candidates to conduct a companion assignment—an assessment of the organizational and development needs of the informal and small-scale private sector. A PIO/T was submitted to AID/Washington prior to the July 30, 1993 cut-off date. However, Contracts informed Chemonics that it would not be able to address this PIO/T until after October 1, 1993. This was not acceptable to the Mission, as the evaluation was deemed very time sensitive. As a result, the Mission negotiated a contract with Carana under a separate contracting mechanism.

B2e. USAID/Tanzania: Technical Assistance to the Bank of Tanzania in area of Regulatory Policy and the Private Insurance Industry (Inquiry No. 31)

The activity was generated by Chemonics. The Mission requested Chemonics on August 26, 1993 to submit a proposal to provide medium-term (4-6 months) technical assistance in drafting legislation to legalize private insurance companies and to establish a regulatory framework within which the legislation could be effectively and prudently implemented. A proposal was submitted September 13. While the Mission is still interested in this activity, as of December 15, 1993, no decision has been made.

B3. Dropped Inquiries

No inquiries were dropped during this reporting period.

C. Activities Planned for Next Quarter

During the next quarter, the following activities are planned:

C1. DO Execution

It is anticipated that all DOs still active, with the exception of DO No. 14, will be completed during the next reporting period. DO No. 14 currently has an estimated completion date of April 8, 1994.

C2. New DOs

It is anticipated that inquiries for new services will be forthcoming during this next reporting period. The Consortium will be aggressively pursuing possible new opportunities through its own marketing efforts; it is hoped that these efforts will result in the award of new DOs.

C3. Consortium Meeting

A quarterly meeting with the Consortium members was held October 26, 1993. The meeting was also attended by Grant Morrill and Susan Sandler, PRE/EM staff members. Agenda topics included a review of Consortium performance to date and an assessment of new developments within USAID's organization structure. In general, the Consortium is proud of its accomplishments to date; in DOs where problems have occurred, they have been resolved in an expeditious and professional manner, and Missions are generally very pleased with the services they have received.

D. Program or Budgetary Deviations

At present, there are no program deviations to report. Although 14 DOs have been assigned, only 12 have actually been implemented or are in the process of being implemented during this reporting period. There are no budgetary deviations to report. A quarterly financial report is submitted as Annex B.

E. Quarterly Inquiry Report

A Quarterly Inquiry Report is submitted as Annex A.

QUARTERLY INQUIRY REPORT

No.	Date of Inquiry	Originating AID Office	Subject of Inquiry	Outcome
<i>Quarter No. 1 (September 15–December 14, 1992)</i>				
1	November 5, 1992	Greg Huger NIS Task Force Washington, D.C.	Looking for individual to prepare strategy paper and draft investment support facility design.	Resumes submitted; NIS Task Force identified own candidate.
2	November 16, 1992	Tom Olson Near East Bureau Washington, D.C.	Provide SOW for team to conduct Cotton Textile Subsector Liberalization/Privatization Study	Response submitted 11/30/92 to Tom Olson. Chemonics informed selected 12/8/92. DO No. 3 negotiated 3/12/93. Team fielded 3/26/93–6/24/93. Final report submitted and distributed 9/20/93.
<i>Quarter No. 2 (December 15, 1992–March 14, 1993)</i>				
3	December 21, 1992	Michael Kaiser Deputy Director Private Enterprise Office USAID/Kingston	Provide team to conduct mid-term Evaluation of Export Development and Investment Program	Proposal submitted 12/24/92. Mission informed Chemonics 1/9/93 that Consortium was selected. DO No. 1 negotiated 2/19/93. Team fielded 3/1 – 4/1/93. Final report submitted and distributed 5/20/93.
4	December 22, 1993	Randy Yamada Technical Resources Group Asia Bureau	Provide CVs of possible candidates to conduct training needs assessment in the telecommunications industry in S.E. Asia.	Proposal submitted 12/31/92. Chemonics informed 3/10/93 that other contractor selected due to cost considerations.
5	January 8, 1993	Jannete de Salamanca Private Sector Office USAID/El Salvador	Provide proposal to conduct mid-term evaluation of Microenterprise Development Project.	Proposal submitted 1/20/93. Clarifications presented 1/27/93. Chemonics informed selected 3/29/93. DO No. 5 negotiated and effective 5/12/93. Field work conducted 5/24–7/31/93 and 8/9–9/10/93. Final report submitted and distributed 11/12/93.
6	January 8, 1993	Sally Everett Privatization Officer USAID/Nicaragua	Provide team to conduct assessment of Private Sector Support Project.	Representative CVs sent 1/14/93. SOW received 1/20/93. Chemonics selected 1/20/93. DO No. 2 effective 2/16/93. Team fielded 2/19/93–3/13/93. Final Report submitted and distributed 4/19/93.

QUARTERLY INQUIRY REPORT

No.	Date of Inquiry	Originating AID Office	Subject of Inquiry	Outcome
7	January 13, 1993	David McCloud PID Office USAID/Malawi	Provide team to conduct evaluation of IESC Grant Activity.	Proposal submitted 1/19/93. Chemonics informed that its candidates not selected 2/12/93.
8	January 20, 1993	Allen Fleming Agricultural Enterprise Officer USAID/Burundi	Provide team to design PID/PAIP for Burundi Agricultural Enterprise Support Project/Program.	SOW received 3/5/93. Proposal submitted 3/16/93. Chemonics informed selected 3/23/93. DO No. 6 negotiated and effective 4/16/93. Team fielded 4/21-5/24/93. Sections of PID and PAIP submitted 6/4/93.
9	January 21, 1993	Neil P. Cohen Economist USAID/Kathmandu	Interest in Consortium providing technical assistance in area of privatization.	Letter outlining capability sent to Mission on 1/28/93. Unofficially know that Privatization Project providing services. Activity dropped.
10	January 21, 1993	Neil P. Cohen Economist USAID/Kathmandu	Provide short-term assistance to assess feasibility of developing off-shore banking facilities in Nepal.	Detailed proposal sent 2/2/93. No further word Mission; activity dropped.
11	January 22, 1993	Betty Wilkinson Project Manager Zambia Privatization Support Project, USAID/Zambia	Initial inquiry re. Consortium capability in privatization. Requested to propose team to provide short-term technical assistance to Zambia Privatization Agency.	Initial information sent 1/22/93. SOW received 2/12/93. Proposal submitted 2/24/93. Mission informed Chemonics of its selection on 3/5/93. DO No. 4 negotiated and effective 5/14/93. Team fielded 4/26/93. DO amended 9/21/93 to extend 3 team members to 9/30/93, and 1 team member to 12/31/93. Summary final report distributed 12/30/93.
12	January 25, 1993	Guillermo Bolanos Private Sector Office USAID/Honduras	Provide training specialists to design and conduct Central Bank Training Program.	Representative CVs sent 1/29/93. Mission re-drafted scope of work, now requesting three HRD specialists. Proposal submitted 6/10/93. Chemonics selected 6/18/93. Negotiations delayed until 12/16/93; assigned DO No. 14.
13	January 26, 1993	Julio Patino USAID/Bolivia	Provide SOCIMER team to conduct mid-term evaluation of the Industrial Transition Project.	Proposal submitted to Mission on 2/2/93. PIO/T in 3/29/93. DO proposal requested 5/12/93; submitted 5/13/93. DO No. 8 not negotiated due to FDR issue. Revised proposal with new team members submitted 8/20/93. Activity postponed indefinitely.

QUARTERLY INQUIRY REPORT

No.	Date of Inquiry	Originating AID Office	Subject of Inquiry	Outcome
14	February 10, 1993	Paul Neifert USAID/South Africa	Provide team to design new component of Black Private Enterprise Development Project (BPED).	Proposal submitted 2/18/93. Chemonics informed 3/30/93 that it's team not selected.
<i>Quarter No. 3 (March 15, 1993–June 14, 1993)</i>				
15	March 17, 1993	Michael Huffman Private Enterprise Office USAID/Jakarta	Provide team to conduct mid-term evaluation of the Financial Markets Project.	Proposal submitted 3/29/93. Chemonics selected 4/8/93. PIO/T in and DO No. 10 negotiated 6/11/93. Team fielded 6/11–7/24/93. Final report submitted and distributed 10/8/93.
16	March 18, 1993	Jennifer Notkin Project Development Office REDSO/WCA	Provide individual to conduct training need assessment for Private Sector Office of African Development Bank.	Proposal submitted, following clarifications 4/2/93. Informed 4/6/93 that local candidate selected.
17	March 31, 1993	Amy Nolan–Osborne Program Officer USAID/Ukraine	Provide individual to direct Peace Corp Pilot Business Information Service.	Proposal submitted 4/6/93. In spite of several inquiry faxes, no further information. Activity dropped.
18	April 9, 1993	Jean Hacken NIS Task Force	Provide 2–4 individuals to conduct site selection for new project—enterprise development—in Russia.	Following clarifications, proposal submitted 4/26/93. Due to contract conflict possibility, other company selected.
19	April 14, 1993	Todd Amani USAID/Nicaragua	Provide Organizational Development Spec. to assist in developing revised trade and investment component.	Proposal sent 4/20/93. Informed 5/19/93 that activity will be conducted in-house.
20	April 22, 1993	Susan Fine/Jim Dunn USAID/Uganda	Provide 5 person design team for Investment in Developing Export Agriculture (IDEA) Project.	Chemonics submitted proposal in late March 1993. Informed 4/22/93 that team selected and PRE IQC to be used. DO No. 7 negotiated and effective 5/13/93. Team fielded 5/16/93–6/24/93. Inputs to PP submitted 7/12/93.
21	May 10, 1993	Julio Patino Trade and Investment Office USAID/Bolivia	Provide team to conduct mid-term evaluation of USAID/Bolivia Investment and Export Promotion Project.	Representative CVs submitted 5/14/93. Activity delayed until 9/93. Alternative candidates submitted 8/93. Chemonics selected but in preferred candidate no longer available. Other contractor providing service.

QUARTERLY INQUIRY REPORT

No.	Date of Inquiry	Originating AID Office	Subject of Inquiry	Outcome
22	May 10, 1993	Jose Goncalves Agriculture Enterprise Officer USAID/Cape Verde	Conduct private sector assessment in Cape Verde.	Carana generated activity in April 1993. PIO/T in 5/17/93. DO No. 9 negotiated 6/14/93. Team fielded 6/21/93-7/20/93. Final report submitted and distributed 11/23/93.
23	May 12, 1993	Thomas Johnson ASIA/DR/TR AID/Washington	Study to assess impact of technology development and commercialization projects in the Asia Bureau.	Carana-led proposal submitted May 20, 1993. Another firm selected.
24	May 21, 1993	Ben Severan NIS Task Force	Provide advisors to Ministers of Economy in Georgia and Armenia.	Task Force decided to contract directly with individuals (PS contracts) for both advisor positions.
25	May 28, 1993	Jon Lindborg Office of Private Sector Dev. USAID/Sri Lanka	Conduct assessment of Mission's private sector development program.	Proposal submitted 6/10/93. Informed 6/30/93 that another firm selected.
<i>Quarter No. 4 (June 15, 1993-September 14, 1993)</i>				
26	June 15, 1993	Alonzo Fulgham Private Sector Office USAID/Jordan	Provide one person to conduct cultural tourism marketing feasibility study.	Initial proposal submitted late 1992. Mission decided to use PRE IQC 7/1/93. DO No. 11 negotiated 7/22/93 and team fielded 7/24/93 to 8/18/93. Final report submitted and distributed 9/29/93.
27	June 18, 1993	Don Reese Private Sector Office USAID/Jordan	Provide two person team to assist in preparation of PP for the Support for Export Enterprise Development (SEED) Project.	Initial proposal submitted 6/30/93. Informed 7/13/93 that funding for activity on hold. Activity still on hold pending release of funding.
28	July 21, 1993	Abu Khasiana Private Enterprise Dev. Office USAID/Kenya	Provide two person team to conduct evaluation of Equity Capital Component of Kenya Trust for Enterprise Development.	Proposal submitted 7/26/93. Chemonics selected 7/28/93. DO No. 13 effective 9/27/93. Team fielded 10/11/93-11/9/93. Draft report transmitted 11/30/93. Pending comments.
29	July 26, 1993	Cathy Lienhart Project Advisor USAID/The Gambia	Provide one person to assist the Banking Supervision Department of the Central Bank of The Gambia	Initial proposal submitted 7/28/93. Chemonics selected 8/13/93. Delay in negotiation results in loss of preferred candidate. Mission opts to

QUARTERLY INQUIRY REPORT

No.	Date of Inquiry	Originating AID Office	Subject of Inquiry	Outcome
30	July 28, 1993	Teresa Vandergriff Desk Officer Office of Sahel and West African Affairs, AID/Wash.	Provide individual to conduct assessment of the organization and development needs of the informal and small-scale private sector.	use second choice candidate, provided by different contractor. Carana generated activity based on previous work. PIO/T in Contracts, but negotiation delayed in Contracts. Mission contracts Carana independently.
31	August 26, 1993	Patrick Fleuret Project Development Officer USAID/Tanzania	Provide one expert to assist the Bank of Tanzania in the development of their capacity to exam and monitor insurance companies.	Chemonics generated activity. Proposal submitted 9/13/93. Pending decision.
<i>Quarter No. 5 (September 15, 1993–December 14, 1993)</i>				
No inquiries received.				