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Second Annual Report
October 1, 1994 - September 30, 1995

Katalysis North/South Development Partnership

in conjunction with

Belize Enterprise for Sustainable Technology (BEST)
Organization for Women's Enterprise Development (ODEF)
Cooperative Association for Western Rural Development (CDRO)
Association of Women in Development (MUDE)

EXECUTIVE SUMMARY

This has been a year of change and organizational growth for the Katalysis Partnership. The AID Matching Grant has been at the center of this change, providing financial, programmatic, and operational guidelines upon which to build. Partners' programs remained at the core of Katalysis' activities, and the newly established Katalysis Regional Field Office in San Pedro Sula, Honduras was established in order to enhance and make more effective that work.

This was also a year of learning. One of the most important lessons was that change and organizational restructuring is difficult and cannot be fully planned for. It is hard work, requires constant attention and is expensive by definition: it is a time of investment. Change and restructuring, in order to be effective, require strategic thinking, planning, and execution. This has caused all participants in the process -- board, staff, and Partners -- to search for a new balance in responsibility versus authority, planning versus doing, and Partnership as a process versus a program. Katalysis' role within the Partnership and with each Partner was scrutinized, as the board and each new staff member looked, learned and evaluated what they observed. New ideas, policies and visions surfaced and new initiatives to deal with them sprang up in an attempt to harness the energy and dynamism that comes with positive, yet costly change. The North/South balance took on new meaning during the year, as Katalysis/Honduras hired staff from the south, adding a substantial new dimension to the concept of "North/South Development Partnership."

Project planning and management became a very big job, in part driven by the increasing number and variety of projects and donors in the portfolio during the year and in part by more time being spent up front with Partners in developing new project initiatives. The challenge of the Matching Grant mechanism requires Katalysis and its Partners to seek out complementary funding for all of the projects in the portfolio. In order to accomplish this, both offices have put significant time and energy into further developing this process into a procedure that is manageable and effective in addressing the multiple needs and priorities of project beneficiaries, partner organizations, and donors, while responding to Katalysis' ability to offer effective technical assistance and training to the Partners.

The Katalysis Partnership Model challenges participants to view partner organizations, programs, and projects holistically, that is within the context of each organization's institutional capability, cultural norms, economic macroenvironment, etc. At year-end Katalysis was even more familiar with Partner conditions and was able to offer more well-rounded solutions to the challenges that are confronting them. At year-end, the question of how to respond to the very diverse set of Partners' needs given Katalysis' set of resources points to the key agenda item for fiscal year 1996. The challenge is to find cost effective alternatives to the partnership methodology which will accelerate the process of institutional strengthening for partner organizations, as stated in the Matching Grant goals.

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I. BACKGROUND TO THE GRANT

Mission

Katalysis North/South Development Partnership was founded in 1984 to assist low-income people in developing countries in their efforts to improve their economic, social, cultural and environmental conditions. To do this, Katalysis pioneered a new model of development assistance which derives from a fundamental belief that participation is the key to sustainable change. The model is based upon Partnership with several non-governmental organizations (NGOs) in Central America, and capitalizes on the strengths of both northern and southern organizations, allowing for maximum learning and impact. Katalysis' four goals in pursuit of this mission are to:

- Strengthen the management, financial and service-delivery capabilities of non-government organizations through the transfer of skills, resources and appropriate technologies.
- Unite selected organizations in a multilateral Partnership that fully supports the right of southerners to self-determination and control of their own development.
- Work closely with our Partners continually to improve both the development methodology and the collaborative technology of the Partnership in a spirit of mutual learning.
- Develop and disseminate the Partnership model as a holistic approach to global development.

Programs

Katalysis has four southern Partners: Belize Enterprise for Sustainable Technology (BEST) in Belize, Organización de Desarrollo Empresarial Femenino (ODEF, Organization for Women's Enterprise Development) in Honduras, Cooperación para el Desarrollo Rural de Occidente (CDRO, Cooperative Association for Western Rural Development) and Asociación de Mujeres en Desarrollo (MUDE, Women in Development) in Guatemala.

All Katalysis partner organizations are incorporated as non-profit, non-governmental agencies within their respective countries. These organizations work with low-income participants including small farmers, women, youth, and microentrepreneurs through programs in microenterprise development, natural resource management, women's community banking. All Partners share a commitment to legitimizing the role of women in development; ODEF and MUDE focus exclusively on women.

The Matching Grant (MG) supports both institutional strengthening and partner program strengthening. The Program Development and Support (PDAS) portion of funding supports Katalysis in its work to provide services to strengthen the institutions of the Partners and the Partnership network. Partner program strengthening is divided into two MG program areas, Agricultural Training and Extension (AGTE) and Business Development and Promotion (PEBD).

PDAS activities focus on three areas: training and technical assistance to meet the institutional needs of the Partners, activities to build and strengthen the Partnership, and documentation of specific aspects such as outcomes, tools, the partnership process and evaluation. AGTE aims to build locally identified sustainable development projects which bridge the economic needs of the beneficiaries with environmental preservation and management. PEBD focuses on community banking, microenterprise credit, and training programs, all of which aim to extend credit to the poor. These programs allow for both improved productivity and for the expansion of small businesses, which are often the economic main-stay of the very poor.

II. PROGRAM METHODOLOGY

Program Goal

The U.S.A.I.D. Matching Grant (MG) supports Katalysis in achieving its goal of helping low-income people in economically marginal and environmentally threatened areas in Central America to develop their own financial self-sufficiency and improve family well-being by adopting microenterprise credit programs and sound natural resource management practices that result in economic development and environmental preservation.

Program Purpose

The purpose of the MG is to strengthen the institutional, programmatic and financial development of Katalysis, its partner organizations and the partnership model, in order to develop the capacity to expand and sustain essential self-help services to low-income people, particularly women, in Guatemala, Belize and Honduras.

Program Objectives

- To strengthen the organizational capabilities of Katalysis' southern Partners.
- To strengthen and develop the Katalysis Partnership, providing for the extension of the partnership model.
- To improve and expand program services offered by each Partner in natural resource management.
- To improve and expand program services offered by each Partner in microenterprise development and community lending.

Methodology

The Katalysis approach to development assistance derives from a fundamental belief that participation is a key factor in achieving sustainable change. Therefore, in fostering this participation, Katalysis works in partnership with four non-governmental organizations which use a participatory methodology to provide direct field assistance to low-income people. Through this Partnership, Katalysis seeks to create a vehicle for equal exchange, decision-making and shared learning.

A unique aspect of this approach is that it capitalizes on the strengths of both northern and southern organizations, allowing for maximum learning and impact. The Northern Partner provides technical assistance, organizational development services, long-term strategic planning, and financial and administrative training. The southern Partners provide hands-on knowledge of the needs of low-income constituents, direct program experience, familiarity with cultural and societal norms and access to local resources and expertise.

The first two objectives of the MG focus on strengthening institutional capacity through providing program development and support (PDAS). Katalysis PDAS activities aim to build planning, fundraising, administrative and project management skills of each organization and of the Partnership as a whole. This will be accomplished through the activities detailed in **Attachment A**.

The third objective of the MG is to improve and expand Partner natural resource management programs through agricultural training and extension (AGTE). Each Partner is active in developing and implementing programs to assist the local poor in meeting their basic needs while simultaneously conserving the resource base. An integral part of Partner planning involves actively seeking out projects which bridge the gap between economic development and environmental conservation. This will be accomplished through the activities detailed in **Attachment A**.

The fourth objective of the MG is to improve and expand Partner microenterprise development and community lending programs through business development promotion (PEBD). Partner organizations work to provide opportunities for economic development for those who have traditionally been denied access to credit and business training programs, focusing on the rural poor - particularly women. Program strengthening will be accomplished through the activities detailed in **Attachment A**.

Program Outputs and Activities

The following chart summarizes the activities and outputs of the Partners for each of the program areas: PDAS, AGTE, and PEBD. The activities are taken from the detail implementation plan (DIP) for the first two years of the grant. Column one illustrates the expected output of each activity in each program area over the five years. Column two illustrates the cumulative actual outputs of years one and two. Column three illustrates the expected output according to the DIP for year two, and column four illustrates the actual output for year two.

Program Outputs and Activities (based on 5yr. DIP)				
Type of activity	5 yr. expected output	Cumulative (yr. 1 and 2 actual)	Year 2 performance	
			Expected (2 - DIP)	Actual (year 2)
PDAS				
Long Range Planning activities	6	2	1	1
MIS/Proj. Mon. Database activities	7	2	1	2
Fund-raising Training activities	6	2	2	1
Participatory Mgt./Admin. System trngs.	11	2	0	0
Monitoring, Evaluation, Impact Analysis	34	6	2	1
Partnership Exchange activities**	60	35	12	12
Partnership Training activities	6	4	2	2
Documentation	7	1	1	0
AGTE				
Sustainable Ag/Nat'l Mgt Wksp / Trainees	365 / 3111	329 / 3979	66 / 529	202 / 1638
Ag Credit / Number of Farmers	\$21,500 / 200	\$18,600 / 172	\$7,000 / 30	\$4,300 / 31
Appropriate Tech Wksp / Trainees	337 / 3776	290 / 3041	63 / 693	183 / 1950
Biogas Plants established	3	0	1	0
Reforestation Proj Comm / Beneficiaries	9 / 3000	16 / 1491	2 / 1333	3 / 62
Organic Gardens Planted / Beneficiaries	300 / 1550	215 / 1451	50 / 262	90 / 426
PEBD				
Credit Disbursed / CB, adults and youth	\$283,560	\$167,133	\$71,470	\$55,870
Community Banks (CB) established	55	61	20	23
CB Members trained	1095	2497	410	862
Adults trained / Small Business Mgt	2281	2017	490	1,275
Youth trained / Small Business Mgt	350	16	70	16

III. MONITORING AND EVALUATION

Monitoring and evaluation continue to be one of the most important activities carried out by Katalysis. During the year, monitoring activities were maintained and improved. Partner programs were evaluated, in some cases by Katalysis and/or Katalysis-funded consultants, and in others by consultants funded by other organizations, where the reports were provided to Katalysis. This is a delicate area of programming given the overarching partnership methodology and matching grant mechanism, and Katalysis has chosen to accept evaluations completed by other agencies, build on the results, and when ever possible coordinate activities to effect the recommendations.

Monitoring

New reporting formats were developed for quarterly reports for each of the Partners for FY95 and in September, for FY96. In each case the formats have been improved to incorporate changes that allow them to be utilized as a more effective management tool for Katalysis and the Partners. Among the changes was the streamlining of quantitative data collected as well as altering questions to solicit more analytical responses from partner program managers. Katalysis continues to work on the idea of creating a data bank with the quantitative data which would permit aggregating the data and facilitating cost-benefit analysis of the programs. As part of the quarterly reporting process, Partners are required to submit a financial report. Authorization to disburse funds is based on a budget analysis to match financial expenses with programmatic output and compliance. This analysis provides for better planning by the Partner in terms of quarterly program activities and a commitment to reach the goals and outputs as planned.

Two additional management tools used in monitoring program activity this fiscal year are the Partner Quarterly Report Analysis and the Partner Needs Assessment Summary. The former provides Partners with feedback on the program outputs and activities as summarized in their quarterly reports, and allows Katalysis staff to make recommendations on activities. The summary is a tool to provide vital information on Partner's technical assistance and training needs as expressed in their quarterly reports to Katalysis staff members, allowing them to incorporate these needs into their activities with the Partners during the quarter.

Evaluation

MUDE

According to the DIP, Detailed Implementation Plan, MUDE should have completed a community bank evaluation in Quarter 2 and ODEF in Quarter 3. While less than a complete evaluation, a diagnostic of MUDE's community bank program was completed in the second quarter. The purpose of the evaluation was to assess the strength and weakness of the program in terms of the services offered to the clients and the program's ability to manage additional funding. The consultant's report determined that while MUDE shows potential for growth, significant areas of weakness arose at the institutional level and in some points of program methodology.

A follow-up evaluation of MUDE at the institutional level was funded by PADEL, a Canadian donor to MUDE. This evaluation pointed to most of the same weaknesses identified in the program evaluation, and, further, it included the need for and up-to-date accounting and credit portfolio management system and written procedures and policies for Accounting, Credit Programs and Administration. Follow-up consultancies were funded by PADEL to fill these needs.

Katalysis staff completed an evaluation of MUDE's AGTE program, which sought to evaluate the progress that the program had made with respect to methodology, beneficiary participation, outputs and institutional capability. This was particularly important because MUDE was in its first year with the program, which implied building a new area of expertise. The results were weak, indicating the need for a redoubled effort in training, technical assistance and program supervision by Katalysis technical staff.

ODEF

Over the past two years ODEF has been working with Fundación Maria Covelo, a local AID funded technical assistance and funding organization for microenterprise and community bank programs. The ODEF - Covelo project calls for a three year expansion plan and program/institutional strengthening. One of these activities is an

annual evaluation, the second of which was completed in April of 1995 (Quarter 3). The DIP called for a community bank evaluation to take place in the fourth quarter. The evaluation was made available to Katalysis, and breaks down the process down into five components: organizational capacity, service quality, organizational and administrative structures, organizational competitiveness and cost-benefit analysis. ODEF is working to implement the recommendations, and will be incorporating the changes into their program methodology.

BEST

In June of 1994, BEST hired the services of an outside consultant to evaluate BEST at the institutional level and at the field level in an attempt to help the organization re-focus. In May of 1995, Quarter 3, a VSO volunteer prepared a follow-up to that evaluation in an attempt to evaluate the degree to which the recommendations outlined in the first report were implemented. The May 1995 report points to strengths and weaknesses in the area of organization and structure, and field/program work as it relates to increasing BEST's effectiveness in the field.

In September of 1995, Katalysis' Financial Director performed a diagnostic evaluation of BEST's financial management systems. His recommendations included proceeding with the installation of a new accounting system and training for staff members, activities which were completed during his visit. Additionally, his report included recommendations for improving financial procedures, and hiring a permanent staff member to take on the accounting function, and an equipment upgrade.

CDRO

During the 3rd quarter, CDRO underwent an extensive organizational evaluation by one of their major funders: NOVIB. CDRO made the document available to Katalysis; and, as in other cases, staff members have incorporated the report's findings into their program work.

IV. REVIEW AND ANALYSIS OF PROJECT RESULTS BY COUNTRY

BELIZE

Belize Enterprise for Sustainable Technology - BEST

The Belize Enterprise for Sustainable Technology (BEST), established in 1985 as one of the few non-governmental organizations in Belize, provides training and technical assistance to low-income people in business management and enterprise development, natural resource management, and women's programs. Over the years, BEST has expanded its outreach to include work in all six districts of Belize.

HIGHLIGHTS OF BEST ACHIEVEMENTS IN FISCAL YEAR 1995

- BEST secures funding for Youth Enterprise Program.
- BEST begins development of Training Program and Curriculum for Youth Enterprise Program.
- BEST initiates plans for income generation ventures as part of its organizational plans for sustainability.
- BEST secures funding for Credit Program from the Inter American Development Bank Small Project Loan Program.
- BEST secures funding for the construction of its new office complex and a Marketing and Promotion Center.
- BEST secures three consecutive grants from USAID Natural Resource Management Program to undertake biodiversity studies, sustainable development and Marketing Center start-up equipment.

Institutional Strengthening - PDAS

BEST benefited from a variety of activities aimed at institutional strengthening which are described in the narrative below. The following chart reviews the organization's progress, as well as providing information of its current status.

<u>Indicators of Sustainability</u>			
Indicator	Baseline (end of 1993)	End of Fiscal Year 1994	End of Fiscal Year 1995
Number of staff	9	11	9
Total Budget	\$ 255,653	\$ 351,500	\$ 501,252
Total loan portfolio	\$ 18,000	\$ 22,000	\$ 148,500
# computers / % staff trained	4 / 88%	4 / 91%	5 / 91%
Number of donors	20	8	10
Number of beneficiaries	13,647 clients	6,894 members	9,460 members

Strategic Plans - BEST began the fiscal year by hosting a one-day strategic planning session for Board members and staff. This session led to an intensive three-day planning session on programmatic and financial self-sufficiency issues. Katalysis provided BEST with personal consultations to assist with the above issues. For fiscal year 1995, BEST's staff developed strategies to build new organizational strengths. BEST also worked at the start of the fiscal year to finalize the planning process for 1995 fiscal year client activities.

Management Information Systems / Partnership-wide Project Monitoring Database - BEST upgraded its accounting system by installing a new software known as FASS (Fund Accounting Systems Software by Executive Data Systems). This new system will enable BEST's accountant to control the organization's expenses by fund type. Another program known as Quicken which facilitates bank reconciliation was also introduced. BEST's accountant was trained on both programs.

Strengthening Fundraising Techniques and Strategies - BEST participated in various Partnership-wide exchanges to share fundraising expertise and participate in partnership ventures. BEST also participated in preliminary meetings with various organizations to discuss funding possibilities. As part of the organization strategies to strengthen its fundraising techniques, BEST's staff and board members held various sessions to share ideas on how to build the organization's fundraising efforts.

Participatory Management and Administration - BEST produced a series of reports which involved participation of staff members including operational cost-cutting to address BEST's financial difficulties. BEST has also provided updated administrative information on the organization's current status for the fiscal year.

Monitoring, Evaluation, and Impact Analysis - BEST participated in an evaluation of the organization's accounting system to determine ways to upgrade the system. As a result of the evaluation, BEST decided to install a new system that will enable the organization's accounting system to produce better and more accurate information. A follow-up analysis of the system is scheduled for the first quarter of FY 96.

Partnership Exchange - BEST's business development program staff participated in a Partnership Exchange with partner staff from ODEF and MUDE to share experiences of community bank programs. The business development program staff also participated in a community banking conference in Guatemala. The BEST agronomist participated in a technical exchange on organic agriculture with staff member from MUDE, CDRO, and ODEF in Honduras. BEST's Managing Director participated in various Partnership-wide events in efforts to build the Partnership as a whole.

Partnership Training and Board Participation - BEST's Executive Director participated in the Partner Director's Board Meeting hosted by ODEF in Honduras. BEST's Executive Director had the opportunity to see the new Regional Field Office, and meet the new staff members.

Documentation - BEST produced a revised edition of the Eco-tourism Guidebook.

Agricultural Training and Extension - AGTE

Accomplishments in Agricultural Training and Extension						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Sust Ag Wksp / Trainees	45 / 340	19 / 102	17 / 158	22 / 123	18 / 97	76 / 480
Apprpt Tech Wksp / Trainees	27 / 270	20 / 300	24 / 288	26 / 300	22 / 231	92 / 1119
Biogas Training Activities	1	1	0	0	0	1

Conservation Agriculture and Environmentally Sustainable Practices - BEST focused training and technical assistance with farmers on organic food production. During this year BEST launched its organic seed cultivation pilot project in coordination with Katalysis and Seeds of Change. The participants of this project performed activities which were important for the project: land clearing, land preparation, organic fertilizer production, pest management, and harvesting are among the most important. Farmers from the communities of Gales Point, August Pine Ridge and The "Comite de Servicio Cristiano en Agricultura y Salud" have established their demonstration plots which will solidify the concepts of the organic food production among the participants. Practical demonstrations and follow-up visits to beneficiary pilot plots are still being conducted by BEST to reinforce the concepts provided during the period. BEST's NARESMA staff has received additional training in sustainable agriculture to introduce new organic farming practices. During FY95, seventy-six workshops were provided to 480 participants in different communities throughout Belize. However, the establishment of gardens was not as expected because of the long drought suffered in the country during this year. New groups have applied to participate in the project for next year.

Energy Efficient Technologies - BEST's Solar Box Cooker promotion program reached 1,119 people who participated in ninety-two training activities, including field visits. Demonstration, follow-up and house visits were

conducted throughout the year. During the month of March, a one day Solar Box Cooker demonstration workshop was conducted in the south of Belize, targeting seven groups. This is a new region for BEST, and the participants were enthusiastic and have requested assistance in construction of the cookers. BEST promoted the biogas technology throughout the year, and work is presently being done with one group involved in pig raising. However, this technology is not as popular as the Solar Box Cooker in Belize. BEST has prepared a concept paper and funding proposal on solar dried fruit and vegetables as a next step in solar energy utilization for Belize for two pilot solar dryers for fruits. BEST is also looking for alternatives for biogas plants. Research has been done on the Chefina stove which could satisfy the needs of the beneficiaries where solar box cookers are not feasible.

Eco-nomics Bridging Fund - The pilot organic seed production initiated by BEST was carried out in coordination with four groups. Since this project depends on rain, the second cycle of the project was not implemented. To compensate, BEST continued to provide training and technical assistance to the groups mentioned before. All the groups planted several types of crops. The production during the first cycle was considered to be low due to less than favorable soil conditions. In addition, the amount of land planted was small. During the next cycle, BEST will try to augment the number of groups and land in order to increase production. The participants of the project are enthusiastic and look forward to next year.

Partner Initiatives - BEST in coordination with Katalysis has initiated research in the introduction of Chefina Stoves to the south of Belize which will help the region because of the lack of an alternative efficient energy source. BEST has also started a youth program which has among other components, organic crop production. This program will try to help Belize's youth to become farmers.

Business Development and Promotion - PEBD

Accomplishments in Business Development and Promotion						
Description of Project Activity	Goal	Outputs				Total
		Q1	Q2	Q3	Q4	
New Community Banks	3	1	0	1	0	2
CB members trained	30	18	82	97	94	291
Total credit disbursed	\$ 4,500	0	0	\$ 1,500	0	\$1,500
Adults trained/Sm bus mgt	40	72	30	78	158	338
Youth receiving credit	10	0	0	0	0	0
Amount of credit to youth*	\$10,000	0	0	0	0	0
Youth trained in ME dev.	70	0	0	0	16	16

*This fund was transferred to Youth Enterprise Training, for non-credit expenditures .

Community Banking - Two new community banks were inaugurated this year, and all members received training. The other banks continued their repayment plan as scheduled and received follow-up assistance. Best was also able to issue other credits through its new loan program with funding from other sources. The banks finished the year with an accumulated savings of \$ 4,335.

Youth Training - Launching its Youth Enterprise Program was one of BEST major accomplishments of the year. BEST prepared and presented a project profile for the program which focused on training activities. To provide the necessary training to the participants, BEST solicited a transfer of funds designated for credit (\$10,000) to youth training. This transfer was approved in the fourth quarter enabling BEST to begin the implementation of the training program. The participants received one week of training activities before the end of the fiscal year. The participants are enthusiastic and eager to learn. BEST will continue with training activities for the coming year. Credit for this program will be replaced by other funding sources.

Training and Technical Assistance in Credit, Small Business Management and Community Banking - BEST continued to focus its training and technical assistance in the areas of small business management, credit management, community banking concepts, and income generating activities. BEST was able to accomplish 90% of its activities for the year given the high demand of existing client groups and soliciting groups. This high demand has caused BEST to reorganize its training and technical assistance to be more efficient.

HONDURAS

Organización de Desarrollo Empresarial Femenino - ODEF

Organización de Desarrollo Empresarial Femenino (ODEF) was founded in 1985 to help incorporate women and their families into the processes of economic, social, educational, and political change in Honduras. ODEF joined the Katalysis Partnership in 1989.

ODEF's programs emphasize microenterprise development as a means of combating low-paying jobs and persistent unemployment for women. ODEF's two primary programs in this sector are Women in Business, providing credit and technical assistance to individual low-income women, and Community Banking, providing the same to solidarity groups of extremely poor women. Given the interconnectedness of the problems facing women in rural Honduras, ODEF also provides support for food production, nutrition, small-scale agriculture, handicrafts, and alternative energy sources.

HIGHLIGHTS OF ODEF ACHIEVEMENTS IN FISCAL YEAR 1994

- ODEF receives funding from the Small Enterprise Education and Promotion Network (SEEP) to initialize a computerize software program for financial projection and a five year strategic plan.
- ODEF begins implementation of Herencia Verde Project.
- ODEF inaugurates new credit building and a branch office in Choloma, Cortes.
- ODEF expands its credit program.

Institutional Strengthening - PDAS

ODEF benefited from a variety of activities aimed at institutional strengthening, which are described in the narrative below. The following chart reviews the organization's progress and provides information on its current status.

<u>Indicators of Sustainability</u>			
Indicator	Baseline (end of 1993)*	End of Fiscal Year 1994	End of Fiscal Year 1995**
Number of Staff	43	44	52
Total Budget	Lps. 364,951 / \$ 52,135	Lps. 223,129 / \$26,250	Lps. 2,484,975 / \$ 258,851
Total loan portfolio	Lps. 171,632 / \$ 24,518	Lps. 392,420 / \$46,167	Lps. 9,758,645 / \$ 1,016,525
# computers / % staff trained	5 / 12%	5 / 20%	9 / 25%
Number of donors	6	8	6
Number of beneficiaries	8,320	9,017	2,412 (active beneficiaries only)

* \$1 = Lps. 8.5

** \$1 = Lps. 9.6

Strategic Plans - ODEF is in the process of developing a five-year strategic plan for its credit program as part of the organizations massification plan for the program. This plan will enable ODEF to have a clear vision for expansion of its credit program and the impact on the organization as a whole. Once developed and reviewed this plan will be shared with the other Partners as part of the Small Enterprise Education and Promotion (SEEP) network planning grant activities.

Management Information Systems / Partnership-wide Project Monitoring Database - As part of the development of a five-year strategic plan, ODEF received funds to develop a computerize software program for financial projections. This program will be used in conjunction with the five-year strategic plan. ODEF is also in the

process of upgrading its management information systems to be more effective. This last quarter ODEF received funds to purchase a computer for the credit department.

Strengthening Fundraising Techniques and Strategies - Katalysis staff worked with ODEF to strengthen the organization's techniques and strategies. Support was also provided in preparation of project profiles to be presented to various funding sources. Much of this effort was directed at the Herencia Verde (Green Legacy) project.

Participatory Management Plans - Due to the amount of time devoted to the implementation of the Herencia Verde project and the understaffing problem at the Katalysis Regional Field Office, this area received little attention this fiscal year. As the Regional Field Office completes its staffing, time will be devoted to ODEF to improve the organization's participatory management practice and to implement its plans.

Monitoring, Evaluation, and Impact Analysis - With the aid of outside consultants ODEF was able to evaluate its credit program. The findings and recommendations have guided ODEF in the restructuring of some aspects of its credit programs and the search to improve the program information systems. As a result of these evaluations ODEF plans to redefine its credit program in terms of sustainability and outputs.

Partnership Exchanges - ODEF staff participated in various partner exchanges and exchange activities pertaining to community banking. ODEF being the leader of the Partners in community banking visited MUDE and BEST to share their experience and expertise. ODEF participated with other Partners representatives in the SEEP International Community Bank Conference. ODEF agronomist participated in a technical exchange on organic agriculture with other partner program staff.

Partnership Training and Board Participation - The ODEF Executive Director participated in Partner Directors' meetings in which organizational ideas are shared with Directors from CDRO, MUDE, and BEST.

Documentation - ODEF provided Katalysis with a copy of their community bank evaluation.

Agricultural Training and Extension - AGTE

Accomplishments in Agricultural Training and Extension						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Sust Ag/Res Wksp / Trainees	17 / 129	8 / 70	10 / 96	11 / 141	13 / 108	42 / 415
Apprpt Tech Wksp / Trainees	9 / 180	5 / 73	11 / 70	9 / 206	13 / 96	38 / 445
Organic Gardens / # Benefcys	40 / 210	19 / 34	16 / 55	9 / 73	8 / 104	52 / 266

Conservation Agriculture and Environmentally Sustainable Practices - ODEF focused training and technical assistance with beneficiaries on the production of organic crops and environmental education. This year through practical demonstrations and follow-up visits to beneficiary pilot plots, the participants learned sustainable agricultural techniques such as natural pest management using repellent plants (natural pesticides), mulching, organic fertilization, crop rotation, cover crops, intercropping, land preparation, planting, and crop management. ODEF also initiated an environmental education process with the beneficiaries, and several nurseries have been established in different locations where ODEF delivers its services. The trees will be used to replant the most deforested areas in the communities.

The most outstanding achievement of the year was the establishment of ODEF's Herencia Verde Training and Learning Center, primarily funded by VIDA Foundation. In the Herencia Verde Center, beneficiaries will acquire knowledge about sustainable agriculture techniques, appropriate technology and leadership training. The knowledge acquired must be implemented in the beneficiary communities. This center is the first of its kind in the

region. To support activities in the center, ODEF restructured its Community Development Department to provide outreach and follow-up technical assistance for the participants in the communities.

Appropriate Technologies - During this year, ODEF continued to promote the demonstration, construction, and use of solar box cookers, fuel-efficient wood-burning Lorena stoves and the recently-introduced absorbent floors. ODEF completed thirty-eight demonstration and construction workshops, with 448 participants. Participants have been able to incorporate these technologies into everyday life through the construction of these facilities in their houses. The efficient use of energy is extremely important throughout the country, given shortages in electricity. ODEF conducted seventy-seven trainings on food processing, preparation and nutrition for 823 participants. All the activities carried out during the year have had strict follow-up to ensure program success.

Eco-nomics Bridging Fund - ODEF developed an organic seed cultivation project in collaboration with Katalysis and Seeds of Change as an income-generating project. The organic seeds were planted in a demonstration plot as a means to train participants on the cultivation and marketing of organic seeds. The participants are still investigating the adaptability of the different crops in the field. Herencia Verde Center has been incorporated into the project and demonstration plots have been established at the Center. Seeds of Change provided the propagation material for the trials but in some cases adequate germination was not reached. Arrangements are being made to obtain more seeds to continue the research. In addition, ODEF is providing technical assistance to its beneficiaries in the development of small ecological projects.

The beneficiaries are applying the techniques facilitated by ODEF technical assistants.

Business Development and Promotion - PEBD

Accomplishments in Business Development and Promotion						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Community Banks established	10	0	4	0	5	9
CB Members trained	200	0	86	0	106	192
Credit disbursed to CBs	\$7,500	0	7,500	0	0	7,500
Sm Bus Mgt Wksp / Trainees	12 / 240	0	23 / 303	4/89	15/185	42/577

Community Banking - This year ODEF has significantly increased its community banking program activities. Total banks at the end of the year totaled seventy-two compared with twenty-three at the outset of the Matching Grant. To date ODEF is providing training and technical assistance to 360 community bank members. The increase in the number of clients and interest of other communities have forced ODEF to reestablish its criteria and internal policies for community bank organization and training. This year ODEF organized bank reunions in the various regions to unite the members in that particular region, to exchange experiences, and to reinforce community banking methodology and concepts. Because the event was well-received by the community bank members, ODEF plans to make this event an annual celebration to all community bank and microenterprise beneficiaries.

Training and Technical Assistance in Credit, Small Business Management and Community Banking - This year ODEF improved its training curriculum making it group specific. In this manner, ODEF builds on the group's knowledge and experience, while providing training on aspects unfamiliar to the group. ODEF continued to provide training in small business management, credit management, internal policies, human and gender development.

GUATEMALA

Cooperative Association for Western Rural Development - CDRO

Cooperación para el Desarrollo Rural del Occidente (CDRO) was established in 1981 as a volunteer effort by local Mayan leaders to assist indigenous people in western Guatemala in meeting basic needs. CDRO, which became a Katalysis Partner in 1991, is a democratic organization working with thirty communities surrounding the highland city of Totonicapán.

CDRO's participatory methodology, based on Mayan tradition, builds consensus and develops community based problem-solving skills through the establishment of 'consejos comunales' (community councils). Community councils bring together base groups, such as small farmers and artisans, to arbitrate their needs for the betterment of their community. CDRO's services are offered through the following programs: Women's Programs, Sustainable Agriculture, Health and Natural Medicine, Education, Nutrition, Public Works, Social Service and Artisans.

HIGHLIGHTS OF CDRO ACHIEVEMENTS IN FISCAL YEAR 1995

- CDRO acquires machinery and equipment to start operation of CDRO's Soap Project.
- CDRO Begins Economic Bridging Fund Project with the implementation of CDRO's Organic Agriculture Project.
- CDRO expands its Community Bank Program.

Institutional Strengthening - PDAS

CDRO benefited from a variety of activities aimed at institutional strengthening which are described in the narrative below. The following chart reviews the organization's progress and provides information on its current status.

Indicators of Sustainability			
Indicators	Baseline (End of 1993)*	End of Fiscal Year 1994	End of Fiscal Year 1995**
Number of staff	55	70†	105†
Total budget	\$387,724	\$916,229	\$920,600
Total loan portfolio	\$171,480	\$190,173	\$519,485
# computers / % staff trained	10 / 100%	12 / 100%	14 / 50%
Number of donors	6	12	10
Number of beneficiaries	40,000††	45,000††	45,000††

* \$1 = Q5.47

** \$1 = Q5.7

† Does not include 130 CDRO full- and part-time volunteers, technical assistants and consultants.

†† Direct and indirect beneficiaries of CDRO community groups and participants of CDRO's extension programs.

Strategic Plans - CDRO was unable to concentrate its efforts in this area due to its many organizational constraints and to its decentralization process. The growth of the organization has forced CDRO to reexamine its present structure and to devote much of its time to a reorganization. Katalysis plans to assist CDRO in this area for the next fiscal year.

Management Information Systems / Partnership-wide Project Monitoring Database - There was no activity in this area.

Strengthening Fundraising Techniques and Strategies - This fiscal year Katalysis staff worked closely with CDRO to help in the preparation of project profiles and proposals for counterpart funding for PEBD and AGTE

projects. CDRO was successful in attaining grants for its Community Banking Program, and its organic agriculture project.

Participatory Management and Administration - Katalysis program staff devoted much time to this area. Most of the work consisted in project management, communication and information flow. Several meetings were held with the staff members of the Women's Program, Agriculture, and Banco Pop (community banking). Presently, the Women's Program coordinates its efforts with the other programs requiring improved coordination and communication. Katalysis plans to continue its work with CDRO in this area.

Monitoring, Evaluation, and Impact Analysis - With the aid of an outside consultant CDRO carried out an intensive organizational evaluation during the third quarter. This evaluation was made possible with funds from one of CDRO's major funders, NOVIB. The recommendations were incorporated into the respective program areas. The document was made available to Katalysis.

Partnership Exchange - CDRO's staff participated in many partnership exchanges throughout the fiscal year. Among these were an exchange activity hosted by Katalysis in Loma Linda in Honduras and a technical assistance and training session on organic agriculture with participation by staff members from BEST, MUDE, and ODEF. CDRO staff also participated in an exchange seminar on technical aspects of organic agriculture. This exchange, which many international organizations attended, was hosted by PROFRUTA - FAO.

Partnership Training and Board Participation - During the fiscal year CDRO's Executive Director participated in the Partners Board Meetings held in July and August, in Honduras.

Agricultural Training and Extension - AGTE

Accomplishments in Agricultural Training and Extension						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Technical Wksp/Leaders	2 / 40	2 / 35	1 / 32	2 / 85	2 / 41	7 / 193
Sus Ag Wksp / Trainees	2 / 60	1 / 112	3 / 54	27 / 8	47 / 376	77 / 550
Ag Credit /# of Farmers	\$4,300/30	-	1,460	-	2,840	4,300/31
Reforestation Proj/Beneficrs	2 / 1,333	-	-	-	62	3 / 62

Conservation Agriculture and Environmentally Sustainable Practices: CDRO's Agriculture Program conducted community agricultural leadership courses (TALES), and offered seven three-day workshops to the leaders of the community agricultural groups. These leaders facilitated seventy-eight workshops for their community groups to transfer the skills and information they learned in the TALES courses. Topics included organic farming practices such as: production of organic insecticide and fungicide, organic fertilizer, use of repellent plants, crop rotation, disease and pest control using home-made traps, seedbed construction, medicinal plant cultivation, tree-pruning, tree-drafting, and general crop production. Simple instruction pamphlets on the construction of compost piles and soil conservation practices were developed by the Agriculture Program staff. These materials were given to the leaders to use as guides and reference information to support their teaching and technical assistance activities in their communities. The beneficiaries in the communities are using the techniques transferred to them by TALES. The replication of the practices are noticeable in the communities because many demonstration plots have been established. The reforestation project had several difficulties during the first three quarters of fiscal year 1995, but during the fourth quarter three projects were started in three communities with little participation from the community. For next fiscal year CDRO plans to devote more time to promoting the project in other communities to improve community participation.

Eco-nomics Bridging Fund - CDRO worked on organic crop cultivation as an income generating project for its community groups, and CDRO assisted six groups in the development of a pilot project to learn new organic practices and to cultivate organic seed for the local and international markets. The participants were able to plant two crops during the year. Having had the experience during this year, the beneficiaries are planning to increase

the amount of land devoted to this project next year. CDRO established an organic fertilizer facility in its yard which served as a demonstration for the participants throughout the year. The fertilizer technique was incorporated into the community plots.

Partner Initiatives - The organic seed cultivation project was launched during this year and progress has been made in the field. The organic techniques are being used by the participants in their demonstration plots and disseminated in their communities. These participants have finished the training period, implementing more demonstration plots is their next step. CDRO continued providing assistance to the communities involved in the reforestation project. During the previous year they transplanted 15,000 forestry plants and 367 fruit trees. This plant material was disseminated throughout the area embraced in the project. CDRO also installed another greenhouse which is located in the central nursery on their office grounds. Thousands of seedlings are being produced in the facility to be transferred in the near future to the communities. This activity was also replicated in the communities where six nurseries were installed. CDRO has completed the diagnostic for use and management of land called "Parcialidades" (lands communally owned by families/communities) in order to conduct a model program on Forestry Management on these lands. Wood by-products are being produced and trials of export are under way.

Business Development and Promotion - PEBD

Accomplishments in Business Development and Promotion						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Community Banks established	3	2	0	0	3	5
New CB Members trained	60	77	0	0	61	138
Credit disbursed to CBs	\$3,930	3,930	0	0	0	\$3,930
Sm Bus Mgt Wksp / Trainees	15 / 75	6 / 18	2 / 31	4/31	3/31	15/111
New Credit to Microentreprs	\$2,600	2,600	0	0	0	\$2,600

Community Banking - This year CDRO placed much emphasis on community banking promotion enabling the community banking program to expand and reach a greater part of the communities within its region. This year CDRO also focused on savings as part of the criteria for community banking. CDRO continued its training program in organization, entrepreneurship, small business management, credit management, gender issues, and income generation activities.

Training and Technical Assistance in Credit, Small Business Management and Community Banking - CDRO's staff established three new community banks. Bank members were trained in all the areas of community banking. CDRO staff also provided follow-up visits to these new banks, and technical assistance to several groups of women to implement alternative income generating projects. This year was an intensive year for CDRO's Community Banking Program.

Asociación de Mujeres en Desarrollo - MUDE

Asociación de Mujeres en Desarrollo (MUDE) was formed in May, 1991 by twenty women from several Guatemalan communities who wanted to use their development experience to help alleviate poverty and its crippling effects on low-income communities. MUDE's overarching goal is to support women in their efforts to improve their economic conditions, to raise their self-esteem and to increase their participation in the process of community development. Through its women's programs, MUDE fosters conditions in which rural communities can build equity, solidarity and sustainable income-generating activities.

MUDE works with women's groups composed of both indigenous and Ladina women, serving ten communities located in four provinces of Guatemala. Five program areas have been developed to provide specific training and educational activities which complement MUDE's organizational goals and objectives: human resource development and community organizing; education and skills training; technical assistance and training; credit programs (Women in Business and Community Banking Programs), and most recently agricultural training and extension.

HIGHLIGHTS OF MUDE ACHIEVEMENTS IN FISCAL YEAR 1995

- MUDE initiates evaluation of Community Banking and Agriculture Programs.
- MUDE develops Strategic Plan for one year.
- MUDE initiates its accounting system diagnostic.

Institutional Strengthening - PDAS

MUDE benefited from a variety of activities aimed at institutional strengthening which are described in the narrative below. The following chart reviews the organization's progress, and provides information on its current status.

<u>Indicators of Sustainability</u>			
<u>Indicator</u>	<u>Baseline(end of 1993)</u>	<u>End of Fiscal Year 1994</u>	<u>End of Fiscal Year 1995</u>
Number of staff	4	7	7
Total budget	\$36,674	\$36,405	\$33,712
Total loan portfolio	\$34,264	\$47,551	\$62,638
# computers / % staff trained	1 / 75%	1 / 75%	3/75%
# of donors	5	7	5
Number of beneficiaries	165	445	462

Strategic Plans - Work began this year on strategic plans for both MUDE's AGTE program and PEBD programs. This work will continue for the next fiscal year. These plans will help MUDE to focus its efforts in the areas where they can be most effective.

Management Information Systems / Partnership-wide Project Monitoring Database - An extensive diagnostic study was done on MUDE's procedures manual, accounting manual, and credit policies by consultants funded through PADEL. The report's findings will be used as a basis for strengthening MUDE's organization. This work will be facilitated by the purchase of one more computer, which will bring MUDE's total to four computers. With the purchase of the computers, MUDE's staff receive training in various computer software programs.

Strengthening Fundraising Techniques and Strategies - Katalysis worked closely with MUDE to assist the staff in this area. MUDE was able to apply what was learned to secure counterpart funding to implement an organic garden and Chefina stove projects. Both projects accomplished planned goals, and MUDE will continue to search for funding sources to expand both projects. MUDE was also able to use its funding strategies to obtain funding from other organizations. Presently, MUDE is receiving assistance from PADEL. PADEL is a Canadian organization that plays a part in funding MUDE's community banking program. This organization, along with Katalysis, has invested time and effort to strengthen MUDE's organization.

Monitoring, Evaluation, and Impact Analysis - A diagnostic of MUDE's Community Bank Program was completed in the second quarter. The findings show that MUDE's program has much room for growth, but extensive work is needed to build the organization's capacity to absorb this growth. An evaluation was also done on MUDE's accounting system. This evaluation showed that the system needs to be upgraded.

Partnership Exchange - MUDE's staff participated in several partner exchange and received donor visits. The partner exchange and donor visits have served to strengthen the organizations programs and to promote the organization as a whole.

Partnership Training and Board Participation - MUDE's Board of Directors participated in a seminar on Partnership. MUDE's board members finished the seminar with a clearer vision of the Partnership Methodology. MUDE's Executive Director participated in the Partners Board Meetings held in July and August, in Honduras.

Agricultural Training and Extension - AGTE

Accomplishments in Agricultural Training and Extension						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
Approp Tech Wksp / Trainees	9 / 135	8 / 104	11 / 32	17 / 125	17 / 125	53 / 386
Organic gardens / beneficiaries	10 / 52	0 / 19	6 / 41	12 / 40	20 / 60	38 / 160

Conservation Agriculture and Environmentally Sustainable Practices - MUDE developed its agricultural training and extension program which has been welcomed by the participants. MG funds made possible the training 160 participants who established thirty-eight gardens during the year. The number of gardens established is an example of the success of the new program. However, climatic conditions were a limiting factor that hampered the participants performance. The techniques disseminated were well-received by the participants and are being applied in the communities. The new environmentally sound practices allow the beneficiaries to have crops free of contaminants, thereby improving their quality of life.

Appropriate Technologies - The energy efficient technology project, developed this year to promote fuel efficient Chefina Stoves in three communities was one of MUDE's most important projects. In this year sixty-seven stoves were built by beneficiaries in the communities where MUDE provides services. The participants of the project purchased the materials with credit provided by MUDE. The fund to provide credits to the beneficiaries was obtained through donations from counter-part funding: Food For All and the Atkinson Foundation. This is permanent funding that will be used for other beneficiaries interested in Chefina Stoves for their homes. This project has had good acceptance by the participants and the impact of this new technology has been excellent. According to participants most have reduced the use of fire wood by as much as forty percent (40%) reducing the pressure on the community forests. At the end of the fourth quarter, improved Chefina Stoves were developed by an organization partner of MUDE in Guatemala reinforcing MUDE's training capacity for year two of the project. MUDE has expanded the project for next year.

Eco-nomics Bridging Fund - MUDE does not begin this project until year three of the MG.

Partner Initiatives - MUDE initiated organic food production in four communities, using techniques such as the production of organic insecticide and fungicide, organic fertilizer, use of repellent plants, crop rotation, disease and pest control using home-made traps, seedbed construction, and medicinal plant cultivation. The beneficiaries have acquired knowledge that allows them to perform the activities efficiently. Additionally, MUDE continues to raise environmental conservation awareness among the beneficiaries of the community banking and Women in Business Programs. The introduction of Chefina Stoves to the communities where MUDE offers these programs is another of their initiatives, and the acceptance in the communities has been excellent.

Business Development and Promotion - PEBD

Accomplishments in Business Development and Promotion						
Description of Project Activity	Outputs					
	Goal	Q1	Q2	Q3	Q4	Total
New Community Banks	4	0	3	3	1	7
New CB members trained	120	0	78	73	90	241
Credit disbursed to CB's	\$ 5,840	0	\$5,840	0	0	\$5,840
Adults trained/sm bus mgt	135	0	142	91	16	249
Credit disbursed - ME	\$ 1,100	0	0	1,100	0	\$1,100

Community Banking - The program had a successful year in meeting all of its planned activities. Some of these activities included: promotion, establishment of new banks, trainings, and follow-up visits to banks and individual members. The program was expanded with the inauguration of seven banks. Next year's plan is to improve the program in terms of its effectiveness and efficiency.

Credit to Individuals - Although the program staff in charge of the program resigned during the fourth quarter, most of the methods planned for the year were completed. MUDE contracted a new program staff to continue with the activities established.

Training and Technical Assistance in Credit, Small Business Management and Community Banking - MUDE continued with its training curriculum established for the year. The trainings served as a base for the establishment of the banks and individual credits. Other training activities involve manual arts as a possible income generating project.

V. MANAGEMENT: REVIEW AND ANALYSIS OF HEADQUARTERS SUPPORT FUNCTIONS

Katalysis Restructuring

The process of change and organizational growth has been one of the most important issues for all Katalysis staff members, north and south, and has required significant attention in order to fine-tune roles and responsibilities. Although much time was spent during FY94 to plan and prepare for change, the actual experience offered challenges that could only be solved through an iterative process of problem identification, problem solving, and testing the outcomes. An example of this has been the many changes to the organizational chart, and the ongoing discussion surrounding the composition and role of Katalysis/Honduras' Board of Directors. For Katalysis/California, key staff responsibilities were assessed and realigned as new staff were hired and as support for the new regional office dictated. By year-end new or revised protocols were in place to link the two offices more effectively.

Katalysis headquarters staff directed its energies to the crucial institutional questions in FY95 and to providing support for the Regional Field Office. Examples of this support include underwriting the expenses incurred, coordinating northern recruitment for key program positions in the field office, developing a draft personnel policy, and providing technical assistance in finance, resource development and executive functions to Partners, as well as the regional office.

Establishment of the field office required that all of Katalysis internal operations be carefully reviewed and refined to eliminate duplication where possible and improve efficiency. This review resulted in an organizational protocol for communications, improved travel planning, revision of employee insurance for expatriates, and ongoing reexamination of personnel policies. In addition to these areas, an organizational plan was initiated to integrate full-scale annual planning and budgeting (Attachment B). The outcome was an organizationally agreed upon set of priorities for FY96 that incorporated the goals from the strategic planning initiative, a balanced budget for FY96, and a coordinated technical assistance and training calendar.

For the Regional Field Office, Katalysis/Honduras, the changes were very dramatic and included relocating existing staff and office to the field and hiring 100% new staff during the fiscal year while maintaining program operations. Tasks which required immediate attention included securing adequate office space, when the original space proved insufficient; establishing internal management, financial, accounting and grants management systems; handling personnel recruitment and management; and addressing numerous legal and bureaucratic issues which abound in the local environment.

The restructuring, which is ongoing, has caused all participants in the process – Board, staff, and Partners – to search for a new balance of responsibility versus authority, planning versus doing, and partnership as a process versus a program. Katalysis' role within the Partnership and with each Partner was scrutinized, as the Board and each new staff member looked, learned and evaluated what they observed. New ideas, policies, and visions have surfaced, and new initiatives to deal with them have sprung up in an attempt to harness the energy and dynamism that comes with positive, yet costly change. The North/South balance took on a new meaning during the year, as Katalysis/Honduras hired staff from the South, adding a new dimension to the concept of "North/South Development Partnership.

Staff Resources

Restructuring has meant very big changes for Katalysis both in California and in Honduras. For Katalysis / California, the restructuring included adding the Administrative Manager position just prior to the start of FY95 and the accounting assistant during the year. In the course of the year, a new Director of Finance joined the California team, bringing special expertise in non-profit fund accounting. The new Katalysis North/South Development Partnership organizational chart is included in Attachment C.

Recruiting, hiring and training has been one of the major focus points throughout the year for both Katalysis/California and Katalysis/Honduras. Attention was given to finding new and appropriate forms of organizing staff to deal with the multiple issues that have arisen. Katalysis/California has developed the

Management Team, consisting of the President, the Directors of Resource Development, Finance and the Regional Field Office, and the Administrative Manager. The Team focused on preparing priority lists as a means of improving interdepartmental cooperation and coordination, addressed the issues of interoffice communications and costs, and handled administrative and financial issues. One of the most significant tasks taken on by the Team was the budget reduction process which occurred in June to realign expenses with projected revenues. The Team operates via weekly meetings of the four based in California (with less active participation from the Regional Field Director due to distance).

Regional Field Office (RFO) staff members have come together to form an effective, though still understaffed team. The process of recruitment continues to be a long and costly one: the first phase began in September of 1994 while still in California. That effort was very effective, identifying four staff members, three of whom are still with Katalysis/Honduras. The second phase ran from January to February, netting two new hires, one from Belize and one from El Salvador; in short order it became clear that neither were appropriate matches for the positions they filled. The third phase attempted to focus on local Honduran candidates and included advertising in local papers. This local effort was not successful, and the two candidates selected were from the US. Unfortunately, both candidates, at the last minute, rejected Katalysis' offers in favor of other positions. Katalysis/Honduras will enter into the fourth recruiting phase in Q1 of FY96 with a much expanded focus on local recruiting, and will bring on a short term consultant specifically for this purpose.

At year end, two key positions remained vacant: the Organizational Development Coordinator (ODC) and the Microenterprise Development Program Manager (MEM). Both of these positions are key to the successful implementation of the Matching Grant objectives. The chart below highlights the year's new hires who remain on board as of this writing.

New Hires during FY95 currently on Staff:

Position	Name	Qtr.	Contributions
Katalysis/California			
Finance Director	Mano Beltrán	2	Upgraded Accounting Computer system and Financial Reporting capabilities
Finance Assistant	Ana M. Hutchinson	1	Provided support to Finance Dept.
Secretary-Receptionist	Rebecca Gonzalez	2	Communications and Admin. support
Katalysis/Honduras*			
Natural Resource Program Manager	Leonardo Alvarez	1	Fully developed the AGTE Program with the Partners, and Herencia Verde w/ ODEF
Accountant	Alex Giron	1	Established accounting and financial management and reporting systems
Program Associate	Vanessa Thomas	2	Fine-tuned and responsible for grant management systems
Office Assistant/Driver	Marlon Melendez	3	Provides office support
Herencia Verde Marketing Specialist	Carlos Rodriguez	4	Responsible for TA and T to the project in marketing/planning/sustainability
Secretary-Receptionist	Doris Zavala	4	Bilingual secretarial services and communications support

* Special thanks go to departed staff members who provided invaluable services in the set up of the Regional Field Office, Maureen Leatherbarrow, Program Coordinator; Heather Hanson, Program Associate; Sergia Cardona, Secretary-Receptionist; David Chessman, Office Assistant-Driver.

Temporary staff and interns continued to play an important role in achieving the Katalysis mission. Details of these contributions can be found in **Attachment D**.

Project Planning and Management Activities

Project planning and management became a very big job, in part driven by the increasing number and variety of projects and donors in the portfolio, and in part by more time being spent up front with Partners in developing new project initiatives so that they adequately respond to Partner needs and realities. As importantly, driving Katalysis and the Partners is the challenge of the Matching Grant mechanism, which requires both, in partnership, to seek out complimentary funding for all of the projects in the portfolio. In order to accomplish this, both offices have put significant time and energy into further developing this process into a procedure that is manageable and effective in addressing the multiple needs and priorities of project beneficiaries, Partner organizations, and donors, and in responding to Katalysis' ability to offer effective technical assistance and training to the Partners (see Attachment for a copy of the Grant Management Procedures).

At year end, Katalysis carried fourteen separate project/donors with the four partners in addition to each of the projects contained in the AGTE and PEBD portfolios for each partner. Each project/donor has separate and unique characteristics, objectives, reporting requirements, and administrative procedures for management and tracking. In addition, project management includes the monitoring of PDAS goals which are solely based on the Matching Grant output requirements.

During the year, the two tasks of grant management and grant administration were more clearly defined for funds which are passed through Katalysis/California (to date, Katalysis/Honduras has secured one funding source for which disbursements do not pass through Katalysis/California: Fundación VIDA funding for the Herencia Verde Project). Where funds pass through Katalysis/California, it retains the Administrator function, delegating the Grant Management function to Katalysis/Honduras. The AID Matching Grant falls within this latter category. In the case where funds pass directly to Katalysis/Honduras, it has taken on both functions. Examples of specific tools which are now in place to adequately perform the grant management function can be found in Attachment F.

Training and Technical Assistance

The chart on the next page highlights training and technical assistance activities for fiscal year 1995 in comparison to year two of the DIP.

AGTE - Agricultural Training and Extension

AGTE activities were kept on track throughout the year with each of the Partners. This includes the final drafting and implementation of the Herencia Verde project, a joint venture with ODEF. The Training and Technical Assistance Chart shows the breadth of projects taken on by Katalysis and its partners. Training and follow-up was offered on a quarterly basis to all Partners. The Herencia Verde project, because of its size and scope, demanded significant time. According to the pie chart which breaks down the manner in which RFO members spent their time during the year (Attachment G), it is noticeable that more than ten percent (10%) of total staff time was dedicated to that project.

PEBD/PDAS - Business Development and Promotion / Program Development and Support

PEBD training and technical assistance were kept to a minimum given the vacancy in the Microenterprise Program Manager position. Regular follow-up was provided, however, and in the second quarter, all Partners participated in an *informal diagnostic* to determine whether their programs and their financial management systems were sufficiently well-developed to permit them to develop a *strategic plan* for their organizations based on their community banking/microenterprise programs. This is the direction that the Partners have chosen for the PDAS strategic planning component. In response to the conclusions from this activity, funding was sought from the SEEP Planning Grant Fund to develop a software tool which would assist Partners in developing its strategic plans. ODEF was selected as the lead Partner in this project and is scheduled to have completed their strategic plan, utilizing the data generated by the software tool in Q1, FY96. In addition, a partnership exchange event is scheduled for the first three days of December to review the concepts of strategic planning for organizations with micro-credit operations, and the use of the new software tool. The increasing sophistication of Partner credit programs necessitates a software tool to adequately project program outputs and inputs over a given period of time. All Katalysis Partners, some to a greater extent than others, view their credit operations as the primary program activity and are interested in developing strategic plans that will enable them overtime to be not only self-

sufficient in that area, but also cover the costs of other program activities such as the projects in the AGTE portfolio.

Katalysis was not able to host the Partnership-wide strategic planning training activity in Q2, which was scheduled to include a fundraising/marketing strategy training session. The content of this training will be added to the Partner training events scheduled in the DIP under strengthening fundraising techniques and strategies in Q1, FY96. However, significant time was spent with all partners in *donor research and cultivation*. Site visits were made by the Resource Development Director during quarters one through three. *Board development training* events were facilitated by the Katalysis President for the boards of MUDE and ODEF in Q3. Training focused on Partnership, board member roles and responsibilities and a SWOT analysis. The *Partnership-wide funding alliances* training day brought together all Executive Directors at Katalysis/Honduras in Q4 to review, discuss and finalize the project profiles for projects to provide matching funding for the PEBD and AGTE portfolio. The profiles included a major new initiative into marketing projects for ODEF, CDRO and BEST. The InterAmerican Development Bank funded a consulting team to work with Katalysis and the partners in developing the project profiles, which they would submit to the IDB in proposal form. Katalysis Finance Director installed a computerized accounting system at BEST and trained staff members in quarter four in order to improve and upgrade BEST's *MIS systems*.

Katalysis committed to facilitating at least three *Partnership Exchange* events (PX) in the year for each Partner. This was accomplished for all Partners, except BEST. In the second quarter a PX was hosted by a Katalysis board member and owner of the sustainable agriculture training and learning center, Loma Linda, for representatives from each Partner's AGTE program. In the second quarter, one ODEF staff member traveled to MUDE to assist with the organizational diagnostic for strategic planning, and in the third quarter, a MUDE staff member spent one week with CDRO offering a comprehensive training on Chefina Stoves. In the area of PEBD, Katalysis facilitated the participation for one staff member from each partner to attend the SEEP International Community Bank Conference in Guatemala in Q1. The *NGO Financial Management and Administration Manual* is completed, but still in draft form.

TRAINING AND TECHNICAL ASSISTANCE
Fiscal Year, 1995

Activity:	Plan FY95 DIP	Actual Outcomes															
		Q1				Q2				Q3				Q4			
		M	C	B	O	M	C	B	O	M	C	B	O	M	C	B	O
PDAS																	
Long Range Plans																	
Partnership / Diagnostic	Q2																
Management Information Systems																	
MIS Needs Assessment/Strategic Planning	Q4																
Fundraising Techniques/Strategies																	
Fundraising training/Strategic Planning	Q2																
Donor Rsch, Cultivation and FR Training	Q2																
Monitoring/ Evaluation:																	
MUDE: Community Bank Diagnostic	Q2																
ODEF: Community Bank Diagnostic	Q4																
Partnership Exchange:																	
BEST	3																
MUDE	3																
ODEF	3																
CDRO	3																
Partnership Training workshop:																	
Partnership-wide Fundg Alliances Training	Q3																
Board Development II Training	Q3																
Documentation:																	
NGO Financial Management and Admin	Q1																
AGTE Training and Technical Assistance																	
Reforestation Project																	
Sustainable Agriculture																	
Energy Efficient Technologies																	
Economic Bridging Fund																	
Organic Gardens																	
Herencia Verde																	
Natural Medicine																	
Partnership Exchange																	
Agriculture Extension																	
Environmental Education																	
Food Processing																	
Credit																	
PEBD Training and Technical Assistance																	
Community Banking																	
Microenterprise Training																	
Youth Enterprise																	

*M: MUDE; C: CDRO; B: BEST; O: ODEF

Strategic Planning

Phase two of the Katalysis strategic planning process (Starbright) continued throughout the year, yielding the new Katalysis Mission Statement (see Attachment H). This mission statement is broken down into five functional areas: 1) shared purpose with Partners, 2) structure of Partnership, 3) systems, processes and dynamics, 4) programs with partners, and 5) refining and advancing Partnership. The staff and board members involved in the process performed an assessment of each of the functional areas detailing those things done well, those that need improvement, and those that could be new areas of work. They designating specific areas of work to staff members to move the plan forward. In addition, the process focused on sustainability, governance and strategic decision-making, content and practice of Partnership, documentation of the RFO, expansion and replication. An outside consultant was retained to facilitate the process. The final plan setting short-term and long-term institutional objectives was drafted which aligned the STARBRIGHT process with staff operational priorities. The results were distributed to the full Board for review, comment and deliberation at the November 1995 Board of Directors meeting in Honduras.

Project Fundraising and Marketing

During FY 1995, Katalysis continued its efforts to expand the funding base both for Partner projects and for operational support. Three new institutional funders were added to the portfolio and, for the first time, funds were solicited and received from two corporate funders. The Major Donor Campaign, headed by Katalysis founder Bob Graham and supported by a nine-member committee again succeeded in meeting its goal for 'FY '95. In support of the Major Donor Campaign and as a means to educate individuals about development issues, a second donor trip was conducted in April '95 to Guatemala and Belize. The bi-annual direct mail appeals provided additional revenue and also helped maintain the visibility of the Katalysis Partnership in the international development community (refer to Attachment I for more details on funding sources).

Role Of The Katalysis Board Of Directors

The Board has continued to play a pro-active and resourceful role in the development of the Partnership. The chief areas of participation and involvement have included:

- **EXECUTIVE COMMITTEE:** This committee met monthly for day-long sessions to oversee administrative operations, finances, strategic planning and policy. In addition, it was active in troubleshooting internal and Partnership-wide issues. A key activity of the committee in FY 1995 was to review revenues and expenses and advise in the preparation of a balanced budget for FY 1996. The committee was enlarged this year to include Luz Vega (Treasurer) and Sylvia Rosales-Fike.
- **MAJOR DONOR CAMPAIGN:** For the second straight year, this committee met its goal (FY 1995: \$125,000) of raising institutional core-support funds. It was chaired by founder Bob Graham and included board (4), staff (2), and outside resource people (4). An Investors' Circle of long-term major donors will be instituted in FY 1996.
- **STARBRIGHT COMMITTEE:** (see STRATEGIC PLANNING above) This committee met every two months with an outside consultant to design and develop institutional priorities and future growth.
- **Partnership JOURNEY COMMITTEE:** This committee designed, developed and coordinated two major donor trips to the region as part of the Partnership's development education program. A third journey is planned for January, 1996.
- **RFO MONITORING AND GOVERNANCE:** The board, acting primarily through the Executive Committee, conscientiously reviewed the development of the RFO, which constituted Katalysis' expansion in FY 1995. In addition, four board members also sit on the RFO Board of Directors and consult with the Regional Field Director on the operations/activities of that office.
- **DEVELOPMENT EDUCATION:** The Executive Committee and staff collaborated on the design and development of Katalysis' first promotional video. Funding (\$30K) was secured by the founder to underwrite the preparation and production of this piece.
- **NORTH/NORTH PARTNERSHIPS:** Board members were instrumental in forging new relationships with corporate and sister-PVO interests to benefit Partner programming and development. Chief among these were: EarthTrade, Seeds of Change, Global Partnerships, Alistar Institute, Odwalla Natural Juice Company, and Mitsubishi.

- **HERENCIA VERDE:** This first Partnership joint venture (ODEF/KATALYSIS) was successfully launched in February. Board members have visited the site, conferred on project development, provided training opportunities for HV staff in the United States, assisted with counterpart fundraising, and provided necessary technical assistance. The center was inaugurated in November, 1995 and was the site of the annual Katalysis board meeting at that time.
- **CONTRIBUTIONS:** Board members contributed \$101,100 in FY 1995.

Role Of The Partner Directors Board

The Partner Directors Board members (four southern, one northern) met three times in FY 1995: once in Belize and twice in Honduras. Each session was facilitated by a different director. The key issues discussed at these sessions included: RFO staffing and operations, Herencia Verde development, new major collaborative funding initiatives (MIP and MIF), individual Partner challenges, and the AID matching grant implementation and reporting process.

The two meetings in Honduras were specifically focused on the preparation of the IDB/MIF proposal. Two MIF consultants met with the directors at the third meeting to finalize the proposal content and budgets. All directors participated fully in the design and development of this comprehensive new initiative.

Development Education

Educating the donor community and the wider public about the causes of persistent poverty in the developing world is a crucial element in bringing about sustainable change. In 1995 Katalysis continued its commitment to educating the public through publications, outreach and donor visits in the field. Two editions of the Katalysis Newsletter, *Field Notes*, were distributed to 2,500 people in October and April; over 200 information packets were mailed to individuals and institutions interested in development issues; and a group of twelve donors visited Partner projects in Guatemala and Belize in March. Copies of the Katalysis newsletter can be found in **Attachment J**.

VI. FINANCIAL REPORT

Total Katalysis expenses allocable to the AID cooperative agreement for the year ended September 30, 1995 are \$378,116.95 as detailed in the table below:

LINE ITEM	CURRENT PERIOD		YEAR TO DATE		TOTAL	BUDGET	PERCENT OF BUDGET USED
	HEAD QUARTERS INCLUDES RFO	OVERSEAS PROGRAM PARTNERS ONLY	HEAD QUARTERS INCLUDES RFO	OVERSEAS PROGRAM PARTNERS ONLY			
SALARIES & FRINGE	15,958.86	8,618.13	79,181.19	53,618.53	132,799.72	136,980.00	0.969483
TRAVEL	7,069.00	1,206.33	22,900.94	8,738.42	31,639.36	22,915.00	1.380727
OTHER DIRECT	5,606.93	16,403.19	38,720.32	46,095.95	84,816.27	77,335.00	1.096738
TOTAL DIRECT	28,634.79	26,227.65	140,802.45	108,452.90	249,255.35	237,230.00	1.050691
TOTAL INDIRECT	29,499.64	0.00	128,861.60		128,861.60	112,770.00	1.142694
TOTAL DIRECT & DIRECT	\$ 58,134.43	\$ 26,227.65	\$ 269,664.05	\$ 108,452.90	\$378,116.95	\$350,000.00	1.080334

Headquarters expenses include allocable salaries and benefits, travel and other direct expenses for the following personnel: President, Director Regional Field Office, Director of Administration, Director of Finance, Director Natural Resources, Program Manager, and Director of Resource Development.

Overseas program expenses include allowable expenses incurred by our four Partners and can be summarized in the following manner:

BELIZE

BEST \$32,974.00

GUATEMALA:

CDRO \$27,967.92

MUDE \$15,328.00

HONDURAS

ODEF \$32,180.48

NOTE:

Forms 269 and 272 are not included in this report because they were submitted directly to the AID Office of Finance Management on 11-04-95

VII. LESSONS LEARNED AND RECOMMENDATIONS

Katalysis Restructuring: The Regional Field Office

Lessons Learned:

This was a year of lessons, and one of the most important was that change and restructuring is difficult and cannot be fully planned for. It is hard work requiring constant attention and it is expensive by definition: it is a time of investment. Secondly, change cannot be planned as one might want to, that is with the expectation that everything has been accounted for perfectly. Rather, change and restructuring, in order to be effective, require strategic thinking and planning and a commitment to face persistent questions like: "where do we want to be? who do we want to be? how do we get there? and what are the obstacles?"

Recommendations

1. Have a strategic plan which answers the strategic questions ahead of time and resist the notion that an operational plan can supplant a strategic plan.
2. Start out with a realistic and balanced budget and resist the notion that revenue will be higher and expenses lower than planned.
3. Start out with a realistic operational plan and budget which prioritizes outcomes offering a shared vision of what the organization is committed to accomplishing in the year, both administratively and programatically.

Staff Resources

Lessons Learned:

Katalysis has learned that recruiting for overseas positions is difficult, costly and risky. Having made two bad decisions regarding new hires, the staff redoubled its efforts to produce a Policies and Procedures Manual, still in draft form, which helped address some of the weaknesses in the process and clarify compensation, relocation and other issues which surfaced. It became clear that a major impediment to hiring qualified local staff was the bilingual requirement; once candidates have English as a second language, their salary expectations are higher than what was originally budgeted for these positions. Generally speaking, the qualified English-speaking local candidates compete in the international job market, making their salary expectations similar to US hires. Finally, Katalysis/Honduras requires highly specialized and experienced staff because its approach is Partner-specific and needs based; and the breadth of programmatic foci relative to the overall size of Katalysis requires that each technical staff member to be a true expert in his/her field.

The staff that have been hired are all local staff, and all but one are bilingual. Building up this staff has required patient training in all areas, ranging from orienting them to the Katalysis vision, prioritizing and organizing work, imparting training methods and partner orientation, to checking English writing skills. This staff complement is challenging Katalysis to rethink some of its most fundamental perceptions surrounding the "North - South" paradigm.

Recommendations:

1. Reconsider the order of new hires, by first contracting an administrative expert to coordinate local hiring.
2. Readjust salary expectations to more realistic levels given the English/Spanish language requirement
3. Place recruiting as the number one short term priority for Katalysis/Honduras
4. Consider hiring local Spanish-only speakers if the technical ability is present and complement the position with a bilingual assistant and intensive language training.
5. Hire short term consultants to fill the programmatic needs of the Partners while completing the fourth phase of recruiting.

Strategic Planning

Lessons Learned:

The process of ongoing strategic planning is a costly one. It requires active input from all constituents at the appropriate time for those involved to take ownership of it. It became clear during the year that organizational agreement on a Mission Statement while one of the first important steps of strategic planning. More specifically, the process of strategic planning must be accomplished well within the parameters placed on the organization by its environment (funding, geographical, cultural, etc.), its financial constraints, its areas of technical expertise (which can be purchased with sufficient resources), and its organizational strengths and weaknesses. At the end of FY95

Katalysis found itself without many of the ingredients it required to move forward with its plan, causing some board members to suggest that the strategic planning process should continue with a vision toward focusing Katalysis' efforts with the Partners in a way that would increase impact and improve the cost-benefit ratio.

Recommendations:

1. Take up the process for a third phase with a firm commitment toward identifying a sustainable programmatic focus
2. Answer the following questions:
 - Where are we?
 - What is our vision for three years from now?
 - What are strategies for achieving our vision?
3. Make the necessary, yet difficult short term decisions which will make the planned-for long-term plan a reality.

Project Planning and Management

Lessons Learned

It has become clearer throughout the year that managing many small grants (which account for AID match) in a variety of sectors is very time intensive and, therefore, very costly. Part of the cost can be attributed to the need to manage each donor/project as an independent assignment. One of the results has been that given limited staff time on both the parts of Katalysis and the Partners, work completed during site visits (programmed at one week per Partner per quarter) focused heavily on the minimum requirements of grant management, administrative issues, financial reporting and field monitoring, leaving little time for actual training events. The benefits of this approach, however, was much more thorough understanding of Partner programs, their successes and areas of weakness, at a level of transparency that allows Katalysis to assess needs and propose solutions that are tailored to the Partner's actual situation. The net result at year-end is the formulation of the question of how to respond to the very diverse set of Partner needs that have been identified given the resources at Katalysis' disposal (the focus question).

Recommendations

1. Katalysis should continue to find ways to focus its work with the Partners and therefore the obligations incurred through commitments to donors.
2. The Organizational Development Coordinator position is indispensable and must be filled as soon as possible and be kept separate from the Sectoral TA.
3. The Microenterprise Program Manager must be hired as soon as possible availing more Katalysis time to work with the Partners on program strengthening in this area.
4. Institutional strengthening (PDAS) and program strengthening (PEBD and AGTE) must be worked simultaneously and in a coordinated fashion with each Partner.
5. Katalysis should develop program manuals which to document key project concepts, methodologies, training activities, etc. for each of the project areas in which it operates with its Partners.
6. Maximize usage of the facilities available at Katalysis/Honduras and Herencia Verde to host more Partnership exchange activities for training events which are relevant to all Partners or at least more than one.

Training and Technical Assistance

Lessons Learned

The Katalysis Partnership Model requires that partner organizations, programs, and projects be viewed holistically, that is within the context of each organization's institutional capability, cultural norms, economic macroenvironment, etc. As Katalysis has become ever more familiar with partner conditions it has been able to offer more holistic solutions to the challenges that are confronting them. However, the changes required to meet the challenges are often difficult and costly for organizations to undertake; and Katalysis, while committed to programmatic outcomes, cannot implement the solutions. Katalysis can only make recommendations, offer training, technical assistance and guidance.

Partners are not necessarily fully trained or functional in the program areas or projects in which they would like to operate, and the ability to define a project does not imply smooth implementation. The designers of the Matching Grant viewed the Partners' roles as project implementors and Katalysis role as institutional strengthener; the reality has worked out quite differently. Though due in part to limited technical staff, Katalysis has focused more heavily

on project/program strengthening than on institutional strengthening because that is what has been required to get the program outputs off the ground. What has suffered is the institutional strengthening work, while the need for it has increased. Programs are less effective if the partner institutions are weak in any area: finance, planning, administration, MIS, etc. Making changes in this area is the real challenge since the goal is, as stated in one of the Matching Grant's four goals, "to strengthen the management, financial and service delivery capabilities of non-governmental organizations...."

Recommendations

1. Hire the ODC and MEM immediately.
2. Plan for more technical staff days in the field (current plan: one week per Partner per program area).
3. While continuing to respect differences among Partners, search for common technical areas for Partnership-wide training events hosted at RFO facilities.
4. Institute a policy around the number of field days available for monitoring/management issues and the number which must be used for training (such as 3 to 2 ratio).
5. Use outside consultants to fill the gap in the PDAS and PEBD program areas while the recruiting process continues.
6. Restrict new project development funding to agreed upon areas of focus.

ATTACHMENTS
Katalysis ~ US AID Fiscal Year 1995 Annual Report

- A. Description of Activities to be carried out to accomplish the four objectives of the Matching Grant.**
- B. Annual Planning Diagram**
- C. Katalysis and Partner Organizational Charts**
- D. Temporary Staff and Interns Chart**
- E. Draft Grant Management Procedures**
- F. Program Management Documents**
 - 1. Partner Planning Documents**
 - 2. Quarterly Report Analysis and Response**
 - 3. Summary of Partner's Needs as Stated in the MG Reports**
 - 4. Sample Grant Agreement for Matching Funds**
 - 5. Donor Project Report (CDRO's Soap Project)**
- G. Time Allocation for Regional Field Office Staff**
- H. Katalysis Strategic Planning, Mission Statement, and Documents**
- I. Resource Development Information**
- J. Two issues of *Field Notes*, Katalysis Newsletter**
- K. Country Data Sheets (Form 1550-11)**
 - 1. Belize**
 - 2. Guatemala**
 - 3. Honduras**
 - 4. Headquarters**
- L. Katalysis Staff Matching Grant Travel, FY 1995**

A. Description of the Four Objectives of the Matching Grant

USAID MATCHING GRANT II PROGRAM OBJECTIVES

Objective One : To strengthen the organization capabilities of Katalysis' southern Partners.

- ◆ **Five-Year Long-Range Planning** - Katalysis and each Partner will develop and implement five-year long-range strategic plans geared toward strengthening the institutional, programmatic, and financial management of each respective organization.
- ◆ **Management Information Systems / Partnership-Wide Project Monitoring Database** - Management Information Systems will be developed for each organization, as well as on a Partnership-wide level. The goal of these systems is to better analyze current operations, to make data collection and organization more efficient, and to more fully utilize information of all kinds within the planning process.
- ◆ **Strengthening Fundraising Techniques and Strategies** - As part of each Partner's long-range planning, Katalysis will provide their staff with training and technical assistance to strengthen financial sustainability. Training will include improving overall fundraising strategy methods, donor research techniques, proposal preparation mechanics, donor tracking and grant management systems, donor reporting guidelines, in-country fundraising strategy procedures, and income-generating methodologies.
- ◆ **Participatory Management and Administrative Systems** - Katalysis and the Partner agencies will each design and implement participatory management plans. Training will be offered to each Partner in program management strategies and planning, including administrative systems design and implementation, personnel management and human resource development, document storage and retrieval systems, gender issues, and evaluation procedures.
- ◆ **Monitoring, Evaluation, and Impact Analysis** - Particular emphasis will be placed on developing effective mechanisms for tracking and analyzing institutional and program outputs in order to facilitate timely and effective use of this data in decision making. Participatory evaluations will be conducted by North/South teams of inter-agency personnel, thereby encouraging an active iterative process among all members of the Partnership.

Objective Two: To strengthen and develop the Katalysis Partnership, providing for the extension of the Partnership Model.

- ◆ **Partnership Exchange** - Through exchange programs, Southern Partners have the opportunity to learn from one another's experience and to offer their expertise to the rest of the Partnership. Exchange activities will include training, evaluation, collaborative conferences, joint fund-raising initiatives, and combined program activities.
- ◆ **Partnership Training** - Annual Partnership Training Workshops will be convened to discuss critical issues affecting the Partnership such as governance, finances, decision-making, North/South concerns, and communications. These training sessions will serve to refine the concept of Partnership, to strengthen its operation, and to document learning in order to disseminate the Partnership model to the greater development community.
- ◆ **Documentation** - Throughout the course of the Matching Grant the following documents will be produced in both English and Spanish: Beyond the Capital Campaign; NGO Financial Management and Administration Manual; The Southern Perspective on Partnership; Community Banking Report; Managing Partnership; Mid-term and Final Evaluations.

Objective Three: To improve and expand program services offered by each Partner in Natural Resource Management.

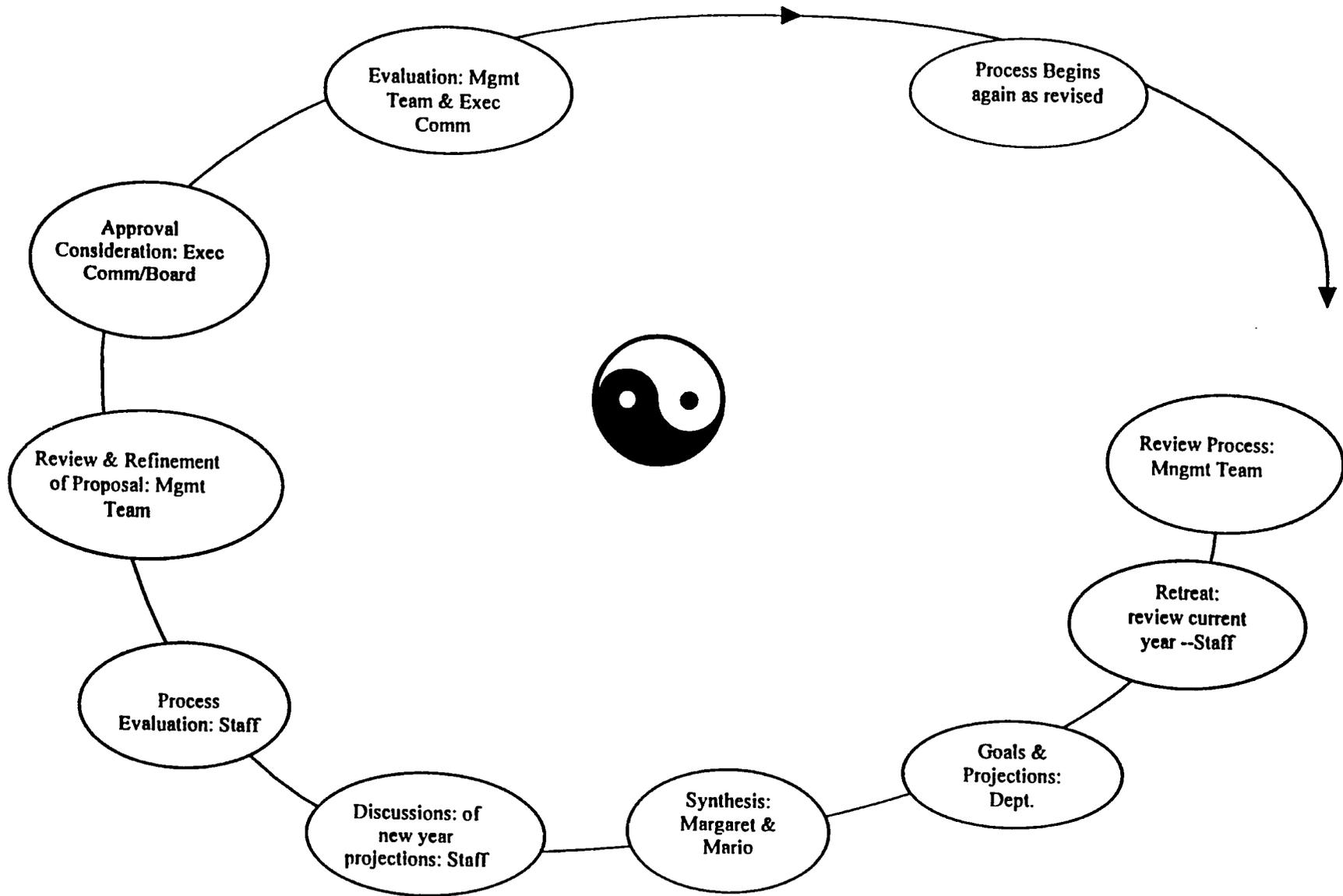
- ◆ **Training and Technical Assistance in Conservation Agriculture and Environmentally Sustainable Practices** - All of the Partners will expand their efforts to provide hands-on expertise to their program participants on the latest advances in sustainable agriculture and natural resource management. Approximately 3,000 individuals will be trained.
- ◆ **Appropriate Technologies** - Energy efficient technologies, including solar box cookers, biogas, fuel-efficient stoves, and solar drying, will be tested and promoted by the Partners. These energy efficient technologies are designed to help low-income beneficiaries explore alternative forms of energy generation in order to provide a sustainable source of energy and reduce dependence on expensive and environmentally destructive practices.

- ◆ **Eco-Nomics Bridging Fund** - This Fund is designed to enable the Partners to create new working models that practically demonstrate how environmental conservation and economic livelihood can be combined to promote sustainable development. Each Partner will research and develop income-generating alternatives that protect fragile ecosystems. This Fund provides both the initial seed money to explore these initiatives, and funds for project implementation.
- ◆ **Partner Initiatives** - Each Partner will undertake pilot projects for partnership-wide demonstration, including reforestation and agricultural credit (CDRO), backyard organic gardens (ODEF and MUDE), and biogas plants (BEST).

Objective Four: To improve and expand program services offered by each Partner in Microenterprise Development and Community Lending.

- ◆ **Community Banking** - Community Banking will continue to be the centerpiece of the Katalysis economic development strategy. Partners with established banks will expand their program with the MG: ODEF will launch 16 new banks; BEST 8; MUDE 10. CDRO will introduce this program and plans to initiate 21 banks. An estimated 1,095 new beneficiaries will be assisted with \$214,310 for business start-ups and expansion during the Matching Grant.
- ◆ **Credit to Individuals** - BEST, CDRO, and MUDE will provide loans to individuals for small business start-up and expansion. Primary beneficiaries will be women and youth, who will receive \$69,250 in loans over the five years of the MG.
- ◆ **Training and Technical Assistance in Credit, Small Business Management, and Community Banking** - All Partners will provide training and technical assistance to their clients in small business management and related activities. It is estimated that over 4,000 individuals, primarily women and youth, will be recipients of these services. This support will be provided in workshops, community meetings, youth groups, and one-on-one consultations.

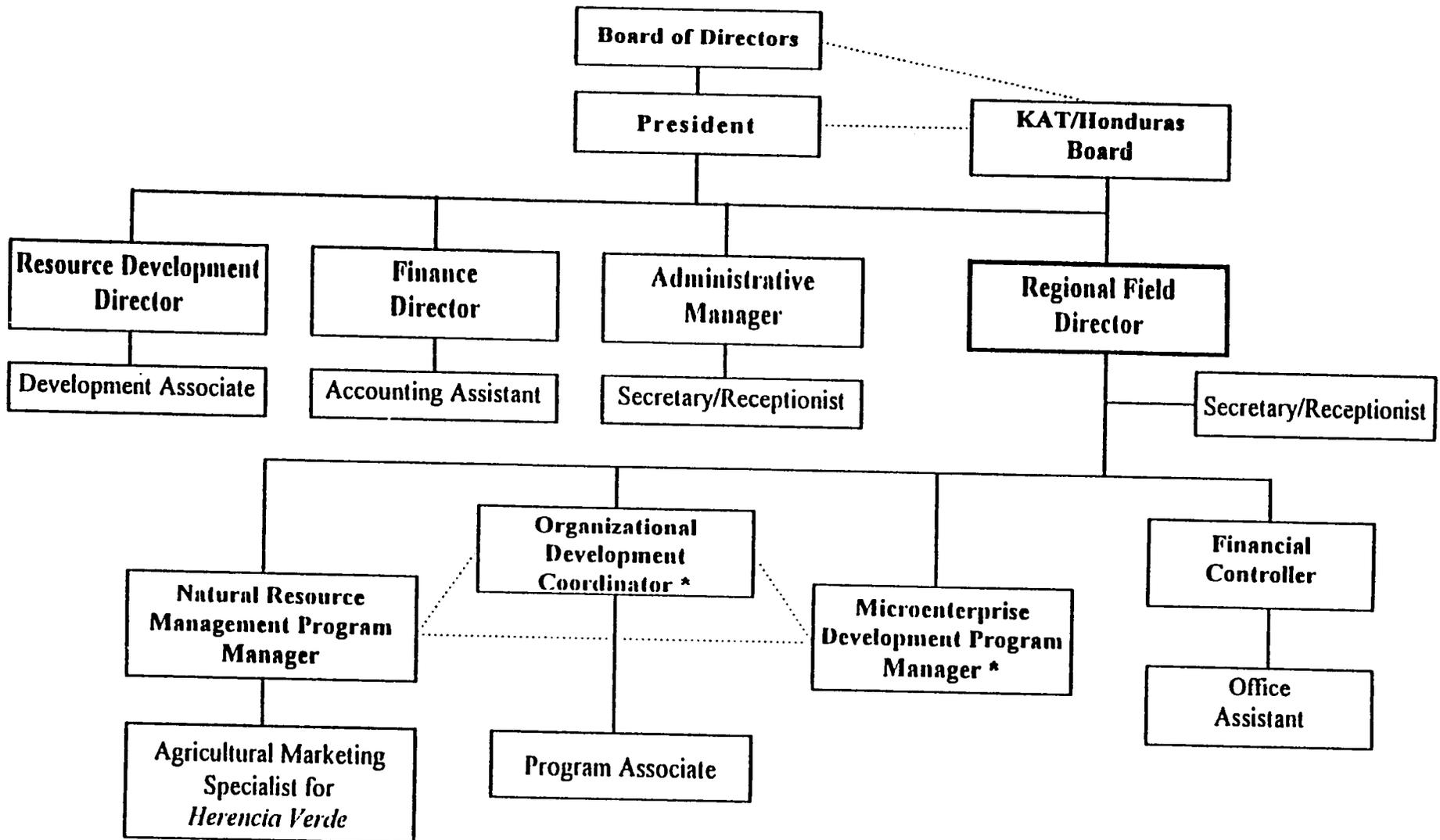
B. Annual Planning Diagram



***Katalysis Annual Planning
and Budgeting Process***

C. Katalysis and Partners Organizational Chart

Katalysis North/South Development Partnership
ORGANIZATIONAL CHART

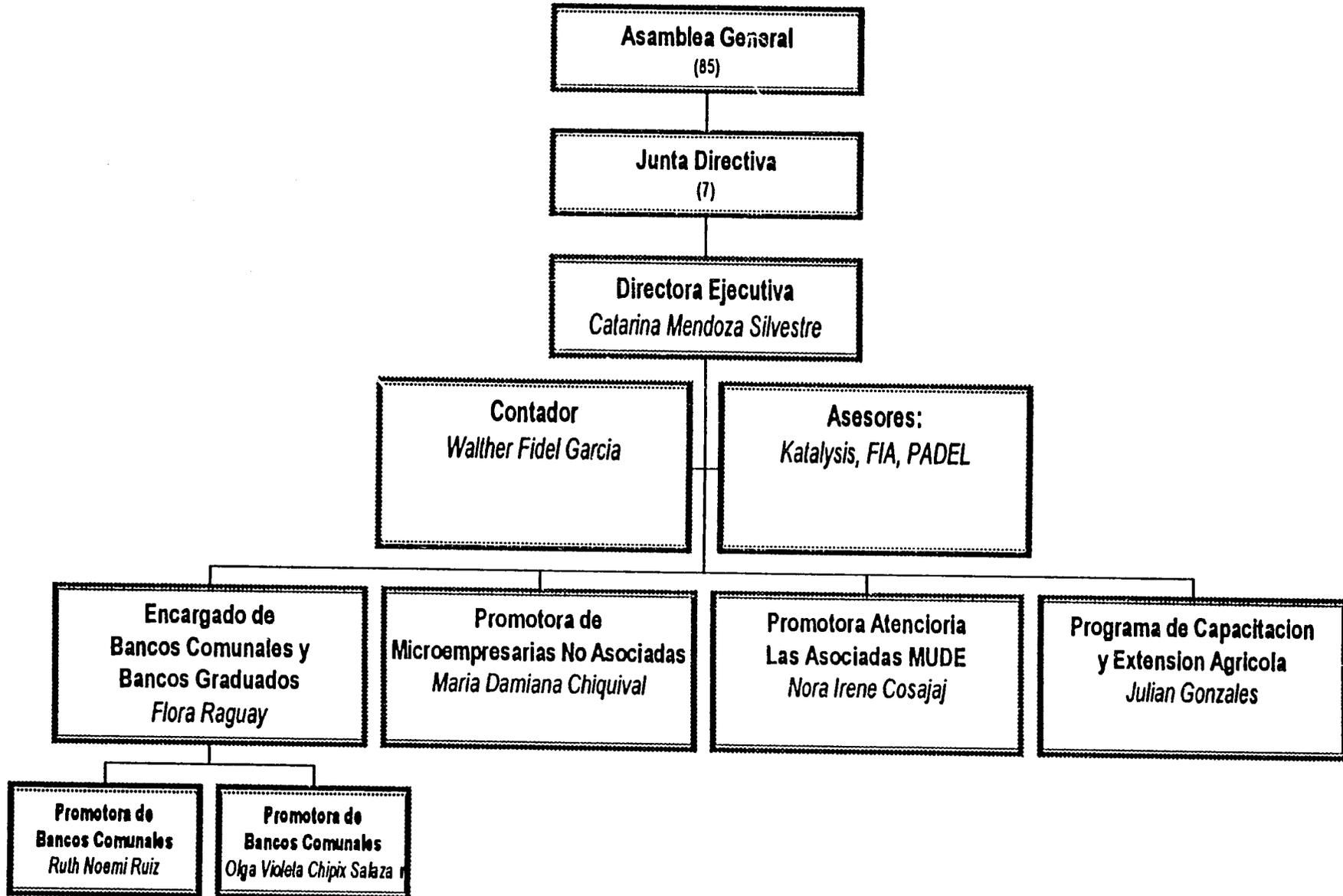


Notes: * indicates a vacant position. Last revised on 9/25/95.
 CMD: profiles/ka/orgchart2.doc

36

MUDE

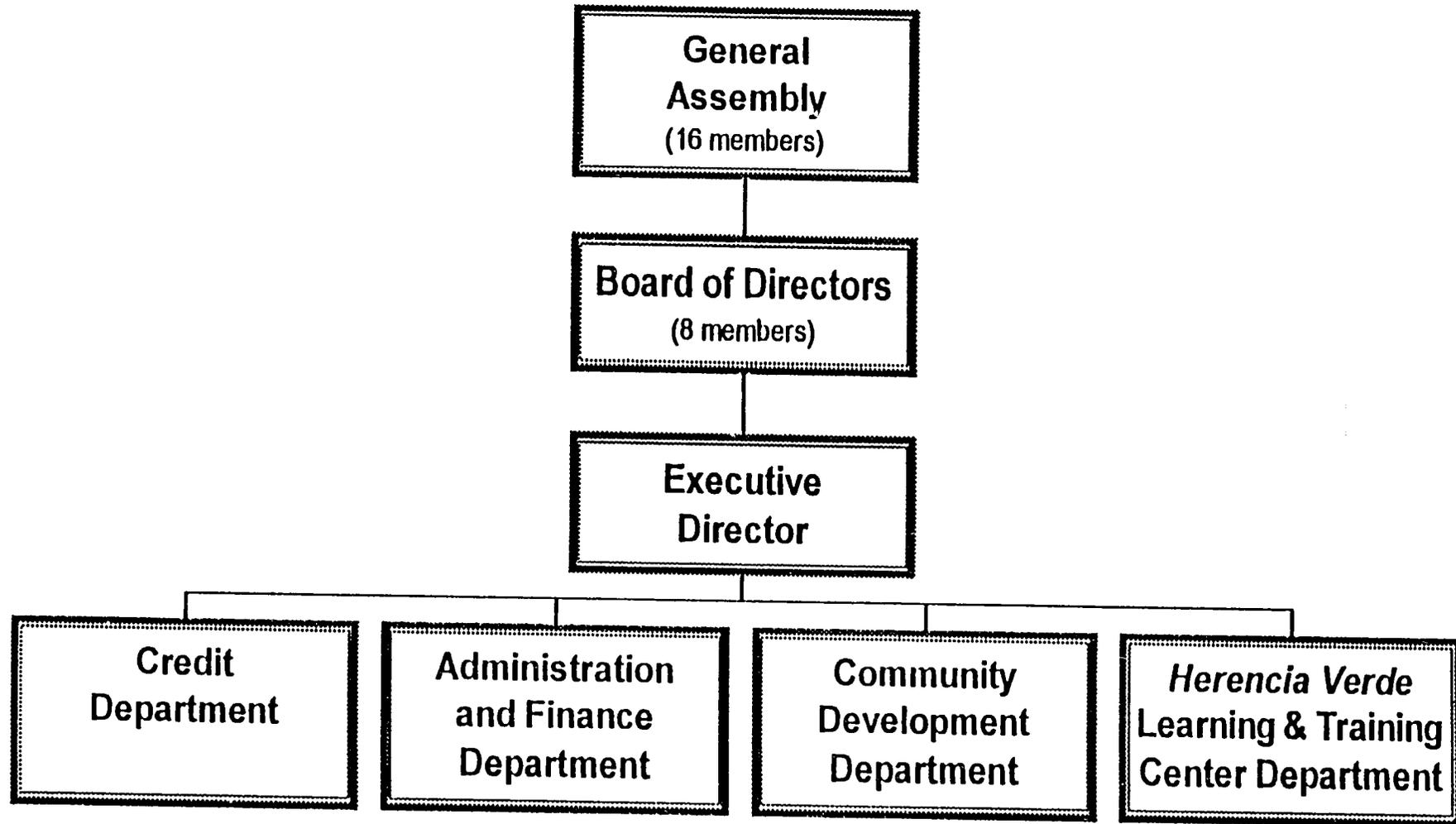
Organigrama



16

ODEF

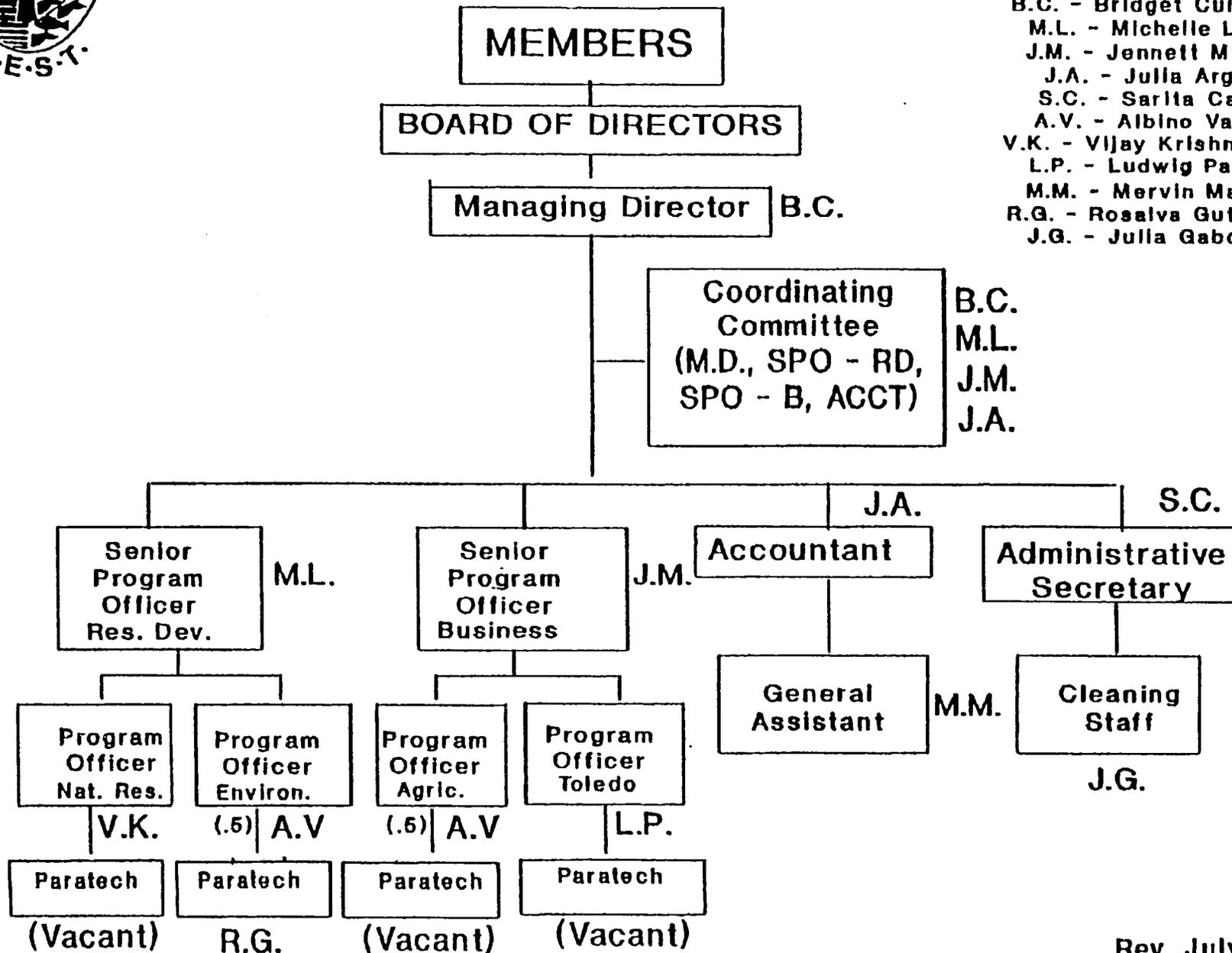
Organizational Chart





B.E.S.T. ORGANIZATIONAL CHART

- B.C. - Bridget Cullerton
- M.L. - Michelle Lindo
- J.M. - Jennett Myvett
- J.A. - Julia Argent
- S.C. - Sarlita Casey
- A.V. - Albino Vargas
- V.K. - Vijay Krishnarayan
- L.P. - Ludwig Palacio
- M.M. - Mervin Matute
- R.G. - Rosalva Gutierrez
- J.G. - Julia Gabourel



D. Temporary Staff and Interns Chart

A full listing of activities completed by temporary staff and consultants is included in Attachment _____.

KATALYSIS TEMPORARY STAFF AND CONSULTANTS -- FY95

NAME	POSITION/DATES OF SERVICE	PURPOSE OF POSITION
Darren Chapman	Consultant: Q1 & Q2	To assist with document translation
Heather Hanson	Temporary Staff: Q1 & Q2	Program Associate assisting in project and office management in new field office
Elaine Wiedman	Temporary Staff: Q1	To provide administrative and program support, new field office
Dennis Macray	Temporary Staff: Q1, Q2, Q3, Q4	To assist with program development and reporting; to assist the Resource Development Departments, creating the document entitled "Perfecting the Alliance: Viable Fundraising for International Partnerships
Haleh Pourafzal	Consultant: Q1,2,3,4	To facilitate the Katalysis strategic planning process and institutional analysis and strengthening
Lynne Twist	Consultant: Q1	To coordinate Major Donor Trip
Paul Knutsen	Consultant: Q1,2,3,4	To assist with Development Education publications, Resource Development Department projects, and administrative support
William Hartley	Consultant, Q2 and Q3	To assist with financial reporting for AID/MG2
Kelly Shafsky	Temporary Staff: Q3	To assist as temporary Program Associate in the field office until permanent staff member came on duty
Ana Maria Hutchison	Consultant, Q2, Q3, Q4	To assist with document translation
Nina Bohlen	Consultant Q3	To assist with program development

E. Draft Grant Management Procedures Document

**KATALYSIS NORTH/SOUTH DEVELOPMENT PARTNERSHIP
GRANTS MANAGEMENT PROCEDURES DOCUMENT
FOR PARTNER PROJECTS**

INTRODUCTION :

Even the most beneficial, well-planned, cost-effective project in the world needs some degree of outside financial support. Historically, Katalysis/Partner **project funds** have come from two primary sources: multi-year grants from large institutions (e.g. USAID-MGII and VIDA) and small to medium-sized grants from private foundations, churches, corporations and major donors (e.g. Food for All, LDS, Mitsubishi and Erica Whittlinger). It takes a team of administrative types, program people, fund-raisers and Partners to take a grant from the initial funder contact through project implementation to the final report. The objective of the Grants Management Procedures Document is to facilitate the coordination of that team -- *specifically for small to medium-sized grants.*

In its simplest and ideal form, the life of a Katalysis grant would go something like this:

- Step 1: Project identification:** Someone gets a great project idea that fits within the Katalysis philosophy and criteria.
- Step 2:** The idea gets written up into a **Preliminary Project Profile** which is reviewed by the RFO and turned into a **Final Project Profile**.
- Step 3:** The Final Project Profile is used to shape a **proposal** to a funder.
- Step 4:** The funder loves the proposal and Katalysis receives a **grant** to implement the project. This triggers the **Grant Agreement** process.
- Step 5:** The check is disbursed and **Project Implementation** takes off on schedule.
- Step 6:** Upon completion of the grant period, a **grant report** is submitted to the funder.

As we all know, we do not work in an ideal environment: funders are idiosyncratic, staff resources are finite, and Partner projects face chronic challenges. Consequently, our grants management procedures must be designed for actual working conditions. In addition to Steps 1 to 6 above, we must be willing to follow extra steps, compromise on steps, step aside, step on each other, take the lead -- and maybe even learn a new dance.

The Grants Management Procedures Document outlines procedures, responsibilities and resources for each step in the life of a grant. A flow chart encapsulating the entire process is included as Attachment A. The attachments also include forms and sample documents mentioned in the narrative. This document is a collaborative effort of the Katalysis North/South Development Partnership under the leadership of the Regional Field Director.

STEP 1: PROJECT IDENTIFICATION

Project development is the joint responsibility of the Partner and the RFO. However, ideas for projects can and should be initiated by anyone, including Partners, staff, board and beneficiaries. Successful ideas will take into consideration the Katalysis' philosophy and criteria for project development.

A. Project Philosophy

- *All projects are based on the needs, desires and direct input of local people.*
- *Beneficiaries participate in the design and management of development projects.*
- *Beneficiaries pay for some portion of the cost of the services they receive—thus investing in ownership of the outcome.*

These three principles are the philosophical underpinnings of the development work of the Katalysis Partners. According to these principles, technical assistance to the Partners follows these premises:

- The *Principles of Partnership* require that the Southern Partner controls the programmatic agenda of the technical assistance provided by Katalysis staff.
- The Southern Partner -- because of its knowledge of local conditions, its proximity to and daily interaction with its beneficiaries -- set its own priorities for program and project development.
- The Partnership relationship, as defined in the *Memorandum of Understanding (MOU)*, includes the joint development of programs and grants management.

B. Overview of Project Criteria

Katalysis has the responsibility to recognize Partner project priorities and to work with them to develop these priorities into projects which are:

1. Developmentally sustainable
2. Financially sound
3. Fundable

The Katalysis project portfolio, managed by the Regional Field Office, is bound by the following criteria for new project development:

1. Katalysis' mission
2. Commitment to the Partnership process
3. Available resources (human and financial)

The RFO's priorities rank as follows:

1. Effectively manage the current project portfolio.
2. Assist in the development of project profiles/proposals which will fund or match the funding for the programs in the portfolio.
3. Assist in the development of project profiles for projects of high priority for the Partners, but outside the current Katalysis portfolio.

STEP 2: PROJECT PROFILE S

Document s	Author (s)
PRELIMINARY PROJECT PROFILE	Anyone
FINAL PROJECT PROFILE	RFO

A. Preliminary

All ideas for Partner projects are documented in a **Preliminary Project Profile**. The Preliminary Project Profile is then routed to the RFO for joint-development with the Partners and -- when necessary -- other Katalysis staff. (Reference Attachment B for the Preliminary Projects Profile format.)

In light of Katalysis funding priorities the RFO will prioritize the development of new projects as follows:

1. MGII Program according to budgetary requirements
2. Ongoing Katalysis programs:
 - Institutional Strengthening
 - Partnership
 - Community Banking and Microenterprise
 - Sustainable Agriculture
 - Natural Resource Management
 - Documentation
3. Other Partner funding priorities
4. Funding availability

If the Preliminary Project Profile matches these priorities, it will be developed into a **Final Project Profile**.

B. Final Project Profile

The RFO is responsible for working with the Partners and other Katalysis staff to complete the **Final Project Profiles** for Partner projects. Final Project Profiles are developed in the language of the Partner and are sent to the Partner by the RFO upon completion. (Reference Attachment C for the Final Project Profile format.)

In order to enhance Katalysis' ability to rationalize the match between output priorities and resource development activities, the following "match" designations will be attached to all Final Project Profiles. The matches are listed here in order of priority:

1. **Output Match:** Provides a funding complement to Partner projects which have specific outputs under MGII¹.
2. **Programmatic Match:** Provides funding for projects which do not have specific outputs under MGII, but complement the general programmatic categories supported by MGII. Results can be included in MGII reporting to USAID, most likely on an annual basis.
3. **Financial Match:** Provides funding from direct or **pass through**² grants that qualify for MGII matching funds.

A Note on Budgets:

Project budgets are developed by the Partners in conjunction with the Regional Field Office and submitted to the Resource Development Department with the Final Project Profile. The RFO will make every effort to work with the Finance Department to ensure that these budgets are accurate and sufficiently detailed.

All Final Project Profiles which are not categorized as pass throughs should include a clearly defined Partner and Katalysis financial breakdown as part of the budget. The Regional Field Office should give financial and programmatic input on the Katalysis portion of the Final Project Profile budget.

Upon completion, the RFO gives the Final Project Profiles to the Resource Development Department (RDD). The RDD should have a reasonable number of Final Project Profiles for each Partner at all times and make specific requests for them when this is not the case. A final or updated project profile is needed at least one month prior to proposal submission. (The proposal submission schedule is contained within the RD Director's revenue projections.)

These profiles will give the Resource Development Department a complete picture of Partners' funding needs according to the priorities and constraints previously listed. Katalysis staff, especially the RFO and Partners, should be continuously updated on funding possibilities in order to prioritize project profile development where funding exists. While last in priority, the availability of funding will influence the identification and development of projects.

¹ These outputs are outlined in the DIP (Detailed Implementation Plan).

² A pass through is a grant that goes through the Katalysis books before going to a Partner organization. No outputs are required for pass throughs; they are simply a financial transaction.

STEP 3: PROJECT PROPOSALS

Documents	Author:
LOI, Concept Paper &/or Proposal	Resource Development Dept.
Cover Letter to Funder	Development Director
Proposal Summary Sheet	Development Associate

A. Proposal Development

Final Project Profiles from the RFO are used by the Resource Development Department to develop **letters of intent (LOIs), concept papers and project proposals**³. LOIs and concept papers are often required by the funder before they agree to review a proposal.

With a complete Final Project Profile in hand, the RDD will work one-on-one with the Partners to develop the final proposal and proposal budget. If a Final Project Profile is unavailable, the RDD may solicit help from the appropriate Project Manager and/or Partner staff to complete the proposal. Assistance may also be requested if the funder asks for special information to be included in the attachments (e.g. an updated time line or a new Project Manager's resume).

The final proposal is then submitted to an interested foundation, church, corporation, or major donor. Ascertaining a funder's interest in a particular project is often the result of a long and carefully executed cultivation process. The Resource Development Department in conjunction with the Executive Director is responsible for all interaction with funders. A complete list of current Katalysis funders is available from the RDD.

B. Distribution

Final copies of all Partner concept papers and proposals and any subsequent modifications go to the:

1. RFO
2. Partner
3. RDD archives
4. KAT/HQ archives

The RFO and the Partner also get a **Proposal Summary Sheet** (Attachment D). The Proposal Summary Sheet is written in the language of the Partner.

³ The Resource Development Department also writes proposals that do not directly involve Partner projects. This document only addresses proposals involving the RFO and Partners. All proposal information is available from the Development Director.

STEP 4: THE GRANT AGREEMENT

Documents	Author:
Notification Letter to Katalysis	Funder
Grant Acceptance (Thank you) Letter to Funder	Development Director
Grant Acknowledgment Letter to Partner	Development Director
Grant Summary Sheet	Development Associate
Grant Agreement	RFD, Project Manager & Program Associate
Grant Agreement Cover Letter	RFO
Order to Disburse	Program Associate
Disbursement Notification	Finance Director
Confirmation of Funding Disbursement	Partner Finance Director

If a proposal is approved, a **grant** is awarded to fund the project. When this happens, it triggers the **Grant Agreement** process. If a proposal is declined, the Resource Development Director will inform the RFO and Partner(s).

A. Pre-Grant Agreement

First, the funder will notify the Resource Development Director and/or Executive Director that a Partner project proposal has been approved. The written notification of the grant from the funder to Katalysis is the grant **Notification Letter**. The Notification Letter is faxed to the RFO upon receipt at the KAT/HQ. (Please see Attachment E for an example.)

The notification letter from the funder will specify the amount of funding approved and when the money is expected to be disbursed. Occasionally the notification letter will include a check. The funder may also include:

1. Reporting guidelines and dates,
2. Terms placed on the funding, and/or
3. Grant agreements (very rare).

If this information is available, it is copied to the RFO.

Upon receipt of the Notification Letter, the Resource Development Director will prepare a **Grant Acceptance Letter** to the funder and a **Grant Acknowledgment Letter** to the Partner. The Grant Acceptance Letter is basically a regular thank you letter, but occasionally the funder will have special agreements to sign and return. (Please see Attachment F for an example.)

The **Grant Acknowledgment Letter** plays a special role in the grants management process. It is a letter to the Partner Executive Director from the KAT Development Director and the Executive Director that contains the following information (in the Partner's language):

- Approved grant amount, including complete information on both the Partner and Katalysis portion of funding.
- Any updated grant disbursement information or special circumstances.
- The letter also identifies the RFO Program Manager who will work with the Partner on the project.
- If the amount of funding approved is not the full amount requested in the proposal, the Grant Acknowledgment Letter requests the Partner submit a **modified budget** to the Program Manager. (Please see Attachment G for an example.)

When the Grant Acknowledgment Letter is complete, it is faxed to the Partner. At the same time, it is faxed to the Program Associate at the RFO with any new reporting guidelines and a **Grant Summary Sheet**. This triggers the **Grant Agreement**. The purpose of the Grant Summary Sheet is to consolidate key information needed for the Grant Agreement. (Please see Attachment H) The original hard copy of the Grant Acknowledgment Letter is sent to the RFO so that they can send it to the Partner with the Grant Agreement.

Note on Budget Shortfalls:

Katalysis will apply the following formula for all projects approved with budget reductions, in order to calculate new amounts due each, Katalysis and the Partners:

1. For grants providing an MGII Output Match: Katalysis will absorb the entire shortfall, with the exception that Katalysis will receive a minimum of \$1,000 per grant, or no less than 5% of the total grant, whichever is greater. This is recommended in order to approximate full funding for MGII programmatic outputs and to reduce Katalysis' work in raising additional funding for the remainder of the match.
2. For grants providing a Financial Match or a Programmatic Match: Katalysis will maintain the original **percentage** of the total requested. In the spirit of Partnership and as a more equitable distribution of funds, Katalysis and the Partner organization share the burden of the funding shortfall, with the exception that Katalysis will receive a minimum of \$1,000 per grant.

B. Grant Agreement Preparation

Once the RFO receives the fax of the Grant Acknowledgment Letter, the Program Associate will fax a letter to the Partner congratulating them on the approved funding and notifying them when the Grant Agreement will be sent. The purpose of the Grant Agreement is to clearly define both Katalysis' and the Partner's responsibilities, resources and expectations with regards to the grant. The Program Associate will prepare a **draft Grant Agreement** which is edited by the Regional Field Director (RFD) and the Program Manager in charge of the project. If a modified budget has been requested from the

Partner, the RFO must have received it before completing the Grant Agreement. (See Attachment I for a sample Grant Agreement.)

The final **Grant Agreement** must signed by the RFD and Partner Executive Director and Partner Project Manager before funds can be disbursed. So, the final Grant Agreement, a **Grant Agreement Cover Letter** and a copy of the Grant Acknowledgment Letter are *faxed* to the Partner. Once the Grant Agreement is signed, the Partner faxes the *signature page back* to the Regional Field Office. Upon receiving this signature page, the Program Associate will send an **Order to Disburse** to the Katalysis Finance Department.

C. Grant Disbursement

Once the Finance Department receives the **Order to Disburse** from the RFO, the money is transferred to the Partner immediately. The Finance Department then sends the Partner a **Disbursement Notification** memo and copy of the deposit slip. Both documents are copied to the RFO and the KAT/HQ archive. It is then the Partner's responsibility to send the RFO a **Confirmation of Funding Disbursement** (see Attachment I, Annex C) form filled out and signed by the Partner's Finance Director. The RFO will copy this document to the Finance Director and KAT/HQ archive.

D. Originals

Three hard copies of the Grant Agreement are sent to the Partner for the Executive Director's and Project Manager's signatures (1 copy in English and 2 copies in the Partner's language). The original hard copy of the Grant Acknowledgment Letter is also sent to the Partner at this time. The Partner keeps the fax copy of the Grant Agreement for their administrative files and one original for the Project Manager. The other two copies are returned to the Regional Field Office. The signed English copy will be forwarded to Katalysis headquarters in Stockton and a signed copy in the Partner's language will be kept on file in the Regional Field Office.

Once an original copy of the final Grant Agreement has been forwarded to the Partner, the Katalysis Program Manager will contact the Partner Project Manager to follow-up on the grant and plan technical assistance. With the exception of Institutional Strengthening and Partnership Strengthening activities, project implementation is the responsibility of the Partners. In most instances, Katalysis' role is as consultant and facilitator, providing training and technical assistance as well as monitoring and evaluation. At times, more specific roles are detailed in proposals and in agreements with the Partners which detail specific technical assistance activities.

STEP 5: PROJECT IMPLEMENTATION

A. Technical Assistance and Follow-up

The RFO is responsible for management of all technical assistance and follow-up activities. The RFO project portfolio includes Institutional Strengthening, Microenterprise Development and Community Banking, Agriculture and Natural Resource Management and other Partner project priorities. Project Managers are responsible for working with Partners to provide technical assistance and training, for ensuring timely submission of reports, and for assisting in project implementation and evaluation when necessary.

- The Natural Resource Manager (NRM) has responsibility for coordinating Agriculture and Natural Resource Management technical assistance and follow-up.
- The Microenterprise Manager (MEM) has responsibility for coordinating Microenterprise and Community Banking technical assistance and follow-up.
- The Organizational Development Manager (ODM) will coordinate technical assistance and follow-up for all Institutional Strengthening activities, coordinating with the Natural Resource Manager and Microenterprise Manager.
- Other Partner project priorities will be assigned a Project Manager within the RFO.

In conjunction with the OD Manager, the Regional Field Director will work with Headquarters staff to coordinate activities, technical assistance and training provided by Headquarters staff. The PDAS⁴ portion of MGII demands a high degree of programming coordination between the RFO, Resource Development, Finance, and the Executive Director. While it is the RFO's responsibility to coordinate MGII PDAS activities, the entire Katalysis staff is involved in implementation and internal reporting.

PDAS activities are listed below and followed by the initials of personnel involved.

(Leadership is taken by the position underlined.)

- Develop five year strategic plans with each Partner (ODM, RFD, ED, RDD);
- Develop Partner financial management and information systems and a partnership-wide project monitoring system (ODM, FD, RFD);
- Strengthen Partner fundraising techniques and strategies (RDD, ODM, RFD);
- Facilitate the development of participatory management and administrative methods (ODM, RFD);
- Develop monitoring, evaluation and impact analysis systems with each partner and partnership-wide (ODM, MEM, NRM, RFD);
- Facilitate partnership exchange (ODM, RFD, MEM, NRM);
- Provide training in partnership and board development (ED, RFD, ODM)
- Produce the following documentation:
 1. *Southern Perspective* on Partnership produced by the end of FY96 (RDD, RFD)
 2. NGO Administrative and Financial Management Manual (ODM, RFD, Finance)
 3. Community Banking Global Report (MEM, RFD)
 4. Managing Partnership Manual (RFD, ODM)

⁴ PDAS (Program Development and Support) is the Institutional Strengthening area of MGII.

5. Mid-term Evaluation (ED, RFD, ODM, PA)
6. Final Evaluation (RFD, ODM, PA)

In order to achieve efficiency in our work and maximize the impact on our Partners' institutional health, PDAS activities should be integrated under the Strategic Planning activity.

B. Monitoring

The system for implementing on-going monitoring of MGII has been put into place with the Quarterly Reporting Formats. The RFO expects to dedicate significant follow-up to this procedure. Additional evaluative activities and/or impact analysis will be scheduled into the PEBD and AGTE activities as requested by the Partners. PDAS program design should contemplate impact indicators.

C. Evaluation

Evaluation procedures will be in accordance with the MGII, which requires internal evaluation at the mid-term and external evaluation at the final points in the grant cycle. In addition, Katalysis will work with Partners to evaluate specific program areas in accordance with the schedule presented in the five-year Detailed Implementation Plan. Additionally, internal evaluation procedures for the RFO are currently under consideration.

STEP 6: GRANT REPORTING

Documents	Authors
Grant Report & Financial Report	Partner
Project Report Analysis -- Internal use only	RFO, Project Manager
Financial Report (for KAT portion of grant)	Finance Director
Grant Report to the funder	RDD
Partner Report Calendars	RDD
Grant Report Schedule	RDD

The Partners prepare **grant reports** based on the **reporting guidelines** annexed to Grant Agreements. (See Attachment I, Annex D & E) The grant report must include a **financial report**. (See Attachment I, Annex B) The Partners submit their reports to the RFO for a **Project Report Analysis** by the appropriate Project Manager. The Project Report Analysis needs to include a brief description of the RFO's grant-specific TA or training activities -- if there were any. (Please reference the Project Report Analysis format, Attachment J.)

The Project Analysis, Partner's Grant Report and financial report are submitted to the Resource Development Department. The Finance Director (KAT/HQ) is responsible for generating a **financial report** for the KAT portion of the grant. (Please reference the financial report format, Attachment K) The Resource Development Department is then responsible for submitting the **grant report** to the funder.

Note on Internal Reports:

All grants will have two reports per year: progress and final. If a funder does not request *either* a progress report *or* a final report, the RFO will establish an internal report in its place. These dates will be included in the **Grant Agreement, Grant Report Schedule and Partner Reporting Calendars**. In the case of an internal progress report, the RFO will include it with the final Project Analysis to the RDD. In the case of an internal final report, the RFO will copy it to the RDD upon receipt.

A. Formats

Grant Reports will include all project results (quantitative and qualitative) and financial reports according to guidelines included in the Grant Agreement. The Resource Development Department works with the RFO on fine-tuning project data needs. In addition, the RD Director also works directly with the Partners to improve their grant report writing.

Some funders request that grant reports follow a specific format and others do not. The RDD will copy funder-mandated report formats to the RFO with the Grant Summary. In

the case that there is a funder report format, the Project Manager should use it as an outline to supplement his or her Project Analysis if possible. However, it is ultimately the RDD's responsibility to present the information to the funder in the proper format.

*A note about
P h o t o s*

Funders do not require photos, but they just *love* to get them in grant reports. A captivating shot of a project beneficiary in the field speaks clearer and deeper than the most eloquent & program-perfect narrative.

So, although they are not required, the RDD *greatly appreciates* any photos the RFO is able to include with grant reports.

B. Dates

The Grant Summary lists the report dates to be included in the Grant Agreement. These report dates can also be found in the **Grant Report Schedule** and **Partner Reporting Calendars**.

There are four different types of reports and report dates:

	TYPE	DEFINITION	NOTES:
1.	<i>Funder Report Date</i>	Date set by funder.	Funders often set report dates based on their own needs, irrespective of the project timeline. Flexibility is key to avoiding undue frustration.
2.	<i>RDD Deadline</i>	Funder Deadline - 2 weeks.	Date the RDD receives the Project Analysis, Partner Grant Report and Partner Financial Report from the RFO.
3.	<i>RFO Deadline</i>	Funder Deadline - 4 weeks (or RDD - 2 weeks).	Date the RFO receives the Partner Grant Report and Partner Financial Report from the Partner.
4.	<i>Internal Report Deadline</i>	Date set by the RFO.	If either a progress report or a final report is not requested by the funder, the RFO will request one from the Partner.

The **Grant Report Schedule** lists all four types of report deadlines by Partner. It also includes the funder name, grant number, project type and special notes. It should be

KATALYSIS NORTH/SOUTH DEVELOPMENT PARTNERSHIP
GRANTS MANAGEMENT PROCEDURES DOCUMENT

ATTACHMENTS

- A. Grants Management Flow Chart
- B. Preliminary Project Profile Format
- C. Final Project Profile Format
- D. Proposal Summary Sheet Format
- E. Grant Summary Sheet Format
- F. Project Report Analysis Format
- G. KAT Financial Report Format
- H. *Sample* Grant Report Schedule
- I. *Sample* Partner Report Calendar
- J. *Sample* Grant Log
- K. Grant Documentation Checklist

Katalysis North/South Development Partnership
Grants Management's Procedure Document
FLOW CHART
of Procedures, Responsibilities & Resources

1. Project Development/Proposal Development

Document	Author	Recipient	Timing	Copied to:
PRELIMINARY PROJECT PROFILE	Open	RFO	Open	
FINAL PROJECT PROFILE	RFO	RDD	After Preliminary Project Profile is completed &/or 1 month before proposal submission.	Partner
CONCEPT PAPER OR PROPOSAL COVER LETTER	RDD	Funder	Dependent upon funder deadlines.	RFO, Partner, KAT/HQ archives
PROPOSAL SUMMARY SHEET	RD Dir.	Funder	Accompanies concept paper or proposal.	RFO, KAT/HQ archives
	RDD	RFO, Partner	With copy of concept paper or proposal.	KAT/HQ archives

2. Grant Approval

Document	Author	Recipient	Timing	Copied to:
GRANT NOTIFICATION LETTER	Funder	RD Dir.	Dependent upon funder's schedule.	RFO, KAT/HQ archives.
GRANT ACCEPTANCE (THANK YOU) LETTER	RD Dir.	Funder	Upon receipt of the Grant Notification letter.	RFO, KAT/HQ archives.
GRANT ACKNOWLEDGMENT LETTER	RD Dir. (co-signed by ED)	Partner (via RFO)	Upon receipt of the Grant Notification letter.	RFO, KAT/HQ archives.
GRANT SUMMARY SHEET	RD Asst.	PA	Copied to PA with Acknowledgement Ltr & any report guidelines.	RFO, KAT/HQ archives
MODIFIED BUDGET	Ptnr	RFO	Upon notification of a partially funded proposal.	(Info available to KAT/HQ in G.A.)
GRANT AGREEMENT	RFO	Partner, KAT/HQ	Upon receipt of grant funding and modified budget (if necessary).	RFO archives
ORDER TO DISBURSE	RFO	FD	As soon as the Partner sends the signed GA	RDD
DISBURSEMENT NOTIFICATION	FD	Partner	As soon as funds are deposited in Ptnr's account	RFO, RDD
CONFIRMATION OF FUNDING DISBURSEMENT	Partner	FD	As soon as the Partner receives the funds.	RFO, RDD

AM = Administrative Manager, ED = Executive Director, FD = Finance Director, PA = Program Associate, Ptnr = Partner, PM = Program Manager, RDD = Resource Development Department, RD Dir. = Resource Development Director, RD Asst. = Resource Development Associate, RFD = Regional Field Director, RFO = Regional Field Office

3. Reporting (Same for progress & final reports)

Document	Author	Recipient	Timing	Copied to:
PARTNER REPORT: PROJECT & FINANCIAL	Partner	RFO	As stated in Grant Agreement.	RDD
PROJECT REPORT ANALYSIS	PM	RDD	With Partner report 2 weeks before the funder's deadline.	
FINANCIAL REPORT FOR KATALYSIS PORTION OF GRANT	FD	RDD	1 week before the funder deadline.	Funder, RFO
FUNDER REPORT	RDD	Funder	Dependent upon funder deadline.	RFO, Ptn, KAT/HQ archives.
INTERNAL REPORTS	Partner	RFO	Dependent upon grant period & funder deadlines.	RDD

4. Pass Through Grants Documents

Document	Author	Recipient	Timing	Copied to:
LETTER OF UNDERSTANDING	ED	Partner	Variable	RFO, RDD, Ptnr
PASS THROUGH GRANT MONIES	FD	Partner	As occurring	RFO, RDD

5. Community Partnership Program (CPP) Documents

Document	Author	Recipient	Timing	Copied to:
INTRODUCTORY PACKET	Partner	RFO	1 month after bank inauguration.	RDD, Funder
SPREADSHEETS ACCORDING TO CPP AGREEMENT	RFO	RDD	Bi-Annually (May/Nov.)	
FINANCIAL REPORTS (for Partner TA money)	Partner	RDD	Annually (Nov.)	Funder
FINANCIAL REPORTS (for KAT TA money)	FD	RDD	Annually (Nov.)	Funder
FINAL REPORT	Partner	RFO	1 month after bank graduation.	RDD, Funder
PROJECT REPORT ANALYSIS	PM	RDD	With final report.	
FINAL FINANCIAL REPORT	FD	RDD	1 month after bank graduation.	RFO, Funder

AM = Administrative Manager, ED = Executive Director, FD = Finance Director, PA = Program Associate, Ptn = Partner, PM = Program Manager, RDD = Resource Development Department, RD Dir. = Resource Development Director, RD Asst. = Resource Development Associate, RFD = Regional Field Director, RFO = Regional Field Office

6. Internal Documents & Resources

Document	Author	Frequency	Copy to:
GRANTS LOG	PA	Monthly	RFO, RDD
PARTNER FUNDING PROFILES	RD Dir.	Quarterly	ED, RFO
REVENUE PROJECTIONS UPDATE	RD Dir.	Quarterly	ED, RFO, Ptnr
FUNDER PROPOSAL & REPORTING DEADLINES CALENDAR	RD Asst.	Quarterly	ED, RFO
GRANT REPORT SCHEDULE	RD Asst.	Quarterly	PA
PARTNER GRANTS REPORTING CALENDAR	RD Asst.	Quarterly	Partners/RFO

7. MGII Reports Flow Chart

Document	Author	Period	CC:
MGII Quarterly Report	Partner	Quarterly	RFO/AM
MGII Quarterly Report	RFO	Quarterly	AM/USAID
MGII Quarterly Staff Reports (include trip reports)	RFO/ED/FD/RDD/ AM	Quarterly	RFO/AM
Quarterly US/AID Financial Reports by Partners	FD	Quarterly	RFO
US/AID Billing Report	FD	Quarterly	RFO
MGII Annual Reports	Partners	Annually	RFO
MGII Annual Reports	RFO	Annually	AID/AM
MGII Final Report	Partners	1998	RFO/RDD
MGII Final Report	RFO	1998	AID/AM
USAID Reports Compiled and Distributed	AM	Quarterly, Annually, 1998	RFO/USAID

AM = Administrative Manager, ED = Executive Director, FD = Finance Director, PA = Program Associate, Ptnr = Partner, PM = Program Manager, RDD = Resource Development Department, RD Dir. = Resource Development Director, RD Asst. = Resource Development Associate, RFD = Regional Field Director, RFO = Regional Field Office

Katalysis North/South Development Partnership

PRELIMINARY PROJECT PROFILE

Project: _____

Partner: £ BEST £ ODEF £ CDRO £ MUDE £ Other: _____

Partner Contact: _____

KAT Project Manager: _____

Partner Priority: £ High £ Medium £ Low

Match Status: £ Output £ Programmatic £ Financial £ Other: _____

Possible Funder: _____

RDD Deadline: _____ Funder Deadline: _____

1. Project Background:

2. Project Definition:

3 Estimated Budget:

4. Partner Activities:

- OUTPUT:
- In collaboration with:

- DESCRIPTION

5. RFO Activities:

- OUTPUT:
- In collaboration with:

- DESCRIPTION

6. Resource Development Department Activities

- OUTPUT:
- In collaboration with:

- DESCRIPTION

Katalysis North/South Development Partnership

FINAL PROJECT PROFILE

Partner: £ BEST £ ODEF £ CDRO £ MUDE £ Other: _____

Program: _____

Project: _____

Total Budget: _____

Partner Contact: _____

KAT Project Manager: _____

Partner Priority: £ High £ Medium £ Low

Match Status: £ Output £ Programmatic £ Financial £ Other: _____

Possible Funder: _____

RDD Deadline: _____ Funder Deadline: _____

1. Date:

2. Please describe the **need** for this project.

3. Project Definition:

- What is the overall goal of the project?
- What are the project's specific objectives?
- History & Duration:

4. **Project Activities:** *Please include the type of activity, its objective, who will participate, how many will occur, how often the activity will occur, who will lead them & where they will be held.*

5. Expected Results: *Please describe the expected impact on individual project participants, families, the community. How will this project impact the Partner organization?*

6. What are the Key Indicators?

7. Description of the Beneficiaries: *How many individuals will directly benefit from this project? Indirectly benefit? Please also give a demographic profile of the beneficiaries and the social and economic conditions of their communities.*

8. Technical Assistance:

- Katalysis
- Other

9. Monitoring & Evaluation

10. Financial Information

- Partner Project Costs
- Katalysis Costs
- Availability of Complementary Funding

Katalysis North/South Development Partnership

PROPOSAL SUMMARY

PROJECT NAME _____

	PROPOSAL INFORMATION	NOTES
1. Partner (s)		
2. Funder		
3. Project Title		
4. Proposal Title		
5. Match	MG2 <input type="checkbox"/> IDB <input type="checkbox"/>	
6. TOTAL Request		
• Partner:		
• Katalysis:		
7. Date submitted to funder:		
8. Date funder notification is expected:		
9. Date grant money would probably be disbursed:		
10. Partner Project Manager:		
11. Kat. Program Manager:		

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Katalysis North/South Development Partnership

RESUMEN de la PROPUESTA

NOMBRE DEL PROYECTO: _____

	INFORMACION PROPUESTA	NOTAS
1. Compañero (s)		
2. Donante		
3. Título del proyecto		
4. Título de la Propuesta		
5. Contraparter:	MG2 <input type="checkbox"/> BID <input type="checkbox"/>	
6. CANTIDAD PRESUPUESTADA		
• Compañero:		
• Katalysis:		
7. Fecha sometió a Donante:		
8. Se espera notificación del Donante en la fecha:		
9. Fecha probable del desembolso:		
10. Jefe del Proyecto: (Compañero)		
11. Jefe de Programa: (Katalysis)		

Katalysis North/South Development Partnership

PROJECT REPORT ANALYSIS

This form is to be filled out and returned to the KAT/HQ Resource Development Department with a copy of the narrative and financial report submitted by the Partner. If there are funder-mandated report guidelines, please use them as a supplement to this form. Your analysis is an essential tool for helping the RDD complete grant reports to funders.

Project Manager: _____

Partner: £ BEST £ ODEF £ CDRO £ MUDE £ Other: _____

Project Name:

Funder: _____

Report Period: _____

This is a: £ Progress Report £ Final Report

Please be as open and detailed as possible. Any sensitive or internal information will be used simply to help the RDD understand what happened; it will not be forwarded to the funder. Please do not limit yourself to the space available.

1. Given your contact with the Partner over the report period, what is **your analysis** of the **project**? (Did what we say was going to happen in the proposal happen? Special achievements? Challenges? etc.)

2. What is **your analysis** of the **report** submitted by the Partner? (Is it complete? Were there difficulties gathering the information? Other thoughts?)

3. Do you have any comments or insights on the **financial report** submitted by the Partner?

4. Please describe any **KAT/RFO technical assistance** or **training** associated with this project. (Site visits, field work, workshops, planning, consultation, etc.)

5. What are the **future plans** for the project?

6. Is there anything **you think** is especially interesting or meaningful about this project?

KATALYSIS PARTNERSHIP

Financial Report

[title of proposal]

Funder: *[full name of foundation or individual]*

Report Period: *[dates]*

Category/Item	Budget	Expenses this Period	Balance
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TOTAL

Katalysis Partnership Grants Reporting Schedule

E - Mail
RECEIVED
13-9-95

Partner: **BEST**

GRANT #	Date Due at:			FUNDING	PROJECT	NOTES
	RFO	DEV. DEPT.	FUNDER			
n.a.	20-Jul-95	n.a.	1-Aug-95	USAID	MG2	
KB9501	1-Aug-95	15-Aug-95	1-Sep-95	International Fdtn	Organic Seeds/Ag.	Dates confirmed on 5/16/95; Rpt sent on Sept. 7, 1995.
KB9502	30-Sep-95	15-Oct-95	n.a.	Presiding Bishop's Fund for World Relief	WCB x 1	INTERNAL REPORT to RFO
n.a.	13-Oct.-95	n.a.	31-Oct.-95	USAID	MG2/Q4 FY95	Extension approved.
n.a.	19-Jan.-96	n.a.	31-Jan.-96	USAID	MG2/Q1 FY96	
KB9501	1-Feb-96	15-Feb-96	1-Mar-96	International Fdtn	Organic Seeds/Ag.	Final Rpt. To be followed by a req. for Y2 funding on June 1, 96.
KB9503	2-Feb-96	copy only	n.a.	TIDES	WCB x 1	INTERNAL REPORT to RFO
n.a.	19-Apr.-96	n.a.	30-Apr-96	USAID	MG2/Q2 FY 96	
KB9502	15-Jun-96	30-Jun-96	15-Jul-96	Presiding Bishop's Fund for World Relief	WCB x 1	Report dates based on date \$ advanced to BEST from KAT (5/31/95).

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BEST REPORTING DEADLINES

(Revised: August 16, 1995)

JANUARY

Jan. 20: MG2 AID
First Quarter Report (Oct. 1 - Dec. 31)

FEBRUARY

MARCH

APRIL

April 20: US/AID
Second Quarter Report (Jan 1 - March 31)

MAY

May 1: TIDES FOUNDATION
Report - Women's Community Bank

JUNE

JULY

July 20: MG2 AID
Third Quarter Report (April 1 - June 30)

AUGUST

Aug. 1: INTERNATIONAL FOUNDATION
Report - AGTE/Organic Seeds Project

Aug. 20: MG2 AID
Fourth Quarterly Report (July 1 - Sept. 30)

SEPTEMBER

Sept. 30: Presiding Bishop's Fund for World Relief
Progress Report -- Community Bank

OCTOBER

NOVEMBER

DECEMBER

July

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31					

August

S	M	T	W	T	F	S
			1	2	3	4
			5			
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

September

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

October

S	M	T	W	T	F	S
						1
2	3	4	5	6	7	
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

November

S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

December

S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

Katalysis Grant Log - Administration
updated Nov. 3, 1995

General Information			Funding Approved			Grant Information		Grant Period		Letter of	Modified	Agreement Status			Disbursement		Prtnr Rpt
Grant #	Partner	Funder	Total	Kat FY95	Ptn FY95	Topic	Manager	Start	End	Ackn/Und	Budget	Fax Sign.	Original	Original	Requested	Deposited	Deadline
												Requested	Sent	Signed	by RFO	to Partner	
N/A	BEST	USAIDMG	158,600	N/A	39,800	general	RFO	9/30/93	9/29/98								
N/A	CDRO	USAIDMG	148,600	N/A	28,230	general	RFO	9/30/93	9/29/98								
N/A	MUDE	USAIDMG	69,600	N/A	16,240	general	RFO	9/30/93	9/29/98								
N/A	ODEF	USAIDMG	134,500	N/A	32,180	general	RFO	9/30/93	9/29/98								
KP9416x	BEST	MacArthur	45,000				AM-Stktn										
KP9412	CDRO	LDS	65,466	10,250	55,216	Soap	MEM	4/1/94	3/31/95	5/13/94			5/13/94	6/2/94			12/1/95
KP9415	CDRO	FICAH	35,000	4,375	30,625	grains	NRM	6/1/94	5/31/95	5/24/94			6/2/94	6/20/94		2/8/95	10/2/95
KP9417x	CDRO	LDS	10,000				AM-Stktn										
KP9418x	MUDE	Cof. Kids	25,000				AM-Stktn										
KB9501	BEST	Intl Fnd.	17,750	3,000	14,750	Org Seed	NRM	1/15/95	1/15/96	12/28/94	n/a	1/9/95	1/16/95	1/16/95	1/17/95	2/1/95	2/1/96
KB9502	BEST	PBFWR	5000	1000	4000	CB	MEM	1/15/95	1/14/96	12/28/94	1/5/95	1/5/95	1/5/95	1/5/95	1/9/95	5/31/95	9/30/95
KB9503	BEST	Tides	5000	1000	4000	CB	MEM	1/15/95	1/15/96	12/28/94	n/a	1/17/95	IF to deliver		2/1/95	2/10/95	2/2/96
KC9501	CDRO	CFH	10,000		10,000	Health	NRM	7/1/94	6/30/95	8/3/94	10/26/94	11/7/94	11/11/94	11/18/94	11/21/94	1/16/95	1/15/96
KC9502	CDRO	Tides	5,000	1,000	4,000	CB	MEM	1/15/95	1/15/96	1/13/95	n/a	1/16/95	2/1/95	2/24/95	2/3/95	2/10/95	2/2/96
KC9503	CDRO	MAZON	7,000	1,000	6,000	Org. Seed	NRM	7/1/95	6/30/96	6/27/95	6/23/95	6/27/95	LA to deliv		7/3/95	7/7/95	7/14/95
KC9504	CDRO	Rotary	9,000	1,000	8,000	CB	MEM	7/1/95	6/30/98	7/4/95	5/4/95	7/4/95	7/7/95	7/8/95	7/7/95	7/14/95	10/13/95
KC9505	CDRO	Odwalla	9,000	1,500	8,000	CCP/CB	MEM	8/1/95	8/30/98	8/24/95	n/a	8/25/95	9/13/95	9/22/95	10/4/95	10/5/95	10/13/95
KM9501	MUDE	FFA	7,250	1,250	6,000	Org. Food	NRM	10/1/94	9/30/95	10/4/94	n/a	10/21/94	10/24/94	10/25/94	10/25/94	11/21/94	10/2/95
KM9502	MUDE	Ludwick	20,000	4,000	16,000	CCP/CB	MEM	2/1/95	3/1/97	12/12/94	n/a	1/3/95	LA to deliv		2/3/95	2/10/95	3/3/95
KM9503	MUDE	Mitsubishi	30,000	2,000	8,000	CCP/CB	MEM	1/1/95	12/31/97	1/11/95	n/a	3/3/95	LA to deliv		3/8/95	3/8/95	3/28/95
KM9504	MUDE	Tides	5,000	1,000	4,000	CB	MEM	1/15/95	1/15/96	1/11/95	n/a	1/17/95	LA to deliv		2/1/95	2/2/95	2/10/95
KM9505	MUDE	Atkinson	5,560	1,000	4,560	CS/Org FD	NRM	6/1/95	3/31/96	5/17/95	n/a	5/24/95	5/30/95	6/17/95	5/30/95	5/31/95	12/15/95
KO9501	ODEF	Tides	5,000	1,000	4,000	CB	MEM	1/15/95	1/15/96	12/28/94	n/a	1/17/95	2/1/95	2/1/95	2/2/95	2/10/95	2/2/96
KO9502	ODEF	Whittlinger	9,500	1,500	8,000	CCP/CB	MEM	2/1/95	12/31/98	1/23/95	2/2/95	2/2/95	2/3/95	2/3/95	2/3/95	2/10/95	10/13/95
KO9503	ODEF	SEEP	21,900	13,200	8,700	Planning	MEM	7/1/95	12/31/95	8/4/95	n/a	n/a	8/4/95	8/5/95	8/24/95	8/24/95	12/21/95
KO9504	ODEF	SOS	15,000	12,000	3,000	Food P&P	NRM	9/1/95	8/31/96	n/a	10/19/95	10/27/95	10/27/95	11/2/95	11/3/95	11/14/95	3/1/96

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Katalysis North/South Development Partnership
GRANT DOCUMENTATION CHECKLIST

PROJECT NAME: _____

ACTION	DATE	NOTES
A. PROJECT PROFILE⇒PROPOSAL		
1. Project Profile sent to KAT/HQ		
2. Proposal submitted to Funder		
3. Proposal to RFO from KAT/HQ		
4. Proposal sent to Partner from KAT/HQ with proposal summary sheet in Partners language		
B. PROPOSAL⇒GRANT ONLY IF GRANT IS APPROVED		
1. Notification Letter from Donor		
2. Grant Receipt Acknowledgment Letter <ul style="list-style-type: none"> • From KAT/HQ to RFO • From KAT/HQ to Partner: 		
3. New Donor Report Guideline copied to RFO		
4. Modified Budget from Partner (if necessary)		
5. Grant Agreement (GA) Drafted		ONLY AFTER B 1-4 IS COMPLETED
6. GRANT AGREEMENT #		
7. GA faxed signature		
8. GA signed originals received from Partner		
9. GA copy sent to Stockton		
C. GRANT⇒REPORT ONLY AFTER GRANT AGREEMENT IS COMPLETED		
1. Order to Disburse sent to KAT/HQ		
2. Disbursement Notification from KAT/HQ		
3. Partner Confirmation of Funding Disbursement received from KAT/HQ		
4. PROGRESS REPORT:		
a. Partner to RFO		
b. RFO to RDD		
c. RDD to Donor		
5. FINAL REPORT:		
a. Partner to RFO		
b. RFO to RDD		
c. RDD to Donor		

F. Program Management

Documents:

- 1. 1995 Partner Planning Documents**
- 2. Quarterly Report Analysis and Response**
- 3. Summary of Partner's Needs**
- 4. Sample Grant Agreement for Matching Funds**
- 5. Donor Project Report (CDRO Soap Project)**

Table of Contents

- I. List of People Responsible for MGII Reporting
- II. AID and counterpart budget - FY 1995
- III. Revised budget - FY 1994 - FY 1998
- IV. Revised Programmatic Goals - FY 1994 - FY 1998
- V. Revised Institutional Strengthening Activities - FY 1995 - Q2 FY 1996
- VI. Revised Budget - FY 1995
- VII. Revised programmatic format for quarterly reports
- VIII. Revised financial formats for quarterly reports



KATALYSIS/HONDURAS
COMPAÑERISMO EN EL DESARROLLO NORTE-SUR

December 12, 1994

MEMO

To: **BEST Staff**

From: **Heather, Katalysis**

RE: **AID Matching Grant Quarterly and Annual Reporting**

To improve the management of the AID Matching Grant, as well as to acquaint you all with the restructuring of the Regional Field Office (previously the Program Department), we have listed below the people (or position titles, for those positions which are still vacant) of those responsible for the different sections of the Quarterly and Annual Reporting Formats:

KATALYSIS		
Task	Position in Regional Office-SPS	Person Responsible
Grant Administrator	Regional Field Director	Ingrid Faulhaber
Reporting Coordinator	Program Associate	Heather Hanson
PDAS Reports	Organizational Dev. Manager	Vacant (Ingrid Faulhaber)
AGTE Reports	Natural Resource Manager	Leonardo Alvarez
PEBD Reports	Microenterprise Manager	Vacant (Ingrid Faulhaber)

Please provide information regarding those responsible for the following reporting tasks for the AID Matching Grant during the 1995 fiscal year (the same person can be responsible for several tasks):

BEST		
Task	Department / Position	Person Responsible
Grant Coordinator	Managing Director	Bridget Gullerton
Financial Reports	Program Accountant	Conrad Tillett
PDAS Reports	Resource Officer	Michelle Lindo
AGTE Reports	Resource Officer	Michelle Lindo
PEBD Reports	Resource Officer	Michelle Lindo



KATALYSIS / HONDURAS
COMPAÑERISMO EN EL DESARROLLO NORTE-SUR

December 12, 1994

MEMO

To: BEST Staff

From: Heather, Katalysis

RE: AID Matching Grant Quarterly and Annual Reporting

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Please provide information regarding those responsible for the following reporting tasks for the AID Matching Grant during the 1995 fiscal year (the same person can be responsible for several tasks):

BEST		
Task	Department / Position	Person Responsible
Grant Coordinator	Managing Director	Bridget Cullerton
Financial Reports	Program Accountant	Conrad Tillet
PDAS Reports	Resource Officer	Michelle Lindo
AGTE Reports	Resource Officer	Michelle Lindo
PEBD Reports	Resource Officer	Michelle Lindo

BEST
TOTAL US/AID Cooperative Agreement Budget
(Includes AID budget plus Katalysis and BEST Counterparts)
FY 1995 Budget
(in US Dollars)

Grant Budget by Cost Element

Cost Elements	AID	Counterpart		TOTAL
		Kat	BEST	
Salaries	14,480	10,523	10,523	35,527
Benefits	3,620	2,631	2,631	8,882
Travel and Per Diem	3,550	2,580	2,580	8,710
Other Direct Costs and Credit	<u>18,150</u>	<u>13,191</u>	<u>13,191</u>	<u>44,531</u>
Total Budget	39,800	28,925	28,925	97,650

Grant Budget by Program Category

	AID	Match		TOTAL
		Kat	BEST	
AGTE				
Salaries	8,120	5,901	5,901	19,923
Benefits	2,030	1,475	1,475	4,981
Travel	2,950	2,144	2,144	7,238
Other				
Eco-Nomic Bridging Fund	1,500	1,090	1,090	3,680
Support Materials	200	145	145	491
Ongoing Monitoring	<u>600</u>	<u>436</u>	<u>436</u>	<u>1,472</u>
Subtotal AGTE:	15,400	11,192	11,192	37,784
PEBD				
Salaries	6,360	4,622	4,622	15,604
Benefits	1,590	1,156	1,156	3,901
Travel	600	436	436	1,472
Other				
Partnership Exchange	800	581	581	1,963
Credit - Community Banking	4,500	3,270	3,270	11,041
Credit - Youth in Business	10,000	7,268	7,268	24,535
Support Materials	100	73	73	245
Ongoing Monitoring	<u>450</u>	<u>327</u>	<u>327</u>	<u>1,104</u>
Subtotal PEBD:	24,400	17,733	17,733	59,866
Total Budget	39,800	28,925	28,925	97,650

BEST
US/AID Cooperative Agreement Budget
Fiscal Years 1994-1998
(in US Dollars)
 Modified September 1, 1994

Grant Budget by Cost Element

Cost Elements	FY1994	FY1995	FY1996	FY1997	FY1998	Total
Salaries	15,240	14,480	13,920	14,480	13,880	72,000
Benefits	3,810	3,620	3,480	3,620	3,470	18,000
Travel and Per Diem	4,050	3,550	3,550	3,550	3,550	18,250
Other Direct Costs and Credit	<u>8,200</u>	<u>18,150</u>	<u>16,700</u>	<u>3,650</u>	<u>3,650</u>	<u>50,350</u>
Total Budget	31,300	39,800	37,650	25,300	24,550	158,600

Grant Budget by Program Category

	FY1994	FY1995	FY1996	FY1997	FY1998	Total
AGTE						
Salaries	8,120	8,120	8,120	8,120	8,120	40,600
Benefits	2,030	2,030	2,030	2,030	2,030	10,150
Travel	2,950	2,950	2,950	2,950	2,950	14,750
Other						
Eco-Nomic Bridging Fund	1,500	1,500	1,500	1,500	1,500	7,500
Support Materials	200	200	200	200	200	1,000
Ongoing Monitoring	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>600</u>	<u>3,000</u>
Subtotal AGTE:	15,400	15,400	15,400	15,400	15,400	77,000
PEBD						
Salaries	7,120	6,360	5,800	6,360	5,760	31,400
Benefits	1,780	1,590	1,450	1,590	1,440	7,850
Travel	1,100	600	600	600	600	3,500
Other						
Partnership Exchange	800	800	800	800	700	3,900
Credit - Community Banking	4,500	4,500	3,000	0	0	12,000
Credit - Youth in Business	0	10,000	10,050	0	0	20,050
Support Materials	100	100	100	100	100	500
Ongoing Monitoring	<u>500</u>	<u>450</u>	<u>450</u>	<u>450</u>	<u>550</u>	<u>2,400</u>
Subtotal PEBD:	15,900	24,400	22,250	9,900	9,150	81,600
Total Budget	31,300	39,800	37,650	25,300	24,550	158,600

The following tables indicate the modified goals for the AGTE and PEBD program areas for the five year duration of the US / AID Matching Grant.

AGTE

	FY94	FY95	FY96	FY97	FY98
Nat Resource Mngt/Suste Ag Training and TA Activities	30	45	55	60	70
Participants in Natural Resource Management/Ag Training	230	340	418	456	532
EET Training days	27	27	27	27	27
Participants in EET Activities	270	270	270	270	270
New Biogas plants established		1		1	1

PEBD

	FY94	FY95	FY96	FY97	FY98
New Community Banks	3	3	2		
New community bank credit	4500	4500	3000		
New community bank members trained	30	30	30	0	0
People trained in small business mgt.	40	40	27	27	27
Youth receiving credit		10	10		
Amount of credit to youth		10000	10050		
Youth trained in enterprise development		70	80	90	110

(15000 bank)

ECO-NOMICS BRIDGING FUND

BEST has selected the organic seed production project (in collaboration with Seeds of Change) as their Eco-Nomics Bridging Fund proje
 All Projects under this section consist of three stages to be carried out during the five year grant period:

1) Selection of project					
2) Implementation					
3) Evaluation and documentation					
More than one project can be selected and implemented under Eco-Nomics Bridging Fund over the five year period.					

BEST - MGII Activities

BEST

The PDAS Timeline below indicates the highlights of planned Katalysis activities with BEST and the other Partners for the 1995 fiscal year. As you can see, the strategic plans component of Q2 for 1995 involves a partnership-wide training program, which will include systems and organizational analysis. A training program will also be offered to strengthen fundraising strategies, which will deal specifically with donor research and cultivation.

The quarterly reporting for Q1-Q4 and the annual reporting for Q4 will follow standard reporting formats, with additional information requested for the annual report.

A partnership training workshop, which will be attended by the entire Katalysis Board of Directors, will be held in Q4. This workshop will pertain to partnership-wide funding alliances.

A preview for the first two quarters of FY 1996 is also included.

PDAS: Consolidated Timeline for Program Development and Support Activities

	FY 95				FY 96	
	Q1	Q2	Q3	Q4	Q1	Q2
Strategic Plans						
Partnership-wide training						
BEST						
Participatory Mgt. and Admin.						
Training Sessions/Follow-up Training - BEST						
MIS and Partnership-wide Database						
Systems and Organizational Analysis						
Design Criteria and Format						
Develop and Test Models						
Fundraising Strategies						
Donor Research and Cultivation						
Proposal Preparation						
Monitoring/Evaluation						
Quarterly Reporting						
Annual Reporting						
Mid-Term Evaluation						
Evaluation/Impact Analysis						
Partnership Exchange						
Partnership Training						

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BEST Revised FY 1995 MGII Budget by Program Category	
Program Area	FY 1995 Budget
AGTE	\$15,400
Salaries	9,135
Benefits	1,015
Travel	2,950
Other	
Eco-nomics Bridging Fund	1,500
Support Materials	200
Monitoring Costs	600
PEBD	\$18,400
Salaries	7,155
Benefits	795
Travel	600
Other	
Partnership Exchange	800
Community Bank Credit	4,500
Youth Enterprise Credit	4,000
Support Materials	100
Monitoring Costs	450
TOTAL FY 1995	\$33,800

MGII Reporting Guidelines

For the US AID Matching Grant

FY 1995: 1 October, 1994 - 30 September, 1995

BEST - PDAS

Person filling out this form

Position/Organization

Currency

Exchange Rate (to US \$)

Period

Today's Date

PDAS / STRENGTHENED INSTITUTIONAL CAPABILITY

General Institutional Indicators

Full-time Staff

Part-time staff / short-term consultants

Total Annual Budget for FY 1995

Total Expenses

 expenses to programs

 expenses to overhead

Total loan portfolio

Number of computers

 staff trained on computers

Number of current donors

Number of current clients/beneficiaries

	Baseline	FY 95 Goal	Actual Results				Total
			Q1	Q2	Q3	Q4	
Full-time Staff	11						
Part-time staff / short-term consultants							
Total Annual Budget for FY 1995	351,500						
Total Expenses							
expenses to programs							
expenses to overhead							
Total loan portfolio	22,000						
Number of computers	4						
staff trained on computers	91%						
Number of current donors	8						
Number of current clients/beneficiaries	6,894 mem						

INFORMATION ON FUNDRAISING ACTIVITIES

Grants Received

Foundation	Amount	Project/Program	Dates effective

Proposals Submitted

Foundation	Presentation date	Amount	Project/Program	Approval date

On a separate piece of paper please address the following:

Please fully describe any *new* organizational systems developed or implemented this quarter, including new equipment purchased and staff trained to use new systems. This refers to computers, systems of office administration and finance, staff procedures, management procedures and future planning activities. *You need only report on changes in the last Q.*

Please describe any new or remaining organizational needs on which you would like Katalysis assistance. What types of assistance would you find most useful during the next quarter? The next year?

What Katalysis assistance offered last quarter was most useful to your organization? What was least useful? Why?

Please fill out a separate form for each Partnership Exchange activity in which your organization took part during the last Q (See attached Partnership Exchange format)

Please attach a copy of any documents produced by your organization this past quarter.

PARTNERSHIP EXCHANGE ACTIVITY REPORT

Please copy this form as many times as needed and have each Partnership Exchange participant fill out one copy of the form upon completion on each activity. Thank you!

Person filling out this form

Position / Organization

Place of Exchange

Date of Exchange

Participants in Exchange

Host NGO

Guest NGO

What was the purpose of the Exchange activity?

What were the main benefits of the Exchange to your organization? Please include information on the training or technical assistance provided, learning of the participants, and the expected benefits which this will have on your organization's program work.

How would you improve this activity in the future? Please include your thoughts on the effectiveness of the training, the expected vs. actual benefits, the overall organization of logistics, and the thoroughness of planning for the event.

What follow-up is necessary to maximize the impact of the Exchange activity?

MGII Reporting Guidelines

For the US AID Matching Grant

FY 1995: 1 October, 1994 - 30 September, 1995

BEST - AGTE

Person filling out this form	
Position/Organization	
Currency	Exchange Rate (to US \$)
Period	Today's Date

AGTE / Agricultural Training and Extension

Indicators	Baseline	FY 95	Actual Results				Total
		Goal	Q1	Q2	Q3	Q4	
Training / Technical Assistance in Conservation Agriculture and Environmentally Sustainable Practices							
Training activities or field visits		45					
Participants in training activities/field visits		340					
Training days offered by BEST							
Training days received by Participants							
Participants receiving follow-up visits							
Energy Efficient Technologies							
Training activities or field visits		27					
Participants in training activities/field visits		270					
Training days offered by BEST							
Training days received by Participants							
Participants receiving follow-up visits							
Biogas Plants							
Training activities or field visits							
Participants in training activities/field visits							
Training days offered by BEST							
Training days received by Participants							
Participants receiving follow-up visits							
New Biogas Plants Established		1					

On a separate piece of paper please answer the following questions about activities last quarter:

Programmatic Questions:

How have the project activities under this grant helped to accomplish the goals established for the Natural Resource Management Program?

How have the Natural Resource Management Program's planning and programming tools (project profile, work plans, reports, evaluations, etc.) helped to improve the implementation and function of projects under MG2?

Project Specific Questions:

What new agricultural and environmental practices or techniques were utilized by project participants during the Q?

What types of technical assistance and training were offered to project participants in appropriate technology during the Q? What were the results of the trainings?

What activities have been carried out during the quarter for the development of an Eco-nomics Bridging project? (development of economic and environmental criteria on a project, implementation and evaluation of actual project, etc.)

What problems were encountered in the planning and delivery of technical assistance and training by BEST this Q?

Were all MGII project goals met for the quarter? What financial or technical needs impeded the program from meeting these goals? How can these obstacles be avoided in the future?

What was the most useful technical assistance provided by Katalysis for the Natural Resource Management Program? How was it useful?

What was the least useful technical assistance provided by Katalysis for the Natural Resource Management Program? Why wasn't it useful? How could it be improved in the future?

What technical assistance from Katalysis would be most useful in strengthening the Natural Resource Mgt. Program and Projects during the next quarter? During the next year?

MGII Reporting Guidelines

For the US AID Matching Grant

FY 1995: 1 October, 1994 - 30 September, 1995

BEST - PEBD

Person filling out this form

Position/Organization

Currency

Exchange Rate (to US \$)

Period

Today's Date

PEBD/ BUSINESS DEVELOPMENT PROMOTION

Community Banking

Indicator	Baseline	FY 95	Actual Results				
		Goal	Q1	Q2	Q3	Q4	Total

In this section, report only on new and/or ongoing CBs and their members funded with Kat MG2 or counterpart funds.

Community Banks Operational								
New Community Banks		3						
New Community Bank training activities								
Participants in training activities		30						
Training days offered by BEST								
Training days received by participants								
Participants Receiving Training								
Loans disbursed to CBs / members								
Credit disbursed to new community banks		4500						

In this section, please report on the TOTAL CB program, regardless of funding source.

Total # of Community Banks operational								
Total # New Community Banks								
Total # Participants in training activities								
Follow-up visits to banks								
Follow-up visits to members								
Participants (Members)								
% Women								
Borrowers								
% Women								
Indirect Beneficiaries(1)								
Jobs created								
Jobs sustained								
Total credit disbursed								
Cost per unit of credit disbursed(2)								
Total amount of credit disbursed to CBs								
Amount of loans outstanding								
Average loan per borrower(3)								
Loans past due(4)								
Annual Loans past due rate(5)								
Accumulated savings								
Per accumulated income generated by banks								
Annual capitalization rate(6)								

2) Please define method of data collection

Total amount loaned to Community Banks/ # Borrowers
 Loans past due / Total loans outstanding
 Total internal past due loans / Total loans outstanding
 Accumulated savings+ Other accumulated income) / External Capital

25

COMMUNITY BANKING

ONLY INCLUDE WITH THE 2ND AND 4TH QUARTER REPORTS

For each Community Bank, please provide the following information:

(For each new Bank, please include the required documents)

Name and number of Bank

Location

Inauguration date

Number of members

Number of borrowers

Amount Loaned per cycle

Accumulated Savings

Internal Delinquency Rate

Graduation date

Donor/Donation received for Credit/Donation received for technical assistance

Microenterprise Credit Indicators	Baseline	FY 95 Goal	Actual Results				
			Q1	Q2	Q3	Q4	Total
Microenterprise Training and Credit							
# Training activities							
# Participants in training activities		40					
# Training days offered by BEST							
# Training days received by Participants							
# Loans disbursed							
Total amount of credit disbursed							
Youth Microenterprise Training and Credit							
# Training activities							
# Participants in training activities		70					
# Training days offered by BEST							
# Training days received by Participants							
# Training days received by youths							
# Loans disbursed		10					
Total amount of credit disbursed		10,000					
Supporting Indicators							
# Follow-up visits to microentrepreneurs							
# Follow-up visits to youth microentrepreneurs							
# Clients							
% Women							
# Indirect beneficiaries(1)							
# Jobs created							
# Jobs sustained							
Cost per unit of credit disbursed(2)							
Amount of loans outstanding							
Average loan per borrower(3)							
Loans past due rate(4)							

- (1) Please define method of data collection
 (2) Please define method of calculation
 (3) Total amount loaned/# Borrowers
 (4) Total past due loans/Amount of loans outstanding

In a separate piece of paper please answer the following questions about activities last quarter:

Programmatic Questions:

How have the project activities under this grant helped to accomplish the goals established for the Business Development Program?

How have the Business Development Program's planning and programming tools (project profile, work plans, reports, evaluations, etc.) helped to improve the implementation and function of projects under MG2?

Project Specific Questions:

What new community banking or microenterprise initiatives were utilized by project participants during the Q?

What types of technical assistance and training were offered to project participants during the Q?
What were the results of the trainings?

What problems were encountered in the planning and delivery of technical assistance and training by BEST this Q?

Were all MGII project goals met for the quarter? What financial or technical needs impeded the program from meeting these goals? How can these obstacles be avoided in the future?

What was the most useful technical assistance provided by Katalysis for the Business Development Program?
How was it useful?

What was the least useful technical assistance provided by Katalysis for the Business Development Program?
Why wasn't it useful? How could it be improved in the future?

What technical assistance from Katalysis would be most useful in strengthening the Business Development Program and projects during the next quarter? During the next year?

BEST Revised FY 1995 MGII Budget by Program Category					
Program Area	Total for Period	Total to Date	Total Budget	Balance	% to Date
AGTE			15,400		
Salaries			9,135		
Benefits			1,015		
Travel			2,950		
Other					
Eco-nomics Bridging Fund			1,500		
Support Materials			200		
Monitoring Costs			600		
PEBD			18,400		
Salaries			7,155		
Benefits			795		
Travel			600		
Other					
Partnership Exchange			800		
Community Bank Credit			4,500		
Youth Enterprise Credit			4,000		
Support Materials			100		
Monitoring Costs			450		
TOTAL FY 1995			\$33,800		

KATALYSIS / RFO

TO: BRIDGET CULLERTON, MANAGING DIRECTOR BEST
cc: EDILBERTO ROMERO, NARESMA BEST
cc: MICHAEL LINDO, RESOURCE DEVELOPMENT PROGRAM OFFICER
cc: JENNETT MYVETT, WOMEN'S PROGRAM COORDINATOR
FROM: INGRID FAULHABER, KATALYSIS
cc: JERRY HILDEBRAND, KATALYSIS
DATE: JULY 31, 1995
RE: USAID MGII Quarterly Report
Number of Pages: 2

FAXED
8/1/95
8/1/95

Greetings from Katalysis Regional Field Office. We hope this finds you all well and that work at BEST continues successfully.

The purpose of this memo is to review your most recent USAID Quarterly Report and to provide you with more detailed comments and feedback on the sections included in this document. We received your complete USAID MGII Quarterly Report on July 20. This allowed us to analyze the data presented in your report and to approve disbursement of third quarter funds on time. We feel that you all have written a complete report, as usual, and We want to congratulate you for that. Good Job !!!

PDAS

- The information provided under this section has been very useful. We would like to congratulate you all for receiving two grants during the previous quarter and submitted two proposal which we hope will be approved for NARMAP - CDF and MacArthur Foundation. Good Job!!!
- The purchase of three computer will come the strength your already strong reporting infrastructure. Hopefully by the end of this fiscal year 100% of the Staff will be trained on computers.

AGTE

The installation for the biogas digester for this FY95 continues to be the main problem. During the last three quarters BEST NARESMA has experienced problems with the beneficiaries interested in this biogas technology. We want to mention that if this technology does not have the receptivity throughout BEST jurisdiction, BEST must look for alternatives that could be introduce as substitute for this technology. If BEST is interested in concentrating on other alternatives energy technology such as the Lorena and Chefina stoves the decision has to be made. We are ready to help organize any training and/or partnership exchanges if needed in those areas.

The request for technical assistance in agro-forestry and cover cropping has been included in our work plan for the fourth quarter. We will coordinate the training in elaboration, use and maintenance of Lorena and Chefina stoves.

As a reminder, the report for International Foundation Organic Seeds/AG project is due tomorrow August 1st. We ask that you fax it to Katalysis Regional Field Office.

PEBD:

Congratulations on funding approval from Kellogg. We happily await your Youth Enterprise Project Profile in order to reprogram credit funds. We ask that you send it with Bridget on August 4th for the Partnership Board Meeting. Please look at your MG2 FY96 budget which includes an additional US\$10,050 for youth credit. You may want to request those funds be reprogrammed to operating cost. If so give us the complete profile for FY95 and FY96 funds. Include a total project budget with IDB credit funds as counterpart.

We commend you for including in quarter three the information from quarters one and two. It was much easier to analyze the data reported for quarter three having the data from the previous quarters at a glance. The following items below are observations and comments to help improve the data reported in the PEBD section.

- The training days received by participants should reflect the sum of the training days offered by BEST, multiplied by the number of participants in training activities.

Example (taking from Q3 report): 16 training days x 97 participants = 1552 training days received by participants

- The sum of the total number of participants in training activities for the **TOTAL Community Bank Program** should be **more than** the number of participants in training activities reported for Kat/MG2 or counterpart fund.

Example (taking from Q3 report): 67 total participants for total CB Prog. in comparison to 97 participants with Kat/MG2 or counterpart funds. Participants for total CB prog. should be higher. Q2 shows the same error.

- In the programmatic summary it was reported that BEST issued four group loans in Q3 with credit funds from the Inter-American Foundation and the Inter-American Development Bank. Were these loans included in the total amount of credit disbursed for Q3? Please let us know.

Thank you all for your receptivity to our observations and recommendations. We appreciate BEST's continuous work in the spirit of Partnership.

**B.E.S.T.****Belize Enterprise for Sustainable Technology****Forest Drive • P.O. Box 35 • Belmopan • BELIZE, Central America.****Telephone 501-8-23150/23043 • Telefax 501-8-22563**

To: Ingrid Faulhaber, KAT
From: Michelle Lindo, BEST
Re: USAID MG II Quarterly Report
Date: August 15, 1995

Hi Ingrid,

I hope all is well at KAT Honduras office.

This is a response to a question raised on the 3rd Quarterly Report - MGII on PEBD.

Question: Were the four loans which were issued in Qtr 3 included in the total amount of credit disbursed over this quarter?

Answer: Community Banking and Micro-enterprise credit are reported separately. Therefore, under Micro-enterprise credit, the total amount reported as disbursed was for the quarter and was the total sum of the 4 loans issued under the IAF and IDB Loan Portfolio.

Concerning the other issues raised, Jennett is on vacation and should respond to these upon her return.

Thanks for your input and I hope this clarifies this question.

Michelle

**SUMMARY OF PARTNER NEEDS
AS STATED IN THE MGII REPORTS - Q3 FY95
FOR Q4 FY95**

BEST

TA/T Requested for Q3	TA/T Provided in Q3	Comments	TA/T Requests for Q4	TA Plans for Q4	Notes
MIS implementation of new accounting software	Info. on fund accounting software for non-profits (provided by FD)		MIS system for reporting and donor tracking	Assistance with installation & training in use of fund accounting program by FD	
Local fundraising	Fundraising and Donor contact (provided by RDD and ED)	Time was spent preparing project profile formats, concept dev., & Proj. profile Prep. for MIF (provided by RDD , ED , & RFD)	Assistance in developing local fundraising drive in-country	Fundraising drive in-country to be scheduled by RDD and ED	
Finalization of proposed budget for Youth Enterprise Program	Youth Enterprise training project development (provided by ED)		Youth Enterprise Development Case Study	Youth Enterprise development case studies by ED	
Agro-forestry and cover cropping		BEST was unavailable to receive TA in this area due to institutional difficulties, but they did receive info. on types of energy efficient stoves.	Follow-up on energy efficient stoves and advice in developing its Agro-forestry project.	TA/T in Agro-forestry by NRM	
	B.O.D training, Crisis Mgt., Fdrasing, Donor contacts, Gang Specialist Exg. (provided by ED) Proj. Profile Prep. for AID-MIP and SEEP (provided by RFD)			Board Training follow-up by ED	

**SUMMARY OF PARTNER NEEDS
AS STATED IN THE MGII REPORTS - Q3 FY95
FOR Q4 FY95**

CDRO

TA/T Requested for Q3	TA/T Provided in Q3	Comments	TA/T Requests for Q4	TA Plans for Q4	Notes
More assistance and seminars in agro-forestry, use of organic pesticide, and agro-production for marginal terrain	None	The head of the Agriculture Dept. at CDRO was unavailable during the NRM's visit. The time was spent on developing a reforestation project profile for MIF	Same request stated in Q3 since CDRO was unavailable to host Katalysis NRM's visit	In addition to their request, training and technical assistance in organic seed production (flowers and herbs) (NRM)	
Assistance in administration and finance for microenterprise and community bank prog.	None	Due to overall Katalysis priorities and understaffing at the RFO the time available for TA was spent on Project Profile Preparation for AID-MIP, SEEP, and IDB-MIF (provided by RFD)	Same request stated in Q3	Partner Exchange for SEEP Planning Proj., TA for ME & BC to be scheduled by RFD and the newly hired MEM	
Assistance in fundraising	Fundraising and donor contacts (provided by RDD and ED)		Follow-up training to fundraising and donor contact	Follow-up fundraising and donor contact training to be scheduled by RDD, ED and CDRO Dept. Head	
	Saop factory consultation, MG2 compliance, Leadership transition, LDS liaison on funding prospects, (provided by ED)			Board Training on Partnership, Dept. Head training in budget prep. and mgt., MIP proposal dev., juice factory production and mkt. by ED	
	MIF Project Profile Format and Concept Paper dev. (provided by RDD and ED)				

**SUMMARY OF PARTNER NEEDS
AS STATED IN THE MGII REPORTS - Q3 FY95
FOR Q4 FY95**

MUDE

TA/T Requested for Q3	TA/T Provided in Q3	Comments	TA/T Requests for Q4	TA Plans for Q4	Notes
Follow-up to agricultural technical assistance	Consolidation of AGTE Program, Project Profile Preparation for IDB-MIF (provided by NRM)	This will be an ongoing process due to the many aspects of the program that needs to be restructured	More site visits by NRM	Continue consolidation of AGTE program, Develop conceptual framework for AGTE program by NRM	
	Project Profile Preparation for AID-MIP, SEEP, and IDB-MIF (provided by RFD)			Partner Exchange for SEEP Planning Grant proj., and assistance in the area of ME & CB will be scheduled by RFD and the newly hired MEM	
	Fundraising and donor contacts, MIF Concept Paper and Project Profile Format development (provided by RDD and ED)			Follow-up to Q3 training be scheduled by ED	
	Board troubleshooting, Staff troubleshooting, Mitsubishi liaison, Coffee Kids/Kat liaison, (provided by ED)			Board Training on Roles and Resp., MIP proposal dev., Staff mgt. by ED	
				Computerization of Accounting and Financial Systems to be scheduled by RFD	

**SUMMARY OF PARTNER NEEDS
AS STATED IN THE MGII REPORTS - Q3 FY95
FOR Q4 FY95**

ODEF

TA/T Requested for Q3	TA/T Provided in Q3	Comments	TA/T Requests for Q4	TA Plans for Q4	Notes
Assistance in developing conceptual framework and a global information system for the Community Development Department	Assistance in development of Conceptual Framework for the Community Development Department, Project Profile Preparation for IDB-MIF (provided by NRM)	The Strategic Plan for the Community Development Department was started, but could not be finalized because of RFO understaffing	Assistance in creating technical manuals for AGTE Programs	Continue assistance with implementation of H.V., Strengthen Community Dev. Prog., Dev. strategic plan that coordinates with H.V. (NRM)	
Assistance in developing the AID-PIM/ODEF-Kat proposal.	Project Profile Preparation for AID-MIP, SEEP, and IDB-MIF provided by RFD			Assistance with SEEP Planning Grant activities (RFD and the newly hired MEM	
Seminar on Partnership	None			Board Training on Parnership by ED	
	SOC liaison, Partner B.O.D. dev., Credit Dept. building construction donor contacts, MIF concept dev., (provided by ED)			Board Training on Roles and Resp., Staff mgt. by ED	
	Fundraising and donor contacts, MIF Concept Paper and Project Profile Format dev., H.V. resource contacts, (provided by RDD and ED)				
			Assistance in Institutional Strengthening	To be scheduled by RFD and the newly hired ODM	

KATALYSIS PARTNERSHIP
and
Cooperative Association for Western Rural Development
(CDRO)

AGREEMENT KC9503
July 1, 1995 – July 30, 1996

MAZON

Background

MAZON, the Hebrew word for "food," was founded in 1986 as a vehicle through which American Jews can respond to the tragedy of hunger in the United States and abroad. MAZON provides grants to a broad spectrum of nonprofit organizations working to ease the suffering of hungry people worldwide. Since 1986, MAZON has granted more than \$8.6 million to organizations that confront hunger, principally in the United States, but also in Israel and in poor countries. Although grants are provided to many organization serving the Jewish poor, in keeping with the best of Jewish tradition, MAZON responds to all who are in need.

Budget

MAZON will provide \$6,000 to CDRO and \$1,000 to Katalysis to carry out activities under this agreement during the period July 1, 1995 to July 30, 1996. A detailed budget can be found in Annex A. Upon receipt of the funds CDRO agrees to complete and forward to Katalysis Regional Office a written confirmation of funding disbursement (Annex C). This written confirmation states that CDRO confirms having received from Katalysis the funds donated by MAZON, and will utilize it for the organic agriculture project.

Program Description

Goals:

- The project goal is to introduce organic farming as an alternative to the use of environmentally damaging and costly synthetic pesticides and fertilizers;
- Diversify agricultural production through the promotion of indigenous and nutritionally valuable crops;
- Increase the income generating capacity of subsistence farmers through the cultivation of diverse and marketable products;

Principle Activities: The proposed activities are:

- Train 10 community leaders as agricultural extensionists to provide ongoing assistance to project participants;
- Train 153 farmers from five communities in organic farming methods to reduce and over time — eliminate the use of synthetic pesticides and fertilizers;
- Introduce new crops such as vegetables and fruits as nutritious supplements to traditional family diets and as cash crops for sale in local and regional markets;
- Organize exchanges visits between the leaders and participants to promote learning through sharing experience;
- Conduct marketing studies for organic produce and fruit for the domestic market.

Reporting/Data Collection/Evaluation

As a condition to the receipt of MAZON funding, CDRO agrees to submit a full and complete progress report at mid-year on the manner in which the funds were spent up to date and the progress made in accomplishing the purpose of the donation. A final report on the grant-supported project and a full financial report accounting of the expenditure of these grant funds are required as a condition of this grant. The progress reports must be submitted to Katalysis Regional Field Office in Honduras on or before November 1, 1995 and the final report May 1, 1996. The financial reporting format for project can be found in Annex B, and the programmatic reporting formats can be found in Annex D and E. The reporting format provided by MAZON is in the process of being redesigned. The new reporting format will be sent to CDRO as soon as it is received.

Terms

CDRO should use the grant funds solely for the purposes stated above, and CDRO must repay any portion of the amount granted which is not used for the purposes of the grant.

CDRO should show these grant funds separately on its books. All expenditures made in furtherance of the purposes of the grant must appear on those books. CDRO will make such

books and records available to MAZON and Katalysis at reasonable business hours. CDRO will keep copies of all books and records and all reports to MAZON for at least four years after completion of the use of the funds.

CDRO must not use any portion of the funds granted to carry on propaganda or otherwise attempt to influence specific legislation, either by direct or grassroots lobbying, not to influence the outcome of any specific voter registration drive, not to make grants to individuals on a

non-objective basis, not to use the funds for any non-charitable or non-educational purpose.

If CDRO has occasion to announce or acknowledge this grant publicly, indicate that support was provided by MAZON.

Katalysis Assistance

Katalysis will provide technical assistance in project planning, as well as ongoing monitoring and evaluation of the project. In addition, assistance will be offered in meeting donor reporting requirements.

For Katalysis Foundation:

For CDRO:

Ingrid Faulhaber
Regional Director

Gregorio Tzoc Norato
Executive Director

Date

Date

Leonardo Alvarez
Program Manager - Natural Resource

José Caniz
Director - Agriculture Program

Date

Date

Annex A

**CDRO Budget
MAZON
July 1, 1995 - July 30, 1996**

Budget Category	MAZON
Training and Technical Assistance: CDRO	
Project Agronomist	\$ 1,000
Agriculture Program Coordinator	800
Transportation/Per Diem: CDRO	
Project Agronomist	250
Agriculture Program Coordinator	100
Sustainable AG Workshop: CDRO	
Six 3-day workshops on Farmer Leadership	1,000
Twenty 3-day workshops with Farmer Groups	1,000
Training Materials	250
Organic Product Marketing Survey	100
Agriculture inputs and Materials (Seeds, backpack sprayer, fertilizers, tools)	1,500
Subtotal - CDRO	6,000
KATALYSIS:	
Training and Technical Assistance	450
Transportation/Per Diem	75
Evaluation, Monitoring, and Reports	400
Communication	75
Subtotal - KATALYSIS	1,000
TOTAL	7,000

CDRO Financial Report Format
MAZON
July 1, 1995 - July 30, 1996

Budget Category	Amount	Total Spent	Balance
Training and Technical Assistance: CDRO			
Project Agronomist	\$ 1,000		
Agriculture Program Coordinator	800		
Transportation/Per Diem: CDRO			
Project Agronomist	250		
Agriculture Program Coordinator	100		
Sustainable AG Workshop			
Six 3-day workshops on Farmer Leadership	1,000		
Twenty 3-day workshops with Farmer Groups	1,000		
Training Materials	250		
Organic Product Marketing Survey	100		
Agricultural Inputs and Material (Seeds, backpack sprayer, fertilizer, tools.)	1,500		
Subtotal - CDRO	6,000		
KATALYSIS:			
Training and Technical Assistance	450		
Transportation/Per Diem	75		
Evaluation, Monitoring, and Reports	400		
Communication	75		
Subtotal - KATALYSIS	1,000		
TOTAL	7,000		

Annex C

CONFIRMATION OF FUNDING DISBURSEMENT

I, Gregorio Tzoc Norato, Executive Director of CDRO's organization confirm that we have received check# 9173 in the amount of \$ 6,000.00 @ equivalent to Q 34,680.00 from KATALYSIS donated by MAZON for the Organic Agriculture Project, and that the funds from MAZON was transferred to our financial accounts in the name of the above project on the following date: 25 - 7 - 95.

The assigned project manager is Sorei Caniz in the Prog. Agrícola department.

[Signature] _____ Date 25/07/95

@ exchange rate of Q 5.78 = \$1

Annex E

FINAL REPORT FORMAT

1. Describe the way in which the project was executed.
2. The number of the participants in the project.
3. The number participants who received technical assistance.
4. The number of activities or programs involving beneficiaries
5. Average increase in income.
6. Achievements/ impact of the project
7. Problems encountered
8. Lesson learned
9. Case Study (a brief history of a beneficiary, their family, and their community) with photographs.
10. A financial consolidated report that include all the expenses from the beginning of the project.

CDRO'S WOMEN'S PROGRAM

Totonicapan, August 03 1995

**To: Ingrid Faulhaber
Katalysis Regional Field Director**

Dear Ingrid:

We extend our warmest greetings, wishing you success on your activities.

The following document is a progress report that includes accomplishments of the Soap Factory Project, from April 01, 1995 to July 24, 1995. The activities prior to this period is not mentioned since we already submitted a report on those activities.

We appreciate you sending a copy of this report to the Church of Jesus Christs of Latter Days Saints, LDS. We apologize for the delay in submitting this report. The reporting date conflicted with the Program's Semester Evaluation and Annual Report presented at CDRO'S Women Soap Makers Annual Assemble Meeting.

Sincerely,

**Loida Juliana Cuán Lacán
Women's Promotion Coordinator
CDRO Association**

**SOAP FACTORY PROGRESS REPORT
WOMEN'S PROGRAM
APRIL 01, 1995 TO JULY 24 1995**

I. INTRODUCTION

The purpose of the Soap Project is to strengthen Women's Group and the CDRO'S Women's Program which in terms contributes to the growth and well being of the communities involved in the Project. The Soap Project is considered one of the many Projects that aspires to achieve a vision of Enterprise and at the same time strengthen the levels of skills and decision making of women in the rural area.

II. REPORTING ASPECTS

- A) ORGANIZATION
- B) TRAINING
- C) PROJECTS
- D) ADMINISTRATION
- E) TECHNICAL ASPECTS

A) ORGANIZATION

A. 1 The director and Coordinator of the Women's Program visited the ten groups in the seven communities associated with Program from May 17 to 18, 1995.

The purpose of the visits was to inform the groups of the current situation of the Project, and to gather information on the status of the groups.

The following observations were made during the visits:

- In some communities the groups have lost interest in the project, because of the delay in the initiation of the Factory's operation.
- In other communities the interest continues, and the women are willing to cooperate with the project. The women involved with the Project presented their expectations and participation.
- The reorganization and restructure of two groups from the communities of Xolsacmaljá and Poxlajuj was implemented during this period.

A.2 An annual General Assemble Meeting with the Soap Makers was also carried out during this period. Several issues were discussed. Among those were the selection of the soap factory inauguration committee, and aspects related to the Internal policies of the soap factory.

B) TRAINING

-The Participants of the Soap Factory and dehydrated Fruit Project received a training course on Administration, Organization, Marketing and Production, from May 22 to 31st. A total of sixteen women participate in the training course.

The training on production included theory and practice. During the practice session the women made soap samples.

The facilitators of the training course were CDRO'S Staff Members. The Staff Members of the Women's Program and Organization and Training dept. facilitated the Administration and Organization sessions, and the session on Marketing and Production were facilitated by the Technical Staff.

C) PROJECTS

- Preparation of a Project profile on extension and diversification of the Soap Factory , presented to Katalysis.
- Analysis and preparation of a project profile on Marketing. This Project profile was prepared with the help of Katalysis Consultant in June 1995.
- Preparation of a project profile on Soap Factory operation . This project profile was presented to CDRO to be finance through a loan, donation, or investment. The implementation of this project began in June 1995.
- Preparation and implementation of a plan to provide an adequate access from the road leading to the Soap Factory, and the sign in front of the building.

D) ADMINISTRATION

- Preparation of the Annual Work Plan for the Soap Factory.
- Analysis of the expenditures of the building construction .
- Coordination of activities with the Project support team.
- Preparation of a monthly disbursement plan in conjunction with the project annual work plan.

E) TECHNICAL ASPECTS

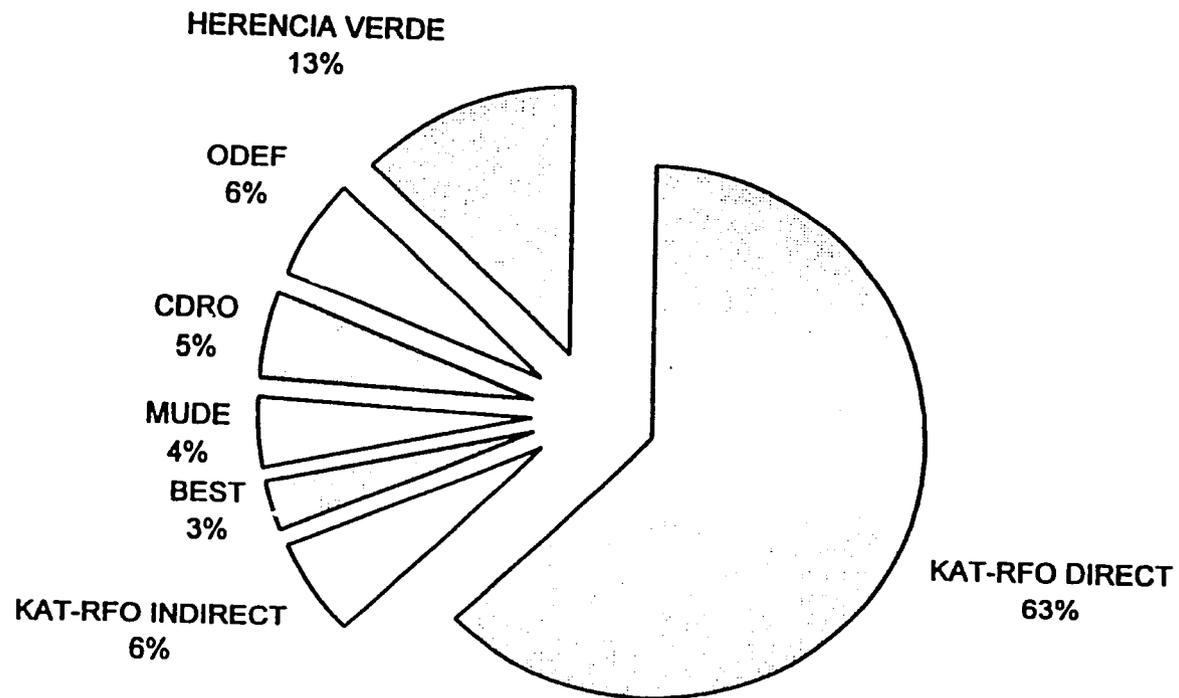
- Finalized the construction of the building. Presently the project is experiencing a deficit of Q53,901.54 with respect to the original project budget. The causes of this deficit was explained in a letter directed to Katalysis Director on July 05, 1995 . A copy was sent to Katalysis Regional Director , Ingrid Faulhaber.
- Implementation of the operational policies of the enterprise.
- The purchase of the following equipments were made: stoves, tables, tanks, scales, cash registers, etc.
- Visit were made to the company located in the Capital city responsible for fabricating the Extractor and press . The visits and the process followed to demand the deliver the equipments is explained in the letter mentioned above.

-The purchase of the Pick-up is pending . However , some offers have been reviewed but they do not fulfill the legal and mechanical requirements.

NOTE: With respect to the Financial report, it is important to clarify that the present balance is designated for the purchase of the vehicle, final payment of the extractor, and other materials and equipment of the Factory.

G. Time Allocation for Regional Field Office Staff

Time Distribution: Katalysis/Honduras Staff, Fiscal Year 1995



12

H. Katalysis Strategic Planning, Mission Statement, and Documents

Katalysis North/South Development Partnership
Mission Statement

Katalysis supports low income people to gain self reliance by helping them to improve their economic, social and environmental conditions.

We work through multilateral partnerships with community based organizations using participatory processes to provide training and technical assistance in microenterprise development, women's community banking, natural resource management and institutional strengthening.

We are creating a partnership model of international development which allows all participants to relate as equals, relaxing the hierarchical mindset and replacing power with process as the means of effecting organizational goals.

Katalysis North/South Development Partnership

MISSION STATEMENT

5 ~ Refining and Advancing Partnership

We are creating a partnership model of international development which allows all participants to relate as equals, relaxing the hierarchical mindset and replacing power with process as the means of effecting organizational goals.

4 ~ Programs with Partners

We provide training and technical assistance in micro-enterprise development, women's community banking, natural resource management, and institutional strengthening.

3 ~ Systems, Processes, & Dynamics

Using participatory processes

2 ~ Structure of Partnership

We work through multilateral partnerships with community-based organizations.

1 ~ Shared Purpose with Partners

Katalysis supports low-income people to gain self-reliance by helping them to improve their economic, social, and environmental conditions.

How We Effect Our Mission

Things we are Doing

Things we Might Do

Do Well

Need to do More/Improve

⑤ Refining & Advancing Partnership

Donor trips.

- Articulation of Partnership.
- North/North Partnerships.
- Internal application of partnership.
- Stockton-RFO partnership.
- KAT Staff inquiry/training on application of partnership model.
- KAT Board inquiry/training on application of partnership model.
- Partners' Staff inquiry/training on application of partnership model.
- Provide consulting to other PVOs.
- Take on new Partners in C.A.
- Partnership documentation.

- Partnership column in "Field Notes".
- Symposium on partnership.
- Encourage Partners to include Partnership in their missions.
- Replicate Partnership (in other developing countries and in U.S.).

④ Programs with Partners

- TA in admin. & financial managt.
- TA in strategic planning.
- Institutional Strengthening.
- Vision & strategy for/with each Partner.
- Partners' financial sustainability.
- Programmatic focus.
- Micro Enterprise
- Community Banking.
- Natural Resource Management.
- Herencia Verde.
- Other joint ventures
- Youth: micro-enterprise.
- Marketing (handicraft, natural medicine, etc.)

How We Effect Our Mission

- 1st priority
- 2nd priority
- 3rd priority

Things we are Doing

Things we Might Do

Do Well Need to do More/Improve

③ Systems, Processes, & Dynamics

MIF planning.

Institutional Sustainability:

Financial sustainability.

Major donors campaign.

Human resources sustainability.

Fully establishing RFO.

Participatory & coordinated planning-- within KAT and with Partners.

Grant management document.

MIP Planning.

Governance & strategic decision-making.

Coordination with Board.

② Structure of Partnership

Board seats on KAT.

Board seats on Partners.

Board meetings in Partner countries.

Partners' Board.

RFO's legal status.

Life commitment.

M.O.U.

Principles of Partnership:

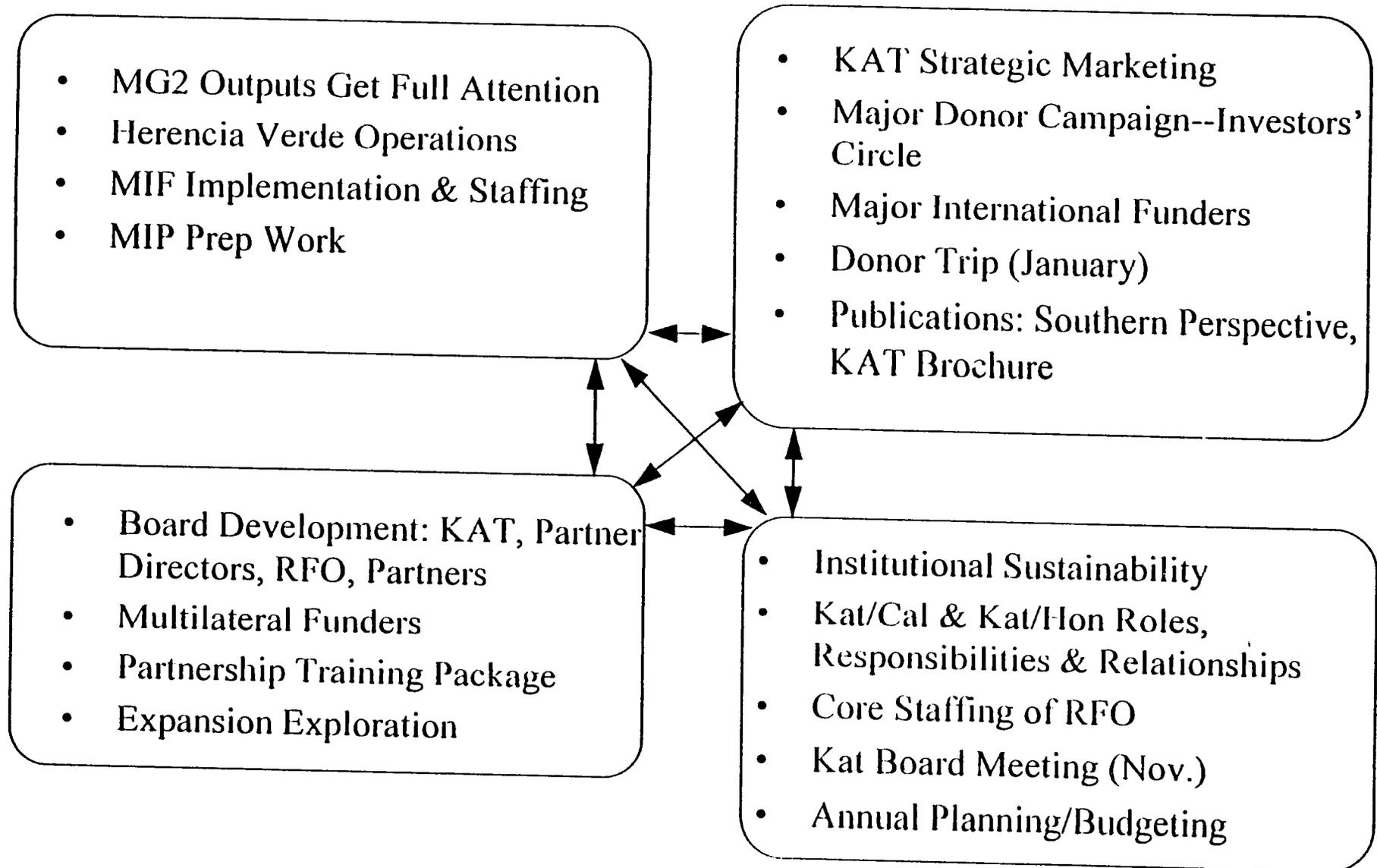
Financial transparency.

Other 11 principles in Statement.

Board structure/function.

Inquiry into depth of Partnership.

KATALYSIS ~ FOCUS *96



I. Resource Development Information

CURRENT FUNDING SOURCES

Katalysis North/South Development Partnership

FOUNDATIONS & CHURCHES:

- Atkinson Foundation
- The Aurora Fund of the Tides Foundation
- The Barry Foundation
- Capecchio Foundation
- The Church of Jesus Christ of Latter-Day Saints
- Coffee Kids
- Conservation, Food and Health Foundation
- Food For All
- Food Industry Crusade Against Hunger (FICAH)
- Independent Charities of America
- Joukowsky Family Foundation
- Harris and Eliza Kempner Fund
- The Ludwick Family Foundation
- The International Foundation
- The John D. and Catherine T. MacArthur Foundation
- MAZON: A Jewish Response to Hunger
- Namaste Foundation
- The New Field Fund of the Tides Foundation

- Presiding Bishop's Fund for World Relief
- Rotary Foundation
- Alan B. Slifka Foundation
- Share Our Strength (SOS)
- Fundación VIDA

CORPORATE:

- Deloitte & Touche LLP
- Mitsubishi Corporation
- Odwalla, Inc.

GOVERNMENT:

- United States Agency for International Development

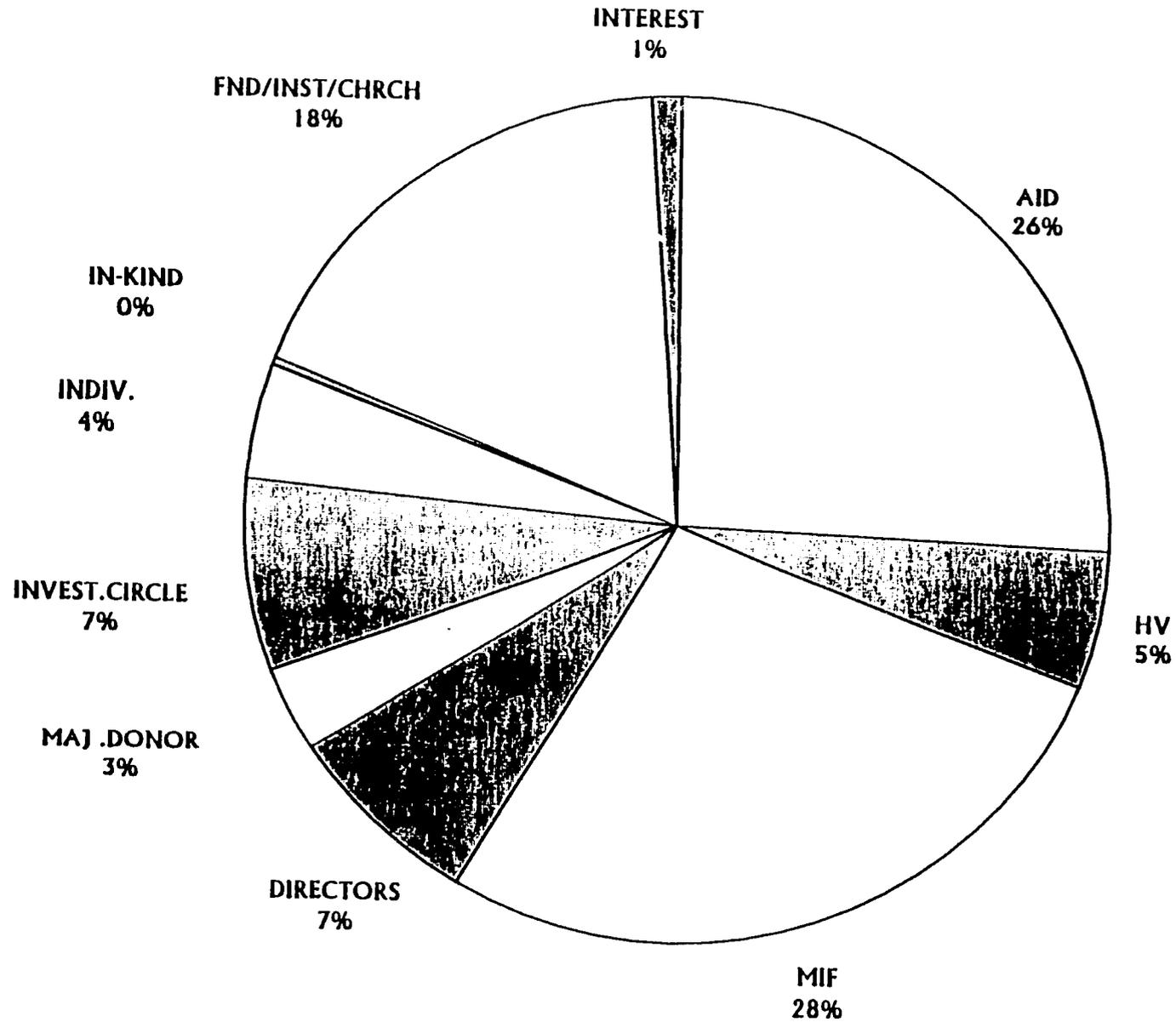
BOARD OF DIRECTORS, MAJOR DONORS, and INDIVIDUALS:

Katalysis also has a consistent number of individuals who make regular financial contributions, including members of the board of directors, major donors and individuals who donate through our bi-annual direct mail appeals.

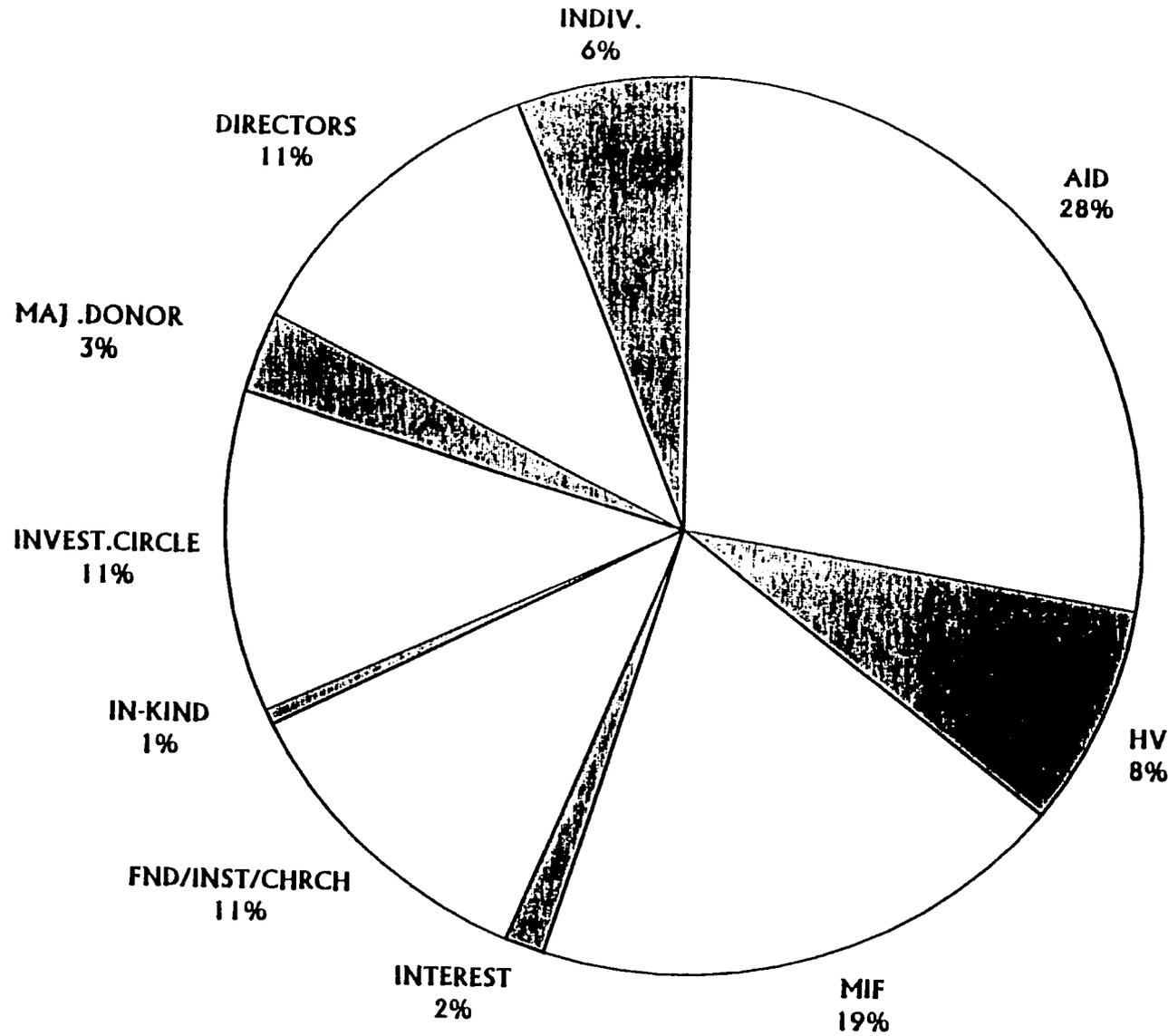
**Projected Revenue from Foundations and Churches
FY 1995 Status Report**

Funder	Planned Submissions		Status	Amount		Comments
	Katalysis	Partner(s)		Katalysis	Partner	
I.D.S	5,000	0	Disbursed			
AID Documentation	12,500	0	Declined	5,200	34,864	Soap Factory
Atkinson	1,000	4,560	Disbursed	0	0	
Coffee Kids	0	11,000	Disbursed	1,000	4,560	
CF&II	2,000	12,000	Declined	0	8,000	Pass-through
FICAH	2,188	15,312	Disbursed	0	0	
Emerald Fund	1,000	4,000	Declined	2,188	15,312	
Food for All	1,250	6,250	Disbursed	0	0	
Greenville	3,000	15,400	Declined	1,250	6,250	
Internat'l Fdtn	3,000	14,750	Disbursed	0	0	
Internat'l. Fdtn.	3,000	12,000	Approved for 10,000	3,000	14,750	
Kellogg	11,000	101,000	Disbursed	0	0	Disbursement 12/95
Kempner	2,000	0	Disbursed	5,000	0	\$108K were directly disbursed to BEST. \$8.4K is Kat share, of which 3.4K will be booked in FY96
Moriah	5,000	20,000	Pending	1,000	0	
Public Welfare	5,000	20,000	Not submitted	0	0	Disbursement 1/96
PWFWR	3,000	17,000	Declined	0	0	
PBFWR	2,000	10,780	Disbursed	0	0	
S.O.S.	4,000	16,000	Approved	1,000	4,000	
Tides	4,000	16,000	Disbursed	3,500	16,500	Disbursement before 9/30/95
UMCOR/ODEF	3,000	18,000	Declined	4,000	16,000	
UMCOR/MUDE	2,000	12,500	Declined	0	0	
CPP/ODEF	15,000	91,000	1 Bank funded (Whittlinger)	0	0	
CPP/MUDE	4,500	24,000	3 banks disbursed; 1 bank partially funded; (Mitsubishi; Hughes; Ludwick)	0	8,000	Katalysis portion of 1.5 K integrated into Major Donor Campaign
CPP/CDRO	3,000	15,900	2 banks (Rotary; Odwalla)	2,000	28,000	Katalysis portion of 5K integrated into Major Donor Campaign
Additional Revenue	0	0		1,750	12,250	\$750 for Kat and 3,750 for Partner booked in '96
Aurora Fund	0	0		0	0	
Ella Alford	0	0	Received	0	0	7.5K from private funder for Organic Seeds Project; 2.5K in MDC; 5K booked for FY'96
MAZON	0	0	Disbursed	0	3,600	designated for Partner attendance at conferences
SEEP Planning Grant	0	0	Disbursed	1,000	6,000	
Total	86,438	465,452		37,038	186,786	Total SEEP Planning Grant is \$21,9K; 5.7K for Kat and 1.7K for Partners booked in FY'96
Additional Submissions						
Citicorp 4 ODEF banks	10,000	40,000	Declined	0	0	
I.D.S credit for 10 ODEF banks; credit building	5,000	55,000	Declined	0	0	
IDB/MIF	1,109,965	1,385,035	Pending	0	0	Approval expected in Jan/Feb. '96, Disbursement 4/96

PARTNERSHIP REVENUE FY'96 = \$1,364,473



KAT REVENUE FY96
TOTAL: \$882,998



**J. *Field Notes*: Katalysis
Newsletters**



FIELD NOTES

FALL-WINTER 1995-96

The newsletter of **KATALYSIS**
North/South Development Partnership

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WOMEN IN PARTNERSHIP

At the Heart of Equitable Development

As Katalysis historians can tell you, the Partnership's origins trace back to two men, Bob Graham and Carlos Santos, who wanted to help Belize's subsistence farmers help themselves.

Few observers would think that this has anything to do with a UN Conference on Women taking place ten years later. Yet, the Beijing Conference has revealed conventional, hierarchical development relationships as irrelevant, counterproductive and sometimes harmful for exactly those families who need help most. Participants are hungry for equal, productive relationships between people of different cultural perspectives, disproportionate resources, and sometimes conflicting priorities.

Bob and Carlos knew that to effect positive social change, people must be partners in the development process as well as the outcome. From that premise, they started a development model based on mutual respect, shared decision-making, open dialogue, accountability and equal participation. Perhaps Katalysis has something to contribute to a post-Beijing approach to working together on global solutions?

The Katalysis model, on first glance, may not appear to be one aimed specifically at women. But, look closely and you will find that women are active participants in setting the programmatic and institutional agendas, they share equally in leadership roles and, consequently, benefit from – and are shaping – the Partnership approach.



Working together, Partner organizations are able to coordinate plans, resolve differences and exchange professional experience with their peers.

Structurally, the Partnership is comprised of five independent Partner organizations. Two of these five are dedicated to achieving pragmatic goals for women (MUDE in Guatemala and ODEF in Honduras)

and three of the five are headed by women executive directors (MUDE, ODEF and BEST in Belize). The programs also vary from Partner to Partner, but each includes Women's Community Banking, Micro-enterprise Development and Natural Resource Management activities.

Interestingly, programs rarely serve exclusively women or exclusively men. ODEF, the Organization for Women's Enterprise Development, has begun to involve a small percentage of men in their Community Banking program, often the husbands of women who have benefited from the loan program.

Although all Southern Partners are from Central America, each organization has a unique historical and cultural perspective. Not surprisingly, the role of women varies from culture to culture. And, not surprisingly, deeply rooted differences such as this can cause tension. However, if dealt with in a partnership forum, they are a gold mine for mutual learning and collective support to resolve sensitive issues.

For instance, CDRO in Guatemala is intricately structured according to their Mayan traditions, which has made it difficult for women to participate in the decision-making process. When

continued on page 3

KATALYSIS NORTH/SOUTH DEVELOPMENT PARTNERSHIP

*a non-profit
organization
serving low-income
communities in
developing countries*

1331 N. Commerce St.
Stockton, CA 95202
209-943-6165 fax: 209-943-7046
e-mail:
katalysis2@aol.com



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FOUNDER'S NOTES



BOB GRAHAM

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Roy O. Williams
The Williams Group
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MAN TO MAN . . .

Every other newsletter, the Katalysis Chair, Dave Brown, and I take turns writing this column. Traditionally, we take our cues from the theme of the current issue. This time I have a feeling I'm really at a disadvantage. When I think of the Women in Partnership theme, right away I also think of the Women's Conference in Beijing. I also think of Women in Development.

So, this is definitely about women! And, being a man – what do I know? What do I really know about women's experiences during their last six thousand years of being second class citizens in about every way imaginable? What do I really know about the suffering that has been visited on them by the economic, political, educational, religious and social institutions invented by humans? (What humans, you ask? Hmm...)

Unwilling to assume the mantle of expert then, I'll just make this a column written for men. Man to man, you might say. (If any women simply must read this, note that it's no use to tell me later that I don't know what I'm talking about!)

All right, guys, let's get down to it. The crucial issue here is EQUAL OPPORTUNITIES AND RIGHTS FOR WOMEN! Whoa.... before you let the "fight or flight" syndrome kick in, hear me out. First, I'm talking specifically about equal economic opportunities. Without them, Women in Development is like a man and his sons dining first, and his wife and daughters eating the leftovers. (Would it surprise you to know that this is happening this very day in hundreds of millions of households across this earth?)

And, I'm talking about equal human rights. Without them, Women in Partnership is a

hollow phrase. How can you be partners with someone who doesn't have the same legal rights as you do? (Would it surprise you to find out that more than a billion women do not have the same legal rights as their male counterparts?)

Now, I want to acknowledge that some progress is being made on a global basis. Step by step, inch by inch, even sometimes by great leaps. But it is nowhere nearly fast enough! And worse, even though the Beijing Conference produced great bursts of energy and enthusiasm, many forces are rallying against women gaining equality, whether it be as partners or as economic equals. I guess too many people

think there just aren't enough rights or opportunities to go around!

Well, I figure women need a hand in achieving their rightful heritage of equality. They need more men to move from being bystanders to participants. They need more men to insist that the women in their businesses receive equal pay for equal work. They need more men to write checks supporting women's community banks, and women's initiatives for equal human rights. They need more men to speak up for fairness. They need more men to treat them like partners.

So I'm starting a new club for men. Males love clubs, so I figure a lot of you guys will sign up. It's called MEN IN PARTNERSHIP AND DEVELOPMENT. We'll make up the rules as we go, but we all know the goal. Simply stated, we'll promote Women in Partnership and Women in Development. There are no dues: anything you can do to support the cause, do it! (And for any women who did read this column against my advice, please don't ask if you can join this club. At least let us guys get it off the ground first!) ♦



Entrepreneurial women welcome support from an integrated team of program professionals, community leaders and committed investors.

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Mario Beltrán
Director of Finance

Margaret Diener
Administrative Manager

Colleen Donovan
Development Associate

Rebeca Gonzalez
Secretary/Receptionist

Ana Maria Hutchison
Accounting Assistant

Jutta von Gontard
Director of Development

Regional Field Office Staff

Ingrid Faulhaber
Regional Director

Leonardo Alvarez
Natural Resource
Program Manager

Alex Giron
Financial Controller

Marlón Meléndez
Office Assistant

Carlos Rodriguez
Agricultural Marketing
Specialist

Vanessa Thomas
Program Associate

Doris Zavala
Secretary/Receptionist

PARTNER UPDATES

Belize Enterprise for Sustainable Technology (BEST)

A \$108,000 grant from the W. K. Kellogg Foundation has launched BEST's Youth Enterprise Training Program. As the population under 25 in Belize climbs (currently 63%), unemployment, inadequate educational opportunities, and gang-related crime have become a major national challenge. BEST's program provides innovative alternatives for young Belizeans through a combination of agricultural training, business management and career development.

Representatives from the John D. and Catherine T. MacArthur Foundation, one of BEST's key funders, recently visited Belmopan to meet with Managing Director, Bridget Cullerton, and Board Chairman, Dr. Joseph Palacio. The MacArthur Foundation is considering BEST as the implementing NGO for its Program Related Investment Program in Belize.

Organization for Women's Enterprise Development (ODEF)

This year ODEF celebrates its 10th year of serving low-income women in Northern Honduras. Over the past decade, ODEF has assisted 5,593 project participants (90% women heads of households) and improved the socio-economic level of 33,558 micro-entrepreneurs. This impressive record has been achieved by ODEF's remarkable perseverance through tough times and their professional commitment to sustainable development. Congratulations to Executive Director, Santa de Euceda, and the entire ODEF staff!

ODEF has inaugurated a new credit facility at their San Pedro Sula headquarters. The space will provide a central location for community banking training and accommodate ODEF's growing Credit Department staff.

Association for Women in Development (MUDE)

MUDE has become the Partnership leader in fuel-efficient Chefina stoves; they have assisted 60 families to build stoves in six Guatemalan communities. MUDE technician, Julian Gonzalez, gave a 5-day workshop to train CDRO agriculture program staff on stove construction and use. BEST is now interested in using Chefina stoves as a complement to their Solar Box Cooker program.



Cooperative Association for Western Rural Development (CDRO)

Despite limited resources, CDRO's Artisan Program continues to gain international exposure. This summer Solidarité du Monde, a French solidarity network, invited CDRO's Co-Director, Gregorio Tzoc Norato, and Artisan Program Head, Andrés Hernandez, to participate in an alternative trade conference in Paris. The event brought together artisans from five Southern countries and 62 French retailers. The two groups discussed strategies to increase the promotion and marketing of Third World crafts. The CDRO duo also visited funders in Italy and Holland during their brief stay. ♦

Entrepreneurs from the MUDE Women's Community Bank, "Mujeres Unidas" (United Women), gather around to share a meal. The 30-member group in San Martin Jilotepeque, Guatemala, is one of 12 banks MUDE is assisting with business training and loans averaging under \$140.

WOMEN IN PARTNERSHIP (continued from page 1)

CDRO joined Katalysis in early 1992, they specifically sought assistance to strengthen their fledgling Women's Program. Through the Partnership, the leaders of CDRO and the Women's Program personally experienced women's leadership in building sustainable organiza-

tions and programs. And, supported by a shared commitment to Partnership principles, CDRO is gradually integrating women at the organizational and programmatic levels.

Katalysis' experience is a valuable lesson for those interested in new ap-

proaches to working together. And while differences in gender and culture are recognized, the diversity is used to strengthen rather than divide the Partnership. Women are honored as equal partners, not by decree, but from the inherent value placed upon the participation of all. ♦

Celebrating Women Who



Anabela Garcia Ajuncrum

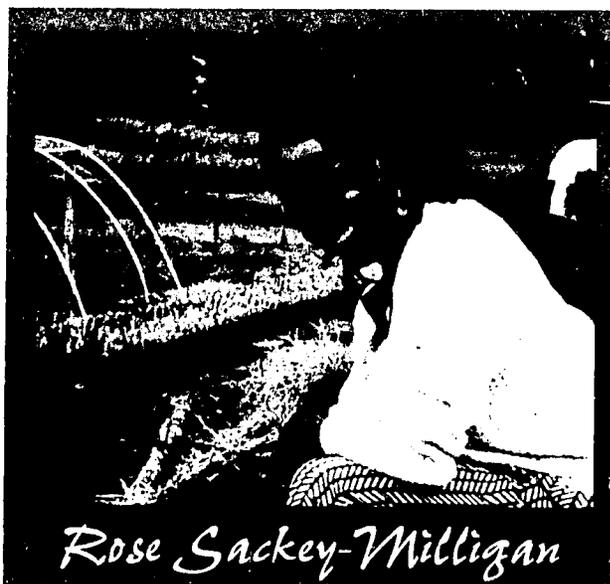


*"Partnership is realizing
and individuality of a*



Catarina Mendoza Silvestre

Briget Cullerton



Rose Sackey-Milligan

OUR WORLD IS A WEB OF DIVERSITY. Too often diversity, the greatest potential strength of humanity, is used counter-productively as the justification for isolation and divisiveness. At Katalysis, women and men from North and South collaborate as equals to make the Partnership process work. True partnership requires no less. Many of the Partnership's guiding perspectives are provided by women – women of diverse national and cultural backgrounds, working in a wide variety of vital leadership roles. We'd like to introduce you to a few of the women who add life and strength to the Partnership.

BRIDGET CULLERTON, Managing Director of BEST, spent her first 30 years of her career in the U.S. working mostly in education. In 1992 she returned to Belize to put her experience to work aiding the development of her home country, with a special interest in youth issues. At BEST, Bridget oversees a staff of nine, serving community-based enterprises dispersed throughout the country.

SANTA de EUCEDA is the Executive Director of ODEF, a Honduran women's development organization she co-founded in 1985. With a lifelong passion for small business creation, Santa has operated her own merchandise distribution business, taught economics and worked as an analyst for the Honduran Ministry of Natural Resources. At ODEF, she heads a staff of 50, serving rural communities with self-help community development and credit programs. Santa also played a key role in launching the new Herencia Verde Agricultural Learning and Training Center.

CATARINA MENDOZA SILVESTRE has been the Executive Director of MUDE since 1991. A longtime activist and social worker, Catarina worked for years to aid women workers in Guatemala's sugar processing industry. She manages a staff of eight that serves Guatemalan communities with micro-enterprise development and natural resource management projects. In addition to their considerable responsibilities, Bridget, Santa and Catarina are also members of the Katalysis Board of Directors.

Shape The Partnership



*honoring the uniqueness
" — Wendy Graham*



Ingrid Faulhaber



Santa de Enceda



Wendy Graham (& Bob)

Regional Field Director, **INGRID FAULHABER**, oversees Katalysis' operations in the field. Before joining Katalysis – first as an intern and later as the Program Director in San Francisco – Ingrid had started her own small business and worked on micro-enterprise projects as a Peace Corps volunteer in Paraguay. Her interests led her to a MBA at UC Berkeley's Haas School of Business. Ingrid relocated to Honduras last fall with her husband and six year old son.

ANABELA GARCIA AJUCUM is the head of CDRO's growing women's Program in Guatemala. Anabela has studied business in Petzaltenango and now supervises all CDRO's women's projects including Community Banks and the newly inaugurated soap factory. Anabela is also a weaver from the highland community of Antún, making traditional fabrics in her spare time.

Member of the Katalysis Board of Directors since 1991, **ROSE SACKEY-ILLIGAN** serves the Partnership with her invaluable strategic planning expertise. She has traveled in each of the three Partner countries and has conducted organizational diagnostics for both ODEF and ODEF. A longtime activist for social justice, Rose currently works for the Peace Development Fund in Massachusetts.

WENDY GRAHAM is, perhaps, the Partnership's most versatile supporter. Wendy has had an important influence from the start as co-founder of Katalysis and member of the first Board of Directors. She continues to invest her time and resources as a major sponsor and trip-coordinator for Katalysis' Partnership Journeys. An active philanthropist and community volunteer, Wendy is also the mother of six children.

Each of these seven women contributes her own unique perspective, personal experience and professional expertise to further the Partnership's mission. And while each carries her own specific responsibilities, they are united by a shared commitment to working together. For each recognizes that the Partnership's "web diversity" is a powerful asset towards fostering long-term, sustainable change in Central America. ♦

NUTSEN

KATALYSIS UPDATES

News from the RFO

Not even a year old and the Katalysis Regional Field Office (RFO) has already taken on the responsibilities — and challenges — of a seasoned post. The following is a brief update from San Pedro Sula:

■ Team building continues as the RFO welcomes two new staff: Carlos Rodriguez and Doris Zavala. A native Honduran, Carlos is the new Marketing Specialist for the Herencia Verde (Green Legacy) Agricultural Learning and Training Center. Doris, the RFO's new bilingual secretary, replaces Sergia Cardona who will be married this fall.



Partner Directors review progress at the Herencia Verde Agricultural Learning and Training Center just outside San Pedro Sula, Honduras. In recent months, Katalysis has raised over \$12,000 from individuals to help support the new facility.

South/South exchanges and participation in SEEP workshops.

■ In August, Natural Resource Program Manager, Leonardo Alvarez, traveled to California to visit two organic farms with Katalysis Chair, Dave Brown, and to participate in planning meetings in Stockton. Leo's trip also included work on a Partnership-wide organic seed cultivation and marketing project with Seeds of Change in New Mexico.

Accounting Training to Partners

Audit preparation, accounting software, credit portfolios, and budget analysis. These aren't topics that people normally associate with field work, but this is exactly what Katalysis Finance Director, Mario Beltrán, has been working on during his recent trip to Guatemala, Honduras and Belize. All Partners had requested Mario's assistance to help adapt their financial management systems to their growing organizational needs.

■ A planning grant from the SEEP (Small Enterprise Education and Promotion) Network has enabled the RFO to work with the Partners — especially ODEF — on the financial sustainability of their poverty lending and community development programs. Key project work includes designing special computer software, coordinating

Odwalla & Katalysis Team Up

Maya Papaya™, a papaya-based smoothie, has brought together Katalysis and Odwalla, a socially responsible natural juice company. Odwalla launched the new drink in June and — as it invokes the Mayan name — wanted a share of the profits to benefit Mayan people. After meeting with Katalysis, Odwalla decided to support CDRO's Ija Q'anil "Yellow Corn" Women's Community Banking program in Guatemala.

In addition to the funding, such select corporate relationships play an important role in increasing the visibility of a small organization like Katalysis.

Partner Directors Strategize around new IDB Proposal

All four Southern Partner Directors, Katalysis President, Jerry Hildebrand, and Regional Field Director, Ingrid Faulhaber, met at the Regional Field Office in July to set priorities for a 3-year, Partnership-wide proposal to the Multilateral Investment Fund of the Inter-American Development Bank (IDB). If awarded, this grant will provide significant funding for Partner projects in Appropriate Technology, Women's Community Banking and Micro-enterprise Development, Youth, Marketing and Institutional Strengthening.



Ingrid Faulhaber (Katalysis), Virgilio Alvarado Ajanel (CDRO) and Catarina Mendoza Silvestre (MUDE) discuss the long-range impact of an IDB grant on their organizations.



A "neck ringer" around bottles of Maya Papaya™ tells the story of Community Banking in Guatemala.

Thank You!!

TO OUR VOLUNTEERS

It's true that many hands make light work – especially when it comes to mailing out your newsletters! Katalysis gratefully recognizes the many volunteers who share their hard work and good cheer with the Partnership on a wide range of projects.

Sinamar Abenojar, Georgina Arevalo, Anna Atilano, Ruth Cunnningham, Doi Do, Mary Donovan, Maribel Garcia, Jorge Gonzalez, Janet Hartenfeld, Linda Hobson, Leny Hoyt, Paul Knutsen, Lisa McPhillips, Shawna Maitia, Dennis Macray, Buasai (Gina) Nusaath, Marisela Quiroz, Norma Quiroz, Mahnaz Saremi Shakerin, Mary Helen Segura, Ricardo Simental, Reggie Tabaldo, Julie Verduzco, Veronica Verduzco, and Bobby Wilson.

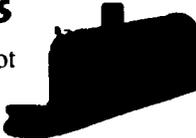
TO OUR CONTRIBUTORS

Financial accountability is a value shared at every level of the Partnership: from a rural community bank to the Katalysis board. Every check we receive is carefully invested to maximize the good it brings to those who need it most.

Katalysis would like to acknowledge recent grants for projects such as Women's Community Banks, Organic Agriculture, Health and Nutrition, Energy Efficient Technologies, Reforestation, and Herencia Verde from the following organizations:

- Atkinson Foundation
- The Aurora Fund of the Tides Foundation
- The Barry Foundation
- Capecchio Foundation
- The Church of Jesus Christ of Latter-Day Saints
- Coffee Kids
- Conservation, Food & Health Foundation
- Deloitte & Touche LLP
- The Fair Share Foundation
- Food for All
- Food Industry Crusade Against Hunger (FICAH)
- Joukowsky Family Foundation
- Harris & Eliza Kempner Fund
- The Ludwick Family Foundation
- The Internationa! Foundation
- The John D. and Catherine T. MacArthur Foundation
- MAZON: A Jewish Response to Hunger
- Mitsubishi Corporation
- Namaste Foundation
- The New Field Fund of the Tides Foundation
- Odwalla, Inc.
- Presiding Bishop's Fund for World Relief
- Rotary International Foundation
- Alan B. Slifka Foundation
- Share Our Strength (SOS)
- Fundación VIDA
- USAID

NEW REGIONAL FIELD OFFICE MAIL ADDRESS

No, they're not hiding out in Florida. This  is a service used to deliver the RFO's mail faster and cheaper. Drop them a line, they'd love to hear from you!

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Miami, FL 33152-3900
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KATALYSIS works in partnership with local development organizations in: **BELIZE (BEST)**, **HONDURAS (ODEF)** and **GUATEMALA (CDRO and MUDE)**

The southern Partners provide direct field services in women's community banking, micro-enterprise development, sustainable agriculture and natural resource management.

Katalysis provides essential, hands-on training and technical assistance, strengthening the Partners' institutional development so that they have the stability and capacity to effect and sustain positive changes in the lives of their low-income clients.

CALLING ALL FIELD NOTES READERS...

DO YOU KNOW ANYONE interested in Central America, women's issues, sustainable agriculture, micro-enterprise development or indigenous cultures? Please help **FIELD NOTES** reach new friends by mailing us this coupon today.

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May we use your name as a referral? Yes No

Enclosed is my contribution to help Katalysis continue Development in Partnership.

Mail to: **KATALYSIS**, 1331 No. Commerce St., Stockton, CA 95202



GUEST
EDITORIAL

LYNNE TWIST

has been active in international humanitarian efforts for almost 20 years and is a founding executive of The Hunger Project. Ms. Twist's expertise in philanthropy has guided thousands of individuals and organizations throughout the world, including Katalysis. She recently participated in the UN's Fourth World Conference on Women in Beijing, China.

FIELD NOTES

*is edited by
Colleen Donovan*

*designed by
Chris Mole*

*special contributions
by Paul Knutsen and
Karie Brown*

Women on the Move for Humanity

OVER 35,000 WOMEN CAME TOGETHER — women of leadership, heart and vision — from 188 countries. They came to Beijing from all corners of the earth; the strength and beauty of the women of the South was unmistakable. These

women were particularly passionate, particularly clear, particularly focused and deeply committed to altering their own lives and the future of all women.

The Fourth World Conference on Women in Beijing both initiated a powerful process and was the culmination of two decades of the emergence of a women's movement that clearly will change the world. Being in the presence of so many grassroots, rural women who face lives of unbearable hardship and challenge is always a great privilege. More than ever, these women — poor, rural women from the Guatemalan highlands, the coastal communities of Belize, the desolate villages of the Sahel in Senegal and the urban slums of India — have an ever-increasing voice, clarity and potency in the central role they play in transforming the lives of their village and country.

Many of the women I met had never before left their own country; yet, they traveled thousands of miles to be with people from all over the world in Beijing. None of the women I met were interested in replacing male chauvinism with female chauvinism. Instead, they want a new

world climate of respect, honor and mutual understanding that will benefit all people — men, women and children. The establishment of women's rights as human rights will clearly create room for equal opportunity of the most fundamental nature to emerge for all of us in the 21st century.

Whether I attended a demonstration, a seminar, a plenary session, a caucus or a committee meeting, it was clear that women are demanding — and receiving — basic necessities: access to credit, ownership of land, opportunities to control their reproductive rights, access to education for themselves and their daughters and increasing the standards of basic health and nutrition for the people of their country.

One of the most important results of this conference is

the partnership and solidarity experienced by everyone: from the most sophisticated female attorney in Europe to the poorest rural woman who had left her village for the first time. Women from the North traded e-mail addresses with women from the South. Women from Africa and Asia shared development strategies and pragmatic tools with women in South America and Central America. This partnership and solidarity will strengthen and empower everyone in their future vision. No one could go home from the Beijing conference and ever again think that they were alone in their struggle. ♦

None of the women I met were interested in replacing male chauvinism with female chauvinism. Instead, they want a new world climate of respect, honor and mutual understanding that will benefit all people — men, women and children.

KATALYSIS

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FIELD NOTES

SPRING/SUMMER 1995

The newsletter of **KATALYSIS**
North/South Development Partnership

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POVERTY LENDING: International Funders Take Notice

Delmi Gusman doesn't usually think of herself as being part of the hottest trend in international aid programs. And yet, as a successful small-scale entrepreneur active in Honduras' informal economy, she is exactly the type of person large institutional funders want to meet these days.

A mother of two young children, Delmi needed to find a way to earn extra income to support her family. As she is too poor to qualify for a commercial loan, Delmi joined an ODEF Women's Community Bank where she received not just credit, but business training and peer support as well. She now earns between \$100 and \$200 a month selling butter and cheese that she makes at home.

Providing small loans to the poor is generally referred to as "poverty lending." And while the grassroots development community has been working with this method for over 20 years, major players in international development funding have only recently embraced this approach. Today, poverty lending programs are a top priority of the Inter-American Development Bank, USAID, the World Bank, and major corporations such as Citicorp.

When Delmi Gusman begins her day at 5 a.m., she doesn't stop to think about the ripple effect of her business. And yet, she works at this early hour to prepare for the delivery of up to 600 gallons of milk from three local vendors. Thus,



As a member of an ODEF Women's Community Bank, Delmi Gusman of San Vicente, Honduras is working hard to build a better future for her family.

her business not only produces needed goods for her community, it also consumes goods offered by other small businesses. The success of just one business like Delmi's contributes directly to the growth of other small enterprises which, in turn, strengthen others, and the ripple effect continues. Consequently, these seemingly modest initiatives have an important cumulative impact on the informal sector — benefiting the entire community.

The Katalysis Partnership has been involved with community banks and micro-enterprise projects since 1985. Partner organizations focus on helping women like Delmi Gusman who hold a tenacious drive

not just to survive, but to improve their lives measurably — despite their extreme poverty. Literally thousands of small-scale businesses such as bakeries, vegetable stands, livestock projects, and family gardens have been started with loans of under \$100.

In addition to receiving credit for the first time in their lives, community bank members like Delmi Gusman learn practical business skills taken for granted by the formal sector. A basic concept such as valuing your time, and therefore paying yourself for your labor, is a

continued on page 6

KATALYSIS

NORTH/SOUTH DEVELOPMENT PARTNERSHIP

*a non-profit
organization
serving low-income
communities in
developing countries*

1331 N. Commerce St.
Stockton, CA 95202
209-943-6165
fax: 209-943-7046
e-mail:
katalysis@aol.com



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CHAIR'S NOTES



DAVE BROWN

This page of Field Notes has been Bob Graham's forum of communication with the larger Katalysis community for 10 years now. I feel eager, honored and a little nervous to be sharing this space with him. In this first "note" of mine to you, I want to describe my goals as the new Chair of the Katalysis Board. These intertwine with the Katalysis organizational mission and at the same time are personal to me.

LEADERSHIP STRENGTHENING

I really care about the Katalysis staff. Their dedication and skill are awesome. My first responsibility is to support and assist them, particularly in their leadership roles. I will work primarily with Jerry Hildebrand as the President and CEO but also, through Jerry, with the various department directors. This means being available with informed council on the important policy issues confronting the organization. It means providing constructive and timely criticism and input. And in times of transition and growth, I will be there as a supportive leader. Most of all I want to be a strong friend.

LEARNING AND PRACTICING PARTNERSHIP

I have a real love affair with the concept of partnership that is growing in the consensus mind of Katalysis. I want to aid and enhance the deepening of these ideas and expand our commitment to partnership to reach our development goals. We are creating a partnership for international development which allows all participants to relate as equals, relaxing the hierarchical mindset and replacing power with process as the means of effecting organizational goals. These are ideas that become powerful tools for development when we live them in each of our interactions.

EXTENDING OUR PARTNERSHIP NETWORK

For these concepts of partnership to grow, we have to continue to strengthen our organiza-

tional structure and process for delivery of our services to our Partners and through them to our beneficiaries. Our new regional office in Honduras is our most recent and far-reaching effort in this direction.

Last fall, I had an opportunity to experience the impact of the Partnership first hand. I attended a meeting of the Villa Lobos Community Bank founded by MUDE, one of our Guatemalan Partners, and was impressed by the difference this bank had made in the women's lives. After the formal meeting, I visited one of the member's homes. And while I was there, my mind wandered, thinking of the many organizations like



Women's Community Banking programs are one example of the way the Partnership effects meaningful changes in the lives of the poor.

MUDE that are in vital need of Katalysis' kind of partnering. The training, technical assistance and institutional strengthening that we provide to our Partner organizations in the South allow them to bring about the change I saw in the lives of that family. I want to participate in expanding our Partnership network so we can reach more families like this.

Above all, I have faith in our common vision and am profoundly touched by the tangible ways in which we are able to manifest it. ▲

BOARD OF DIRECTORS

Founder:

Robert E. Graham
Namaste Foundation
Carmel, California

Chair:

David A. Brown
Reynolds & Brown, Inc.
Concord, California

Bridget Cullerton
Belize Enterprise for
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Belmopan, Belize

Santa de Euceda
Organization for Women's
Enterprise Development
San Pedro Sula, Honduras

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Katalysis Partnership
Stockton, California

Anthony LaFetra
Rainbird, Inc.
Glendora, California

Catarina Mendoza Silvestre
Association for
Women in Development
Villa Nueva, Guatemala

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Granja Loma Linda
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Benjamin Son Turnil
Cooperative Association for
Western Rural Development
Totonicapán, Guatemala

Luz Vega
Hispanics in Philanthropy
San Francisco, California

Roy O. Williams
The Williams Group
Stockton, California

KATALYSIS - Headquarters Staff

President & CEO

Marjo Beltran
Director of Finance

Margaret Diener
Administrative Manager

Colleen Donovan
Development Associate

Secretary/Receptionist

Ana Maria Hitchison
Accounting Assistant

Jutta von Gontard
Director of Development

Regional Field Office Staff

Regional Director

Leonardo Alvarez
Natural Resources
Project Manager

Sergia Cardona
Receptionist

Financial Controller

Marlon Melendez
Office Assistant

Vanessa Thomas
Program Associate

PARTNER UPDATES

Belize Enterprise for Sustainable Technology (BEST)

Accessing regional markets is a major challenge for small-scale producers in developing countries. BEST is currently working on a new Marketing and Promotion Center to serve as an outlet for the goods and services of its clients. The Center will also house BEST's offices and be used as a training and demonstration facility for assistance in projects such as biogas plant installation, agro-processing, solar box cooker technology, and other appropriate technologies.

BEST was recently awarded a three-year, \$650,000 grant from the Inter-American Development Bank (IDB) to expand its credit/investment program for small business entrepreneurs and to strengthen BEST as an organization. A large portion of this grant will help fund BEST's Marketing and Promotion Center.

Cooperative Association for Western Rural Development (CDRO)

The inauguration of CDRO's Women's Soap Factory has been set for Spring 1995. Officially named by the Mayan women, *Fabrica Femenina de Productos de Limpieza* or "The Women's Factory for Cleaning Products," it will soon begin producing *Jabón Pino* (Pine Soap) for the local market.

CDRO welcomes Anabela Garcia as the new Director of the Women's Program. Anabela and her assistant, Loida Cua, will contribute their skills to a variety of projects, including the new Women's Soap Factory.

Thanks to a group of visiting Katalysis supporters, CDRO was able to purchase a used Isuzu Trooper for their Health and Nutrition program. The shiny blue truck will make it much easier for CDRO staff to reach the many communities they serve.

Association for Women in Development (MUDE)

A recent grant from the Guatemalan foundation, PADEL, has enabled MUDE to obtain computerized equipment for use in their community banking and micro-enterprise programs.

MUDE welcomes Julio de Jesus Gonzalez Peralta, an experienced agricultural extensionist, as head of its new Agriculture Training and Extension Program. In the short time since this program has started, over 40 highly motivated women have been trained in the construction and use of Chefina stoves and organic gardening to improve family nutrition and health through environmentally appropriate technologies.



Organization for Women's Enterprise Development (ODEF)

ODEF's Women's Community Banking program continues to grow, now serving 55 banks with over 850 low-income women. As a result, ODEF's Credit Department is expanding and will soon be relocated to a new office building. Katalysis congratulates Miguel Navarro for his excellent work at ODEF and technical assistance to Katalysis Partners.

On March 24, ODEF and Katalysis held a ceremony to officially inaugurate *Herencia Verde*, the new Agricultural Learning and Training Center in San Pedro Sula. Officials from the neighboring city governments, USAID, Rotary International and VIDA, a Honduran environmental organization, attended the event which was featured prominently in the regional press. ODEF's Marla Luiz has been named as the Project Director of *Herencia Verde*. ▲

CDRO's Agricultural Leadership Training Project (TALES) is designed to give local community leaders an opportunity to learn needed skills and gain hands-on experience. Mario, a TALES project participant, is shown here assisting a small farmer in the community of Pueblo Viejo, Guatemala.



KATALYSIS HONDURAS

BY PAUL KNUTSEN



In February, Field Staff from each of the Southern Partner organizations learned new agricultural techniques at a 5-day training at the Loma Linda Center in Honduras.



Family initiatives, such as this chicken and egg project, help to ensure a healthier diet and to generate badly needed income.

IN THE LAST EDITION of *Field Notes*, we announced the establishment of Katalysis' Regional Field Office in San Pedro Sula, Honduras. The six months since then have been filled with both trials and triumphs as Katalysis has strived to consolidate this monumental achievement. The Honduran field office has established a local presence for Katalysis in Central America which greatly increases Partner access to Katalysis program staff and support services, allows more frequent and thorough follow-up to Katalysis trainings and provides an immediate response mechanism for urgent Partner needs.

Many obstacles have been surmounted along the road to making the Regional Field Office a reality. Office space and all necessary equipment, staff members and training, and official legal status for Katalysis to operate in Honduras were all arranged at a distance of nearly 3,000 miles! In spite of these challenges, the field office staff managed to maintain a productive opening schedule through two months of country-wide electricity rationing and one unnerving generator explosion.

Providing expert training to our southern Partners has always been central to the Katalysis mission. But in the past, coordinating such trainings from California was a challenge. Several weeks of complicated logistics and planning were required, as well as considerable travel expense. Efforts to optimize time spent in the field resulted in overflowing itineraries, tight timelines and a whirlwind pace. Inevitably, there was never enough time to accomplish all the staff members would have liked. The all important follow-up for trainings was even more difficult to arrange, requiring a separate Central American visit. As field office staff experts are permanently located in the region, such trainings can occur with greater frequency, on shorter notice, with comprehensive follow-up support and at greatly reduced expense. The Regional Field Office will, over time, continue to increase the program and cost effectiveness of Katalysis' work.

Katalysis Regional Director, Ingrid Faulhaber, has built a new team of program experts to support the Partners organizations. A native Honduran, Leonardo Alvarez has joined Katalysis as the Natural Resource Management Project Manager. Financial Controller, Alex Giron, is also from Honduras and has extensive business



AS: UP AND RUNNING!

finance and accounting experience. And Vanessa Thomas, a native of Panama, is the new Program Associate. Vanessa brings her vast international experience in education and administration to the southern Katalysis team.

Since the field office's inauguration last November, many Partnership trainings and exchanges have occurred. In November 1994, Regional Field Director, Ingrid Faulhaber, helped facilitate the attendance of each of the Partners at the SEEP (Small Enterprise Education and Promotion Network) Community Bank conference in Antigua, Guatemala. Representatives from 30 agencies and 28 countries were at the conference which included Southern-led workshops, site visits and an open discussion of current poverty lending practices.

In February 1995, Katalysis' new Natural Resource Management Project Manager, Leonardo Alvarez, coordinated a five-day Partnership-wide training in sustainable agriculture at the Loma Linda Center in Honduras. The Center is run by Katalysis board member, Elías Sánchez, who provided scholarships for all the Partner staff who attended. Besides strengthening technical skills, these workshops are an invaluable resource for each of the Partners to develop professional relationships with their peers.

Much of the field office's staff time has been dedicated to negotiations with the Honduran environmental foundation, VIDA, finalizing funding details for the agricultural training and learning center, *Herencia Verde* (Green Legacy), a Katalysis/ODEF joint venture. *Herencia Verde* is the region's first training and resource facility in the areas of sustainable agriculture and environmental conservation. The center's ground breaking ceremony was held in March and received media attention throughout Honduras.

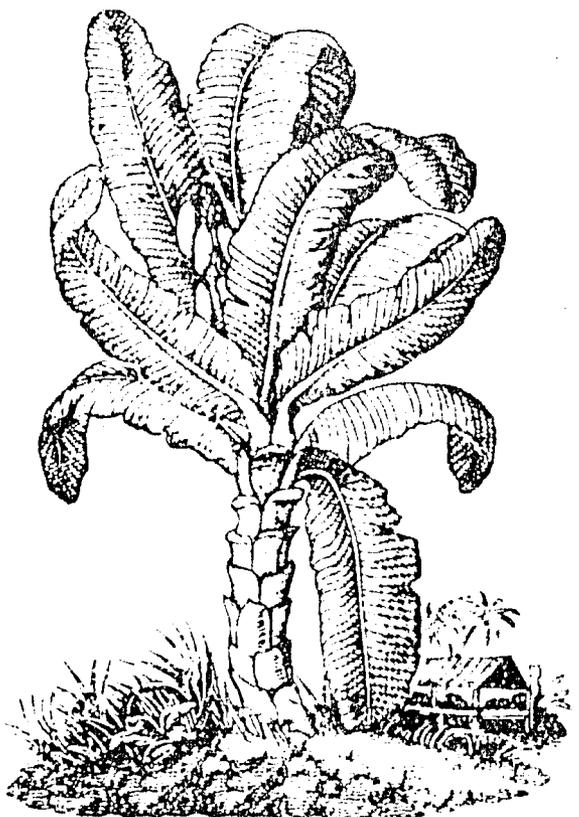
The Katalysis Regional Field Office is the realization of the Partnership's most ambitious project to date. Much more than an additional office, the opening of this facility entails the restructuring of the entire organization in anticipation of the very different needs a regional presence creates. As Katalysis moves into its second decade, the field office and its dedicated staff are situated to respond to the future needs of the Katalysis Partners, continuing the tradition of professional competence and setting a new standard of ready responsiveness and accessibility.



Making pig feed from corn husks is just one way to maximize scarce resources in Central America.



Katalysis Regional Director, Ingrid Faulhaber, reviews an important point with new Financial Controller, Alex Giron, in the San Pedro Sula office.



POVERTY LENDING*continued from page 1*

revelation to these fledgling entrepreneurs. Katalysis Partners' hands-on trainings include topics such as bookkeeping, feasibility studies, quality control and marketing. Like a commercial bank, community bank members are required to pay interest on their loans. They are also required to make regular contributions to a savings account. Over time, these savings accumulate until they reach a point where the women are able to finance their businesses *on their own*.

In Delmi's case, she has already saved nearly \$70 — a milestone in a region where most people must continually struggle to come up with creative and resourceful ways of meeting their daily necessities.

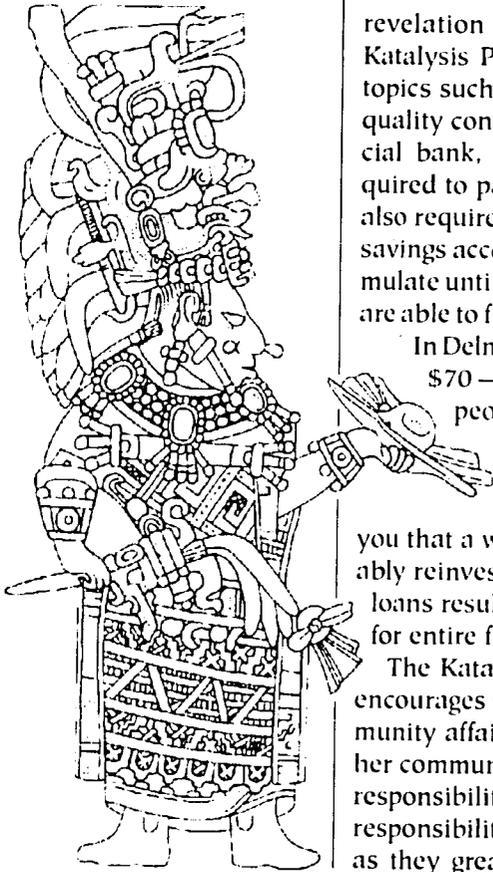
Experts around the world will tell you that a woman's increased income is invariably reinvested in her family. So these modest loans result in an increased standard of living for entire families.

The Katalysis model of poverty lending also encourages women to become involved in community affairs. Delmi was elected president of her community bank, creating a new place and responsibility for her in the village. Individual responsibility and group peer support are vital, as they greatly enhance a bank's chances for

success. And we all know that personal experience with success — no matter how modest — increases self-confidence. It has for Delmi, and her story is echoed in the lives of hundreds of other women like her.

Poverty lending programs have caught the attention of the world's most powerful funding institutions. Delmi Gusman would be the first to tell you that her business is *poquito*; it isn't much. But she would also be the first to tell you that it has changed her life. Women like her have discovered how they can help not just their families, but their entire community. And while Delmi's experience may be relatively new to certain hallways of Washington D.C., New York and Geneva, around San Vicente where she lives, it has been making a difference for a long time.

As poverty lending gains momentum, improvements in the standards of living for the world's poor accelerate, propelling the developing world toward a better future. Grassroots organizations like Katalysis have been active proponents of the concept for years, and welcome its adoption by the larger international development community. The alleviation of poverty will require the long-term involvement of committed funders and grassroots organizations working together. This is hard work — but, as Delmi Gusman knows first hand, so is making butter and cheese in rural Honduras. ▲

**KATALYSIS UPDATES**

■ A dynamic group of Katalysis supporters recently returned from the **Second Partnership Journey**. This intensive 7-day trip to Guatemala and Belize included visits with Southern Partner staff and projects in remote communities. The great dignity and care with which the Partners presented their work deeply touched everyone there, reminding us of the South's ongoing contribution to the Partnership.

■ Katalysis/Stockton welcomes three new staff members: **Mario Beltran**, Director of Finance; **Ana Maria Hutchison**, Accounting Assistant; and **Rebeca Gonzalez**, Secretary/Receptionist. All three speak fluent Spanish and bring a wide range of talents to the Partnership.

■ Over the years, Katalysis has strived to maintain an active involvement in its home community of Stockton, CA. This year a new initiative has been launched to address an issue affecting both Stockton

and our Partner country Belize: gangs. Led by volunteers in Stockton, the idea is to create an educational exchange between community leaders in California and those working with similar youth problems in Belize.

■ Katalysis Founder, **Bob Graham**, was recently honored for his "outstanding leadership in the international community" with a prestigious "Profile in Leadership Award" from the Agricultural Education Foundation. Bob is a Class II



Suzanne LaFetra, Katalysis 1995 Development Entrepreneur of the Year, and friend in Guatemala.

graduate of the California Agricultural Leadership Program which held its 25th reunion this year.

■ **Suzanne LaFetra** was selected as the 1995 recipient of the Katalysis Development Entrepreneur of the

Year award. Suzanne has served Katalysis as a consultant, donor and friend. She has also visited each of the Southern Partners. Her dedication to the Partnership sets an inspiring example for us all. **CONGRATULATIONS Suzanne!**

Thanks!

Turkington, Veronica Macias, Dennis Macray, Tom Mohr, the Viramontes family, and the Woodruff Regional Occupational Center volunteers.

TO OUR VOLUNTEERS

Katalysis deeply appreciates the many volunteers, translators and interns who share their talent and energy with the Partnership.

Adam Barron, Jon Beckler, Brooke Birkie, Emma Bowman, Amelia Brehm, Darren Chapman, Ruth Cunningham, Leah Goldberg, Janet Hartenfeld, Bruce Inman, Harriet Judson, Dwayne King, Paul Knutsen, Pauline Krey, Dana Rivers, Ricardo Simental, Tom Shepherd, Gunda Thomas, Arlene

TO OUR CONTRIBUTORS

Partnership requires a sustained investment and, over the last decade, Katalysis has been nurtured by the generous contributions of committed individuals, foundations, churches and USAID. To meet current and future needs, Katalysis will continue to use existing resources wisely, while also pursuing creative and mutually beneficial partnerships with new sources of support. We are pleased to acknowledge current support from the following organizations:

- Atkinson Foundation
- The Aurora Fund of the Tides Foundation
- The Barry Foundation
- Capecchio Foundation
- The Church of Jesus Christ of Latter-Day Saints
- Coffee Kids
- Conservation, Food & Health Foundation
- Deloitte & Touche LLP
- The Fair Share Foundation
- Food for All
- Food Industry Crusade Against Hunger (FICAH)
- Joukowsky Family Foundation
- The Ludwick Family Foundation
- The International Foundation
- The John D. and Catherine T. MacArthur Foundation
- MAZON: A Jewish Response to Hunger
- Mitsubishi International Corporation
- Namaste Foundation
- The New Field Fund of the Tides Foundation
- Odwalla, Inc.
- Presiding Bishop's Fund for World Relief
- Rotary International Foundation
- Alan B. Slifka Foundation
- Share Our Strength (SOS)
- Fundacion YIDA
- USAID



WE ARE ONLINE!

Katalysis / Stockton has gone "online." Please e-mail us at our new America OnLine address: katalysis@aol.com.



KATALYSIS works in partnership with local development organizations in:

- BELIZE** (BEST)
- HONDURAS** (ODEF)
- and **GUATEMALA** (CDRO and MUDE)

The southern Partners provide direct field services in women's community banking, micro-enterprise development, sustainable agriculture and natural resource management.

Katalysis provides essential, hands-on training and technical assistance, strengthening the Partners' institutional development so that they have the stability and capacity to effect and sustain positive changes in the lives of their low-income clients.

CALLING ALL FIELD NOTES READERS...

DO YOU KNOW ANYONE interested in Central America, women's issues, sustainable agriculture, micro-enterprise development or indigenous cultures? Please help **FIELD NOTES** reach new friends by mailing us this coupon today.

Name _____
 Address _____
 City _____ State _____ Zip _____

May we use your name as a referral? Yes No

Enclosed is my contribution to help Katalysis continue Development in Partnership.

Mail to: **KATALYSIS**, 1331 No. Commerce St., Stockton, CA 95202



GUEST EDITORIAL

PAM SOLO

Pam has been a lifelong leader in the Peace and Justice movement and received a MacArthur Foundation "Genius Award" for her work. A consultant for the new Multilateral Investment Fund of the Inter-American Development Bank, Pam is currently the Executive Director of the Social Venture Network.

Photo: Pam and her son Tommy.

FIELD NOTES

is edited by Colleen Donovan

designed by Chris Molé

special contributions by Paul Knutsen and Dennis Macray

A New Way of Thinking

Albert Einstein said after the first use of nuclear weapons that everything had changed except our way of thinking. It took fifty years of brinkmanship and cold war and an international citizen's movement to begin that shift in thinking. A shift that in spite of the collapse of communism is, in most ways, just beginning.

Embedded in that bipolar world view of the 1940's are the policies which led the developed world to relate to the developing world as clients in a global competition for hegemony. During the cold war period the industrialized world is said to have spent globally between \$40-\$70 billion dollars a year on international development through national foreign aid programs, development banks, bilateral and multilateral institutions. Today, challengers to the World Bank and other foreign assistance programs are rightfully asking, "What have we got to show for it?"

Realistically, until the fall of the Berlin Wall, the goals of foreign assistance were not primarily about poverty alleviation, much less about a new economic order based on justice and the dignity of all people. Foreign aid was war by other means, predominantly guided by military and geo-political objectives and not by the goals of social and economic development. But the war is over, and it's time to focus on the non-combatants who lost.

What is left at the end of the ideological battle between communism and capitalism is a ferocious rush to capitalism. This is very good news if it is enterprise and commerce which build a humane market capitalism. But it is very bad news if it adds momentum, as it seems to be in the former Soviet Union and Eastern Bloc, to an unleashed free market—a capitalism blind to human realities and feeling no obligation to build civil society, much less to respect the limits of the earth's carrying capacity for production and waste.

Old world views die hard, and the institutions, attitudes and behaviors that go along with them

struggle harder to give way when no one is pointing the way toward the new. I would say that Katalysis is leading the charge into the future. The Katalysis Partnership is a model for development which leads the way to the new economic order, a just and sustainable society.

Sometimes the most profound and revolutionary ideas flow from embracing the most fundamental principles and clinging to them with intellectual and moral honesty while demanding of oneself measurable results. The work of Katalysis



is revolutionary in this sense. By asserting the centrality of partnerships between the South and the North, Katalysis is developing a model of development which brings dignity and equality to the task of development. Katalysis has also recognized that, while the North may bring financial and technical resources to the Partnership, the solutions can only be generated and implemented at the local level. The fact that Katalysis takes its own beliefs so seriously is helping to teach the development community in the North how to think differently and simply about the complex tasks of creating a just and sustainable society.

Einstein would be proud. ▲

KATALYSIS

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K. Country Data Sheets

**COUNTRY INFORMATION FOR
A.I.D.-SUPPORTED PVO PROJECTS**

Organization: Katalysis North/South Development
Partnership
Project/Grant No.: FAO-0158-A-00-3043-00
Grant Dates: 10/01/93 - 09/30/98
Funding Mechanism: Matching Grant

Country Name: Belize

Project Purpose: Strengthen the capabilities of local farming, fishing, microenterprise, women in development and youth groups which represent the sectors of Belizean society most impacted by poverty, unemployment, environmental degradation and the need for income diversification. Focus is on skills development, job creation, income generation and sustainable natural resource management.

Project Implementation:

Start Date: 10/01/93

Estimated Completion Date: 09/30/98

Status: BEST has been in operation since late 1985 and was the first Katalysis Partner. Katalysis played the key role in the founding of BEST and has had a strong partnership relationship with BEST since that time.

Project Funding:

Year	1994	Year	1995	Year	1996	Year	*1997	Year	*1998	Total
AIDS	28,300	AIDS	36,800	AIDS	37,650	AIDS	0	AIDS	0	102,750
PVOS	49,200	PVOS	24,350	PVOS	37,650	PVOS	25,300	PVOS	24,550	161,050
OTHER		OTHER		OTHER		OTHER		OTHER		
INKIND		INKIND		INKIND		INKIND		INKIND		
LOCAL		LOCAL		LOCAL		LOCAL		LOCAL		
TOTAL	77,500	TOTAL	61,150	TOTAL	75,300	TOTAL	25,300	TOTAL	24,550	263,800

***In years 1997 and 1998, no A.I.D. funds will go to BEST in Belize. Projected A.I.D. commitments in Belize will be met through the use of PVO funds provided by Katalysis.**

Location in Country: BEST operates in all districts of Belize.

Local Counterpart/Host Country Agency:

Bridget Cullerton
Managing Director
Belize Enterprise for Sustainable Technology (BEST)
Forest Drive
P.O. Box 35
Belmopan, Belize

**COUNTRY INFORMATION FOR
A.I.D.-SUPPORTED PVO PROJECTS**

Organization: Katalysis North/South Development Partnership
Project/Grant No.: FAO-0158-A-00-3043-00
Grant Dates: 10/01/93 - 09/30/98
Funding Mechanism: Matching Grant

Country Name: Guatemala

Project Purpose: Strengthen the capabilities of indigenous agriculture, microenterprise, women in development and youth groups which represent the sectors of Guatemalan society most impacted by poverty, unemployment, environmental degradation and the need for income diversification. Focus is on skills development, job creation, income generation and sustainable natural resource management.

Project Implementation:

Start Date: 10/01/93

Estimated Completion Date: 09/30/98

Status: CDRO and MUDE joined with Katalysis in a joint venture in 1991 to strengthen women's programs and form women's community banks in Guatemala. Though these are the most recent members of the Partnership, full programming efforts have been extended to each of these organizations as of 1994. CDRO has been operating in Guatemala since 1981, MUDE since 1991.

Project Funding:

Year	1994	Year	1995	Year	1996	Year	1997	Year	1998	Total
AIDS	42,300	AIDS	43,296	AIDS	45,380	AIDS	43,050	AIDS	41,740	215,766
PVOS	113,300	PVOS	165,132	PVOS	45,380	PVOS	43,050	PVOS	41,710	408,602
OTHER		OTHER		OTHER		OTHER		OTHER		
INKIND		INKIND		INKIND		INKIND		INKIND		
LOCAL		LOCAL		LOCAL		LOCAL		LOCAL		
TOTAL	155,600	TOTAL	208,428	TOTAL	90,760	TOTAL	86,100	TOTAL	83,480	624,368

Location in Country: CDRO works in the departments of Totonicapan, Huehuetenango, Retalhuleu and Quetzaltenango; MUDE works in the departments of Esquintla, Chimaltenango, Guatemala and Sacatepequez.

Local Counterpart/Host Country Agency:

Catarina Mendoza
 Executive Coordinator
 Asociacion de Mujeres en
 Desarrollo (MUDE)
 3ª Calle "A" 1-29
 Lomas del Sur, Villa Nueva
 Guatemala

Gregorio Tzoc Norato
 Executive Director
 Cooperacion para el Desarrollo
 Rural de Occidente (CDRO)
 6ª Avenida 6-14, Zona 4
 Totonicapan, Guatemala

**COUNTRY INFORMATION FOR
A.I.D.-SUPPORTED PVO PROJECTS**

Organization: Katalysis North/South Development
Partnership
Project/Grant No.: FAO-0158-A-00-3043-00
Grant Dates: 10/01/93 - 09/30/98
Funding Mechanism: Matching Grant

Country Name: Honduras

Project Purpose: Strengthen the capabilities of women in business, women in development and youth groups which represent a sector of Honduran society severely affected by poverty and unemployment: women in urban areas and rural villages. Focus is on skills development, job creation, income generation and sustainable natural resource management.

Project Implementation:

Start Date: 10/01/93

Estimated Completion Date: 09/30/98

Status: ODEF joined with Katalysis in a joint venture to form ten women's community banks in 1989. Katalysis extended the Partnership with ODEF institution-wide in 1990. ODEF has operated in Honduras since 1983.

Project Funding:

Year	1994	Year	1995	Year	1996	Year	1997	Year	1998	Total
AIDS	29,600	AIDS	32,180	AIDS	24,180	AIDS	24,680	AIDS	23,780	134,420
PVOS	38,800	PVOS	37,200	PVOS	24,180	PVOS	24,680	PVOS	23,780	148,640
OTHER		OTHER		OTHER		OTHER		OTHER		
INKIND		INKIND		INKIND		INKIND		INKIND		
LOCAL		LOCAL		LOCAL		LOCAL		LOCAL		
TOTAL	68,400	TOTAL	69,380	TOTAL	48,360	TOTAL	49,680	TOTAL	46,560	283,060

Location in Country: The districts of Yoro, Santa Barbara and Cortes.

Local Counterpart/Host Country Agency:

Santa deEuceda
Executive Director
Organizacion de Desarrollo Empresarial Femenino (ODEF)
Apartado Postal 357
San Pedro Sula, Honduras

**COUNTRY INFORMATION FOR
A.I.D.-SUPPORTED PVO PROJECTS**

Organization: Katalysis North/South Development Partnership
Project/Grant No.: FAO-0158-A-00-3043-00
Grant Dates: 10/01/93 - 09/30/98
Funding Mechanism: Matching Grant

Headquarters: Stockton, California

Project Purpose: To accelerate the development of indigenous PVOs that deliver training, technical assistance, credit and project development in Central America. Focus is on organizations working in sectors heavily impacted by poverty and unemployment: small farmers and fishermen, women, youth and micro-entrepreneurs. Activities include women's community banking, microenterprise and environmentally sustainable development.

Project Implementation:

Start Date: 10/01/93 Estimated Completion Date: 09/30/98

Status: The Stockton headquarters manages the program and finances of Katalysis and oversees its relationships with Partner organizations. It fulfills all legal and financial requirements of a 501 (c) (3) organization. As of 1994, the Katalysis program office was located in San Pedro Sula, Honduras, to provide more immediate consultation.

Project Funding:

Year	1994	Year	1995	Year	1996	Year	1997*	Year	1998*	Total
AIDS	101,700	AIDS	237,724	AIDS	242,790	AIDS	282,270	AIDS	284,472	1,148,956
PVOS	81,500	PVOS	380,401	PVOS	242,790	PVOS	256,970	PVOS	259,930	1,221,591
OTHER		OTHER		OTHER		OTHER		OTHER		
INKIND		INKIND		INKIND		INKIND		INKIND		
LOCAL		LOCAL		LOCAL		LOCAL		LOCAL		
TOTAL	183,200	TOTAL	618,125	TOTAL	485,580	TOTAL	539,240	TOTAL	544,402	2,370,547

***In years 1997 and 1998, the BEST portion of the Matching Grant is allocated to Katalysis for additional Partnership expenses as approved by Project Officer; accordingly, Katalysis will provide PVO counterpart funds to BEST to meet projected Matching Grant outputs.**

Program Manager:

Gerald B. Hildebrand
 President
 Katalysis North/South Development Partnership
 1331 N. Commerce St.
 Stockton, CA 95202
 (209) 943-6165; fax (209) 943-7046

**L. Katalysis Staff Matching
Grant Travel, FY 1995**

KATALYSIS NORTH/SOUTH DEVELOPMENT PARTNERSHIP

Travel Log - AID Matching Grant

Fiscal Year 95

TRAVELER	DATES	DESTINATION	PURPOSE
Alvarez, Leonardo	8/7-8/23/95	Belize-Stockton-Santa Fe	US/AID Matching Grant-Follow-up Atkinson Foundation Grant/CDRO Nutrition Program
	3/25-4/7/95	Guatemala	Conservation Food and Health/CDRO Nutrition Program Food For All/MUDE
	2/28/95	Santa Lucia-Honduras	Partnership exchange and ag. training
	1/24/95	Belize	US/AID MG2 training and orientation
	12/1-12/10/94	Guatemala	US/AID Matching Grant-follow-up
Beltran, Mario	6/12-6/13/95	Seattle, Washington	Workshop on Aid Rules and Regulations
	9/5-9/24/95	Belize-Guatemala-Honduras	Technical Assist. training and installation of fund accounting software for Partners
Diener, Margaret	3/7-3/12/95	Washington, DC	PVO workshop, meeting with AID MG Program Officer, and MIP (AID) bidders conference
Faulhaber, Ingrid	8/9-8/16/95	Stockton, CA	Annual staff planning and budgeting meetings
	3/29-4/6/95	Guatemala and Belize	Donor Trip-presentation of programs
	3/16-3/21/95	Guatemala	MUDE-CDRO/analytical preparation AID/MIP
	2/10-2/26/95	San Francisco/Stockton	Coord. and eval between RFO and KAT/CAL; Executive Committee & Strategic planning mtg.
	11/13-11/17/94	Guatemala	International Conf. on Community Banking, sponsored by SEEP
	10/12-10/15/94	Washington - Berkeley Springs	1994 SEEP Network Membership Meeting
	9/25-10/5/94	Guatemala-Honduras	Board Meetings and Community Bank Training

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Hildebrand, Gerald	7/30-8/6/95	Honduras	MIF Negotiations w/ consultants; Partner Directors Meeting; conf. w/Regional Field Director
	7/10-7/12/95	Washington	MIF Orientation
	5/14-5/15/95	Santa Fe, NM	Meeting with Seeds of Change personnel
	4/22-4/26/95	Washington, DC	PACT Board of Directors and Finance and Fundraising Committee Meetings
	4/7-4/9/95	Honduras	RFO Business
	2/26-3/1/95	Seattle	PACT meeting, donor contacts
	1/9-1/14/95	Honduras	RFO operations
	12/3-12/10/94	Belize	Youth Gang Project
	11/15-11/20/94	Washington, DC	PACT Board Meeting; RFO recruitment interviews; Funder visits AID and IDB
Lindo, Dianne	2/27-3/6/95	Belize	MIF-project assessment; CDRO/Gales Point exchange
Macray, Dennis	5/29-6/20/95	Guatemala	Partner project analysis and MIF project profile prep. - CDRO and MUDE
Mora, Reynaldo	11/8-11/14/94	Honduras	TA in financial operations
Von Gontard, Jutta	7/7, 7/10 & 7/17/95	Germany-Italy	Contacts with funding agencies in Germany and Italy
	2/21-2/25/95	Washington, DC	Fundraising training with Santa de Euceda
	11/5-11/13/95	Belize, Guatemala, Honduras, Washington	Katalysis video preparation

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