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SMALL SCALE ENTERPRISE (SSE) DEVELOPMENT:
A SUMMARY OF DESCRIPTIONS AND EVALUATIONS
OF SSE PROJECTS AND AN ASSESSMENT OF
APPROACHES USED IN SSE DEVELOPMENT
BY AID, THE WORLD BANK AND OTHER FUNDING
AGENCIES

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LIST OF ABBREVIATIONS

AFR/CA	Bureau for Africa/Office of Central Africa Affairs
AFR/CWA	Bureau for Africa/Office of Coastal West Africa Affairs
AFR/DP	Bureau for Africa/Office of Development Planning
AFR/EA	Bureau for Africa/Office of Eastern Africa Affairs
AFR/RA	Bureau for Africa/Office of Regional Affairs
ASIA/BI	Bureau for Asia/Office of Bangladesh and India Affairs
ASIA/DP	Bureau for Asia/Office of Development Planning
ASIA/ISPA	Bureau for Asia/Office of Indonesia, and South Pacific
ASIA/PD	Bureau for Asia/Office of Project Development
ASIA/PTB	Office of Philippines, Thailand, and Burma Affairs
ATI	Appropriate Technology International
CDF	Community Development Foundation
CFP	Corporación Financiera Popular
DRI	Denver Research Institute
DS (or DSB)	Development Support Bureau, AID
DS/AGR	Bureau for Development Support/Office of Agriculture
DS/DAA/FN	Bureau for Development Support/Deputy Assistant Administrator for Food and Nutrition
DS/DIU	Bureau for Development Support/Office of Development Information and Utilization
DS/H	Bureau for Development Support/Office of Housing
DS/N	Bureau for Development Support/Office of Nutrition
DS/PO	Bureau for Development Support/Office of Program
DS/RAD	Bureau for Development Support/Office of Rural Development and Development Administration
DS/ST	Bureau for Development Support/Office of Science and Technology
DS/UD	Bureau for Development Support/Office of Urban Development
IASC	International Agro-industrial Service Center
ICONE	International Congress on New Enterprise
IESC	International Executive Service Corps
LAAD	Latin American Agribusiness Development Corporation
LAC/DP	Bureau for Latin America and the Caribbean/Office of Development Programs
NAS	National Academy of Science
NBS	National Bureau of Standards
NE/DP	Bureau for Near East/Office of Development Planning
NE/TECH	Bureau for Near East/Office of Technical Support
NTF	New Transcentury Foundation
PACT	Private Agencies Collaborating Together
PDC	Private and Development Cooperation Bureau, AID
PDC/PVC	Bureau for Private and Development Cooperation/Office of Private and Voluntary Cooperation
PISCES	Program for Investment in the Small Capital Enterprise Sector

PM/TD	Office of Personnel Management/Training and Development Division
PPC	Program and Policy Coordination Bureau, AID
PPC/E	Bureau for Program and Policy Coordination/Office of Evaluation
PPC/PB	Bureau for Program and Policy Coordination/Office of Planning and Budgeting
PPC/PDPR	Bureau for Program and Policy Coordination/Office of Policy Development and Program Review
PVO	Private Voluntary Organization
SEE-U	Small Enterprise and Employment Unit (Working Group), DSB
SMIB	Small and Medium Industry Bank
SSE	Small-Scale Enterprise
SSI	Small-Scale Industry
TA	Technical assistance
TAICH	Technical Assistance Information Clearing House
TNS	Technoserve
USAID	Agency for International Development
USDA	U.S. Department of Agriculture
USDOC	U.S. Department of Commerce
WID	Women in Development

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I. EXECUTIVE SUMMARY

A. Purpose and Procedures

The purpose of this project is to examine the principal approaches to small-scale enterprise (SSE) development of major funding agencies. The primary focus is on what the U.S. Agency for International Development has done in the past eight years. Secondary emphasis is given to the World Bank and brief references to UN agencies and U.S. PVOs. The report presents the major findings, analysis and conclusions of a two-month study by a Devres team.

The report is based on nearly 100 interviews with persons in 16 public agencies and private organizations, examination of over 250 documents on individual agency projects and computer print-outs furnished by AID/DIU. Despite this extensive search, the data base is limited by sketchy design information for many SSE projects and the lack of and inaccessibility of evaluative documents.

After extensive review, Devres defined the following six "approaches" generally used for SSE projects: 1) financial assistance, 2) technical assistance, 3) institutional development assistance, 4) infrastructure assistance, 5) procurement assistance, and 6) industrial estate development assistant. These approaches were distilled from a much longer list of possibilities after considering

alternatively defined approaches and thus should be considered "working categories" for this analysis only.

B. Conclusions and Recommendations

1. Conclusions

Increasing attention has been given to SSEs by funding agencies since 1974, particularly as they attempt to provide more employment in developing countries. The principal approaches they use in assisting these enterprises include financial assistance, technical assistance, institutional development, infrastructure development, procurement assistance, and industrial estate development. Most often, these approaches are used in combination rather than alone. Country or local conditions can constrain or enhance the effectiveness of any of these approaches, as can good (or bad) project management. Sometimes these or similar factors overwhelm the other elements of an approach to make a project a success or failure.

Little is known definitively about the relative success or failure of different SSE project approaches, and conclusions that have been reached lack detailed supporting documentation as to why a project approach has succeeded or failed. A combination of financial and technical assistance, however, appears to be the most successful combination of approaches to SSE development.

Taken alone, the financial assistance approach works best when explicit loan standards that enable credit to reach the desired range of SSEs are strictly adhered to. Whether or not such standards exist and are used, financial assistance is prone to flow to well established SSEs unless specific efforts are made to direct it to others. Intermediary institutions are important to successful financial assistance (and other approaches too); their effectiveness often is a critical element in the success of an approach that depends upon them heavily.

Technical assistance is important to most SSE development efforts, although it is more critical in Africa than other regions. It nearly always is inadequate in SSE projects, whether it comprises the entire approach or part of it. As such, and because its rate of progress often goes more slowly than is targeted, the technical assistance approach is labeled a "failure" more frequently than other approaches. Ironically, some technical assistance approaches have been judged successes because they met paper targets even though they had no visible impact on SSE development. PVOs usually are an effective channel for providing technical assistance to SSEs under even difficult conditions.

Institutional development as an approach is a necessary component of many SSE projects. It is difficult to use successfully alone, however, and consequently is nearly always used in combination with other approaches.

Infrastructure and industrial estate development, being site specific, are less flexible than other approaches and therefore more risky. They are used mostly by the World Bank, sometimes alone and sometimes in combination with other approaches.

Procurement is used much less often than the other approaches. It is sometimes used when the normal distribution system has broken down, usually in combination with at least financial assistance.

There is a paucity of information on the impact and cost effectiveness of SSE projects. Some part of the reason for this is that funding agencies engaged in SSE development activities do not systematically develop and maintain such information at a central location.

2. Recommendations

- A systematic view should be taken of each SSE project; particularly, the correct combination of approaches to SSE development should be sought and used.
- Technical assistance should be emphasized (funded) heavily in designing and implementing SSE projects.
- AID (and other funding agencies) should continue to be highly experimental in seeking ways to enhance the pace of SSE development.
- PVOs should be used widely in assisting SSEs to develop, especially in the areas of technical assistance and institutional development.
- AID, World Bank, UN and other funding agencies should coordinate their SSE development efforts more closely.
- AID (and other funding and implementing agencies too) should centralize its SSE data base.

- AID should undertake a fairly detailed, but cost effective, effort to determine the impacts and cost effectiveness of SSE projects and the success and failure of various approaches to SSE development. (The World Bank is well along this pathway already.) While some elements of such an effort are underway, a complete program would include:

  -- a rapid field investigation of on-going projects to further specify: 1) successes and failures of various approaches, 2) impacts of SSE projects, and 3) an agenda for a program of in-depth evaluations;

  -- immediate completion of selected SSE project evaluations; and

  -- completion, overtime, of a set of evaluations designed to explore and compare approaches to and impacts of SSE development.

C. Background

The SSE sector in developing countries presents some interesting opportunities as well as challenges to development. Definitions of the enterprises within the sector vary along a wide spectrum from informal enterprises up to medium and larger-size industries in the formal sector. They vary between and within countries, by agency and analyst and by characteristic used in the definition. Regardless of exact definition, however, SSEs generally display the following features: high labor intensity, more employment creation per unit of capital investment and lower capital costs than larger enterprises, operation by one person or a family and production of goods or services

that are physically and/or qualitatively different from larger firms' products. SSEs also have unique problems. If this sector is to be developed and promoted so as to improve both the business situation of SSEs and the quality of life for those who own, operate, work for, or interact with such enterprises, approaches to SSE development will need to be designed and utilized that have the maximum positive impact on all parties involved.

In recent years, increased attention has been directed to SSE development by AID and other donor agencies in comparison to earlier years when SSE was more often a by-product of other projects. Today's emphasis reflects the importance of SSE to urban and rural employment generation and income growth, its low capital requirement per job created, and its relevance to an enhanced role for women in development. These factors have caused AID, in particular, to give attention to SSE in countries where it appeared to have a potential role in overall development strategies designed to meet basic human needs.

In this regard, AID is undertaking a series of impact evaluations in the SSE sector to assess the effectiveness of current efforts and to discern which approaches to SSE development have succeded (or failed) and why. This Devres study is a component of this larger evaluation effort.

D. Agency for International Development

AID has no overall policy for SSE development, but it has evolved guidelines in recent years which reflect the Agency's emphasis on employment generation in urban and rural areas which can be furthered by promoting small-scale, labor-intensive enterprise. Over the past 30 years, AID has supported SSE projects in over 75 countries. The earlier emphasis was on industrialization and largely impacted SSE indirectly. Since 1973, SSE has more often been targeted directly. Support has been extended through regional and local financial institutions to provide credit; technical assistance has been delivered through extension mechanisms, technology transfer institutions, training and consulting programs and demonstrations. Institution building often has been linked to technical assistance. Infrastructure improvement has been a means to enhance the feasibility of SSE development. In a limited number of cases (especially where normal economic processes were disrupted) procurement assistance has played a key role in support of SSE development.

AID uses its central Bureaus to formulate new concepts, undertake pilot activities, conduct research and provide inter-regional support services to Regional Bureaus and Missions to promote or examine better means to foster SSE. No single focal point has, however, existed to support SSE. Regional Bureaus have programs with SSE impact in several or all the countries of their respective areas (particularly LA/C and

AFR), notably through financial institutions. The emphasis on SSE has varied over time within the Regional Bureaus and among them. Despite limitations of the data base, it is apparent that for AID as a whole, the number of projects and the money obligated to activities focused on SSE or with SSE components has declined in the period since 1974 compared to the period 1952-1973 (see Table 1, p. 41). The decline has been particularly sharp in Asia but less pronounced in the Near East and Africa. The level of support for SSEs has diminished in the Latin America/Caribbean Region.[1]

The long standing and continuing emphasis in the LA/C Bureau on SSE reflects the existence of physical and institutional infrastructure, developed human resources, and a policy climate generally favorable to private action in the region. Programs have frequently operated through local financial and other intermediaries. Earlier projects emphasized SSE as a means to support industrialization and create employment while in the seventies, the main justification for SSE activities has been in support of rural non-farm employment and income generation. Financial, technical and institutional development assistance have all played a significant role among the approaches used

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[1]It is important to note, however, that AID's efforts in the last eight years have been more directly targeted on SSE development in constrast to the earlier years when SSE was often a component of other projects.

in the LA/C Region in projects in which SSE promotion was a primary target. Larger projects with SSE as a component have used several approaches: the supply of appropriate technology to artisans, infrastructure for small enterprises, credit for SSE and promotion of small agro-industrial enterprises.

Evaluation data for LA/C projects is limited. What is available concentrates primarily on the efficacy of intermediary institutions where private development banks appear to have been most useful. Some favorable income, employment and enterprise profitability findings are cited, but they are inconclusive regarding which approaches have the most significant impact in the LA/C Region's experience.

Africa, the least developed of the continents, has had a smaller number of SSE-oriented projects than any other Region though such programs have played a part in income and employment generation programs. A relatively few countries have major project activity primarily directed at SSE which have achieved significant success. Those that have benefitted from such activity have a more developed infrastructure, higher incomes and a broader base of entrepreneurship (Nigeria, Ivory Coast and Kenya notably). In the other countries where SSE has been promoted, it generally has been as a component of larger project aimed at integrated rural development, women in development, etc., though a few exceptions may be noted. The largest projects focused primarily on SSE were the African Enterprise Project through the Entente Fund and the Indigenous Industrial Development Project in Nigeria. Both combined technical assistance and financial assistance (credit) with considerable success, but the former emphasized financial help while the latter had a more balanced integrated

approach. Technical assistance using the extension approach has also been applied in Kenya, Upper Volta and Botswana. While the degree of success of SSE projects has been mixed in Africa, sufficiently favorable results, including impact supportive of income and employment generation, have been obtained to encourage the AFR Bureau and various Missions to sustain projects with second and third generation funding.

The Near East Bureau has had a very limited range of SSE-oriented projects in the period since 1974 (those mainly in Egypt). In the earlier period with a different and larger group of countries, however, substantial SSE activity is apparent. Technical assistance has been a major emphasis in more recent programs, whereas financial assistance had been a significant element in earlier approaches. The Egypt Mission is just embarking on the development of a strategy for SSE. Little evaluative material is available on SSE approaches in the Near East Region from which to draw conclusions regarding more or less successful SSE development efforts.

The Asia Bureau has a long history of enterprise-development oriented projects. These were primarily carried out before 1974, however, and were aimed mainly at larger more capital-intensive activities with only incidental concern for SSE promotion. Less than ten SSE-oriented projects have been initiated in Asia by AID since 1973 and even these targeted SSE, for the most part, only indirectly. Virtually no evaluative material for Asia is available.

On an inter-regional basis, AID has used a wide variety of approaches in ways to support SSE directly or to promote it indirectly. These have included:

- o grants to strengthen:
  - -- PVOs whose work is primarily focused on SSE.
  - -- universities and other institutions which have built networks to diffuse knowledge and appropriate technology or which provide advisory services, etc.;
- o projects which seek to alleviate poverty through pilot activities including SSE;
- o programs seeking to distribute goods to meet basic human needs which have used (and in the process strengthened) SSEs.

A more thorough appraisal of these devices is in order, but many appear to have significant seminal impact and to be a means to create and test models for SSE promotion.

E. World Bank

Turning to the World Bank, one finds an even more distinct shift of policy since 1975 than in AID to emphasize SSE as a means of employment creation. Previously, World Bank funding for loans and equity capital provided through devlopment finance companies (DFCs) was largely for large industrial activities, though about 5 percent had been specifically for SSE and some other projects indirectly assisted SSE. The World Bank has relied primarily on four approaches:

- o financial assistance through DFCs and other financial intermediaries;
- o technical assistance coordinated with a financial assistance package;

- industrial estate development: and
- general infrastructure development.

It is now considering and experimenting with other approaches.

The World Bank is also changing terms and criteria to accommodate SSE and emphasizing to local intermediaries the need to use labor-intensive methods and appropriate technologies. Technical assistance is often provided by other agencies supplying grant funding (in close association with World Bank loans) and includes support for procurement, marketing, production, management and worker training. Since 1978 the World Bank has begun to turn its industrial estate program much more toward SSE. Infrastructure development has become a more significant tool of urban expansion of SSE, often combining residential and business sites for small enterprise. The World Bank also is experimenting with a variety of other devices including procurement assistance, subcontracting by SSEs to larger firms, etc.

The World Bank sets SSE policy and maintains quality control through its Central Projects Staff. Regional Offices are responsible for detailed planning and implementation. In recent years, the Industrial Development/Finance and Urban Divisions of each Regional Office have developed steadily more activities in support of employment-oriented SSE. DFC and urban-related programs have spread from industry to trade and service sectors as well and moving project emphasis has moved from major to secondary cities. The IFC has played a very limited role in SSE development as its mode of operation is not generally well-suited to the sector.

The World Bank itself has raised its SSE activity level from an annual average in the early seventies of approximately $35 million to $300 million in FY 1981. Its primary areas of SSE activity are East Asia and Pacific and Latin America and the Caribbean. The Middle East and South Asia have the next largest concentration of SSE lending. Africa has received the smallest amount of World Bank loans for SSE development. Generally, the disbursement rates for all Regions, except Africa, have been indicative of strong demand and successful implementation.

The type of assistance the World Bank provides for SSE development varies by region. In the Latin America/Caribbean Region, SSE loans are basically credit programs using the commercial banks and development finance companies as intermediaries. The two countries in the region that benefit most from SSE lending are Colombia and Mexico. In Africa, technical assistance and financial support are often "packaged" and are directed to smaller scale SSEs than in other regions. In South Asia, the World Bank has sought to work with very small enterprises also and to involve the private sector increasingly in SSE activity. In East Asia, many SSE loans are part of much larger loans for industrial development.

As with AID, evaluative materials on specific World Bank SSE activities have not been readily accessible. In general, however, the Bank has encountered a number of institutional difficulties in working with SSEs. For example, it has been very difficult to move

funds to smaller enterprises even where large loans have been successfully disbursed for the SSE sector as a whole. This reflects reluctance of financial institutions to accept the high risk involved and the usually unsuitable criteria and procedures traditional financial institutions apply. This even applies, although to a less serious degree, to commercial banks. As a result, the World Bank has provided rediscount facilities at concessional rates and guarantees against defaults as incentives to help promote SSE development. The former work well, but the latter devices have experienced problems. Technical assistance efforts have not been very successful, especially, with public entities established to support SSE. In all cases, the World Bank finds SSE programs very "staff intensive" for planning and monitoring.

F. Private and Voluntary Organizations

Private voluntary organizations (PVOs) are a major channel of action in support of SSEs, receiving funds from the private sector (corporate and individual), AID and other bilateral assistance agencies and international institutions. AID, at a central level, has made grants to PVO projects on a matching basis, including several which are primarily concerned with the promotion of SSE and others which impact on SSE as a secondary objective. Under recent central grants to the International Executive Service Corps (IESC), for example, assistance to SSE has been stressed. AID Missions in

many countries also have made Operational Program Grants (OPGs) to PVOs with a primary objective of promoting SSE or for broader purposes where development of SSE was a means to improve incomes or generate employment among the rural or urban poor, provide inputs or services to small farmers, etc.

PVOs have used a variety of approaches including:

- o creation of locally governed private extension systems for advising and training SSE entrepreneurs;
- o promotion of integrated farm producer-based processing facilities;
- o development of cooperatives and savings institutions;
- o fostering management training programs in collaboration with government; and
- o development of group credit or credit/technical assistance "package" delivery systems, etc.

Success of PVO programs appears to be associated with maximum care in assessment of the client group, tailoring inputs to meet the most critical needs of the clients and keeping the costs low in order to avoid excessive per client costs. The PVOs generally have a good record in reaching the smaller range of enterprises. There is mixed experience with regard to employment creation but some successes can be noted. PVOs appear to have good capacity to promote SSE in the context of integrated multi-sectoral rural programs as a function of their grass roots networks. However, management problems and ineffective liaison with host country authorities have been observed in some instances.

G. UN Agencies

UNDP is the major funding source for SSE activities within the UN system. UNIDO, ILO and the World Bank are the major executing agencies. UNIDO has its main concentration in Africa with additional activities in Asia, the Middle East and North Africa. Its efforts have been based on infrastructure development (industrial estates) and technical assistance including consulting services, training and extension in appropriate technology, marketing, etc. UNIDO programs for SSE promotion appear to have been downgraded in a reorganization several years ago.

ILO's programs have a geographic focus on Africa similar to that of UNIDO with less intensive efforts in other areas. ILO has emphasized infrastructure development and fostering of a more favorable government policy climate for SSE. It has evolved separate strategies for the various regions reflecting their respective potentials and different stages of development (e.g., in Africa incorporating SSEs in income generating and employment creating and human resource development activities, developing technical and managerial skills within the sector, improving apprenticeship systems, encouraging the flow of appropriate technology information from the formal to the informal sector, etc.). Little evaluative material on UN agency programs could be located within the resources of this limited survey of SSE efforts.

H. Comparative Assessment of Approaches to SSE

Assessment suffers seriously from the paucity and inaccessibility of evaluative information. As a result, conclusions are at best tentative.

There is substantial overall similarity of approaches used by various agencies, especially as between AID and the World Bank. Both have shifted from an earlier indirect approach to more direct concern and targeted efforts to promote SSE in recent years. Financial assistance was dominant in Latin America. Technical assistance has predominated in both agencies in African programs directed at a smaller segment of SSE than in Latin America. PVOs and UN agencies have been especially active in Africa. AID has mixed financial and technical assistance in the Near East, while the Bank has relied more heavily on credit mechanisms in that area. In Asia again a mix of technical and financial assistance has been characteristic of both AID and the World Bank.

Some tentative conclusions on relative success and failure of various approaches to SSE development are included in Chapter VI. A summary of these conclusions was presented in section B of this Executive Summary.

The methodologies used by various agencies to assess approaches to SSE development are being intensely scrutinized, but little empirical evidence is available at present to shed light on what has and has not succeeded in terms of benefits to people (jobs, incomes,

etc.) or to the enterprises in terms of efficiency, profitability, production, etc. New methodologies for evaluation are being sought and are badly needed to assess impact more fully. To date evaluation has far too often judged success or failure in terms of establishing institutions, disbursing funds, training personnel and the like. More depth and breadth is required if evaluation is to give a more lucid answer to the degree of development impact being achieved by specific approaches and projects.

II. INTRODUCTION

A. Purpose

The purpose of this project is to examine the major approaches to small-scale enterprise (SSE) development of major funding agencies. The primary focus of the study is the work of the U.S. Agency for International Development in this area over the last thirty years with emphasis on the last eight years. A secondary focus is the work of the World Bank followed by brief descriptions of the efforts of UN agencies and a selected group of U.S. private voluntary organizations. This report presents the findings, analysis and conclusions of the project team regarding efforts by these major funding agencies to promote SSE development. Annex 1 provides a complete Scope of Work for this study.

B. Procedures

The study was undertaken over a two-month period from mid-April to mid-June, 1981. During this time, Devres' staff interviewed nearly 100 persons in 16 public agencies and private organizations (see Annex 2). In carrying out these interviews, Devres' staff sought to 1) ascertain the general approaches used in SSE development, 2) identify specific projects undertaken by the funding agencies that exemplify these approaches, 3) develop conclusions, when possible, about the success (or failure) of various approaches, and 4)describe the methodologies used to evaluate such successes or failures. In addition,

the project team examined over 250 project documents from the various funding agencies and extensive computer print-outs (over 1,000 entries) provided by the Development Information Unit of the Agency for International Development. A brief Bibliography is provided in Annex 7.

Despite this extensive effort, the project team encountered a number of difficulties in gathering a large quantity of evaluative material on approaches to SSE development. There are two primary reasons for this: First, often only sketchy information is available on project design elements related to SSE projects. Second, detailed evaluation documents exist or are accessible for only a handful of completed projects. In the first instance, information on project design elements is very sparse for many projects. Moreover, the information that does exist often is inconsistent or unclear from project to project and agency to agency. This is especially the case when the SSE effort is a component of a larger project. Details about the relationship of the SSE component to the larger project are generally imprecise, particularly regarding the financial commitment and/or mechanisms to be used in encouraging SSE development. Also, the documentation on many projects simply was not available in a single place (i.e., Washington, D.C.) where the study was undertaken.

In the second case, evaluation documents on many SSE projects do not exist or, if they do exist, are inaccessible. In AID, for example, despite the legislative mandate of the last eight years that evaluations

of Agency projects be undertaken, it appears in the SSE sector, at least, that systematic evaluations have either not been done or not been entered into any central system. Also, evaluation documents either are confidential, buried in someone's file, or located in files in the developing country offices of a given funding agency, thus making it difficult to get a comprehensive picture of efforts to evaluate SSE projects. For more details on the data base on SSE development see Annex 6.

Another issue Devres had to deal with was how to categorize the many approaches taken to develop SSE. After making numerous contacts within various assistance agencies and reviewing many SSE project documents, Devres settled upon six "approaches" to SSE development assistance for use in this study. These approaches enabled various SSE projects to be categorized readily. They also were of assistance in carrying out analysis and comparison of specific SSE projects and activities of various assistance agencies.

The approaches to SSE development used throughout the study were: 1) financial assistance, 2) technical assistance, 3) institutional development assistance, 4) infrastructure assistance, 5) procurement assistance and 6) industrial estate development assistance. These approaches were distilled from a much longer list of possibilities including such items as provision of research services, market identification and development, managerial training, organization of small business associations, etc. These numerous and more narrowly focused

approaches could have been defined further and used in this study. Many of them, however, accounted for only one or two projects which is not an adequate number to support credible comparisons or generalizations. Also, the information available on many SSE projects was very general; this would have resulted in a large number of projects being included under a general approach (e.g., technical assistance in any event.) For these reasons, the shorter set of six approaches was used in this study.

These approaches are "working categories" used only for the purposes of this assignment. They do cover nearly all the projects reviewed, and they are definitive enough to enable nearly all SSE projects to be categorized for analytical purposes. Thus, they met the needs of this effort for analysis, comparison and evaluation of results, but they might not be as useful in other contexts or for other purposes.

The relative usefulness of these six approaches for this assignment is not to say that they are non-duplicative or very powerful analytically. In fact, as can be noted readily in the project descriptions in Annexes 3, 4, and 5, single SSE projects often use several of even these very general approaches. Thus, the six approaches to SSE development selected for working purposes in this study overlapped with each other often,

making it difficult to isolate one approach or to analyze or evaluate the effectiveness of one approach over another in enhancing SSE development. At the other end of the spectrum of problems in dealing with "approaches" were projects (especially those in which SSE was a component of a larger project) for which it was difficult from the information in hand to determine which approach had been used for the SSE component.

Within these constraints, this report summarizes the major approaches to SSF development, institutional responsibilities within major funding agencies, and a selected list of SSE projects undertaken by four major funding entities--AID, the World Bank, UN agencies and U.S. private voluntary organizations (PVOs) active in promoting SSE development. It also includes some descriptions of evaluations to date and some comparative analysis of what these evaluations teach about the success or failure of different approaches.

C. Background

1. The project context

In recent years there has been increasing attention by a number of funding agencies to both the problems and promotion of small-scale enterprises in developing countries. This increased interest in SSE development is due to a variety of factors, especially the recognition that the SSE sector in most developing countries is already large, is usually labor-intensive and has the potential to generate more jobs at a relatively low investment cost per job. In many countries it is the

sector showing the most significant growth. Moreover, the sector is where a large proportion of the urban labor force finds employment. This is an important aspect of SSE in the light of increasing rural to urban migration in most countries.

While the development of the SSE sector has been a long-standing concern of the international assistance community, renewed interest in SSE has generated a plethora of new studies, policy papers and proclamations and projects since the early seventies. Most of these studies describe in detail either the SSE sector itself in various countries or the types of approaches that should be taken to promote its development. Few studies have attempted to survey exactly what types of projects have been undertaken by which funding agencies and/or to assess the success or failure of approaches used by these agencies to promote SSE development.

During this period, AID, like other donor agencies, has been reexamining its focus on SSE development, both in terms of its institutional response to the sector and in terms of the approaches it uses to develop SSE. In one sense, AID has given lower priority to SSE promotion in the period emphasized in this study because of the attention to the poor, the small farmer and meeting basic human needs. But in some countries, it has been concluded that SSE's are a vital element of a strategy to meet the objectives of the mandate which has predominated in AID since 1973. This has been especially true with regard to the role of women in development.

In this regard, the Studies Division in the Office of Evaluation, Bureau for Program and Policy Coordination of the Agency is undertaking a series of impact evaluations in the SSE sector to assess the effectiveness of current efforts and to discern which approaches to SSE development have succeeded (or failed) and why. This Devres study, which outlines the major approaches to SSE development and documents project experiences of selected major funding agencies, will be used in carrying out the impact evaluations planned in the sector and will contribute to the overall sector summary paper.

2. The SSE sector

While the purpose of this paper is not to elaborate on the SSE sector, it is important to briefly describe the sector to set a context for the discussion of approaches that follows. The SSE sector itself varies both within and between countries, exists in rural and urban areas and in both the formal and informal sectors of the economy. The varying definitions of SSEs reflect this diversity and, equally as important, highlight some of the assumptions underlying the various approaches taken by funding agencies.

Definitions of "small-scale enterprise" (for project identification and funding purposes) range along a continuum from the smallest of enterprises in the informal sector to medium- and larger-sized industries in the formal sector. Definitions vary between and within major donor agencies depending on the economic sector (formal, informal),

area (rural or urban), country, or region in which a project is undertaken and the purpose of the agency undertaking a project in each particular setting. They may relate to the capital invested or employment or both or to other criteria. Some countries have no official definition of SSE; others use two or more for different purposes. SSE in many ways has become a "buzz word" that substitutes for a variety of more specific terms in other contexts.

At one end of the continuum is the definition used in the PISCES (Program for Investment in Small Capital Enterprise Sector) which refers to the smallest-scale economic enterprise -- micro enterprises -- run by a single owner-manager with less than two employees and minimal start up capital ranging from a few dollars to one or two hundred dollars. Moving along the continuum to definitions that encompass larger entities, AID's agribusiness division has suggested that a working definition for small- and medium-sized rural non-farm enterprises should include three dimensions--number of workers, fixed assets and labor intensity. Using this definition, small-scale enterprises would be those with a maximum of twenty workers, $50,000 in total assets, and $5,000 of capital costs per workplace. Medium-scale enterprises would be those with a maximum of 150 workers, $500,000 in total assets, and $15,000 of capital costs per workplace.[1]

At the other end of the continuum are the definitions used by the World Bank. The Bank acknowledges the relativity of any definition of SSE and generally accepts the definition used in a particular country.

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[1]See Samuel R. Daines, Bryant Smith, William L. Rodgers, and Fred Mann, Agribusiness and Rural Enterprise Project Analysis Manual, Washington, D.C., Agency for International Development, July 1980, p. 1.

The Bank's working definition of an SSE is one with fixed assets of up to $250,000 (excluding land in 1976 prices). In many instances, however, enterprises substantially larger than this notional definition become eligible for assistance because numerous countries classify small- and medium-sized enterprises together. In this report, specific definitions of SSE are given when they are available, but no attempt is made to settle on one definition.

Despite these differences, however, SSEs do share some common characteristics and problems which need to be clearly understood before particular approaches are designed or used to help develop the sector. SSE' generally can be characterized by the fact that they are labor-intensive, generate more direct and possibly more indirect jobs per unit of invested capital than large firms and have lower capital costs, especially in service activities. SSEs are often run by one person or a family which is responsible for all the business functions (production, administration, finance, marketing, etc.) that would ordinarily be distributed among several persons in a large firm. The products of the SSE sector range from immediately consumable food products to light industries and from simple personal and household services to the repair of vehicles and consumer durables. They also tend to produce goods and services that are physically and/or qualitatively different from those produced by larger firms and often (though not always) rely on indigenous, rather than

imported, raw materials. They include relatively modern small manufacturing firms, organized non-manufacturing firms such as those engaged in construction, repair and transport, and enterprises organized in a "traditional" manner such as artisans, petty traders, etc. Many SSEs also function in unregulated and competitive markets.

There are problems unique to the sector as well. For example, the fact that only one person is responsible often means that SSEs are poorly managed because the person-in-charge (usually the owner) has too much to do to really get down to solving business problems. They generally lack sufficient access to institutional credit, government facilities, and needed raw materials. SSE infrastructure facilities may be poor and public programs of technical and marketing assistance often do not reach them.

If the SSE sector is to be developed and promoted it is necessary to accurately assess not only the problems of a particular SSE, SSE-support institution or the whole SSE sector within a country or region, but also to design and utilize approaches that will have the maximum impact on improving the business situation of SSEs and the quality of life for those who own, operate, work for, or interact with, as suppliers and purchasers, such enterprises.

III. APPROACHES TO SMALL-SCALE ENTERPRISE DEVELOPMENT - A.I.D.

A. Description of AID's Approaches

1. Introduction

AID has taken a variety of approaches to SSE development over the years. The assumptions underlying these approaches have changed as thinking within the Agency about the role of SSE has changed with different program emphases.

There is no AID policy statement specifically focused on SSE development *per se* though it is referred to indirectly in the Foreign Assistance Act in both the rural and urban contexts and in various policy papers produced by the Agency. For the most part, "guidelines for dealing with specific aspects of projects promoting small scale enterprises have been, and continue to be, generated out of research sponsored by AID's Development Support Bureau,"[1] particularly in the offices of Urban Development, Rural Development, Development Administration and Agriculture. These guidelines generally have focused on the promotion of small-scale, labor intensive enterprises, in both rural and urban contexts. Further discussion of the approaches AID has used in promoting SSE development is included in the following sections.

2. AID's approaches to SSE development assistance before 1974

Over the past 30 years AID has funded a large number of projects in over 75 developing countries designed to promote small and medium-scale enterprises, either directly or indirectly. Such projects funded

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[1] Harold Lubell, "Small-Scale Enterprises, Employment and Foreign Aid," Washington, D.C. Program and Policy Coordination Bureau, Agency for International Development, May, 1980.

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by AID during the fifties and sixties clearly show AID's earlier emphasis on industrialization in the developing countries. Some support was given to small enterprises such as small-scale industries and handicraft, but there was at that time a much less-developed appreciation of the contribution such enterprises could make to development programs. When examining a list of AID's earlier projects 'with a small-scale enterprise component" this bias towards larger-scale capital intensive industry is evident in AID's support of such projects as Iron and Steel Industrial Developme . in Egypt, Sugar Refining Equipment in Taiwan, a paper pulp mill in Indonesia, etc.

AID's approach to SSE development during these years before the "New Directions" of the early seventies took the following forms:[1]

- Provision of individual technical or industrial advisors (direct hire or contract) posted to Government ministries or quasi-government institutions;
- Collaboration between U.S. and host country institutions to provide training of foreign nationals in the U.S. in business administration, technical industrial areas and extension;
- Provision of advisors to financial institutions servicing small firms; and,
- Loans to financial institutions which either lent to SSEs or supported them in other ways.

Because of the implicit bias towards larger-scale operations, most of these efforts did not directly address the peculiar needs of small-scale entrepreneurs in developing country environments. Technical advisors were assigned to developing country institutions that did little work with SSE though some of their efforts likely benefitted SSEs indirectly.

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[1] See Clifton G. Barton, "Overview of USAID Assistance to Small Enterprise Development," Washington, D.C., Office of Rural Development and Development Administration, Development Support Bureau, Agency for International Development, October, 1979.

3. Approaches to SSE development since 1974

a. Types of assistance

With "New Directions" in 1974 came additional thinking about AID's approaches to SSE development. While AID's assistance to SSE still includes many of the same approaches used in earlier years (e.g., loans, technical assistance and training, etc.) such assistance is now more specifically directed to the small-scale enterprise and the kinds of intermediary institutions which would be more likely to assist them such as cooperatives and credit unions. Moreover, there has been a more serious effort to integrate assistance to SSEs into other larger agricultural and rural development programs with a focus on employment and income generation.

AID's approaches to SSE development since 1974 can be divided into five basic categories--financial assistance, technical assistance, institutional development, infrastructure development, and procurement. Within each of these categories a variety of types of assistance are provided.

(1) Financial

In providing financial assistance, AID uses a variety of regional or local intermediaries. In regional projects, for example, funds are initially allocated to a regional intermediary such as the Entente Fund in the case of the African Enterprise Program in West Africa (which in turn lends to development banks in Entente Fund countries on favorable terms) or the Caribbean Development Bank in the case of agribusiness development projects in that region. Other projects have been designed to build or reinforce rural and urban financial intermediary institutions as is the case in the Volta Valley Authority project in Upper Volta (the Authority provides loans for 200 SSEs in 133 villages),

the Panama Credit Union Operations project (which sought to expand the credit movement in that country) or the El Salvador Small Enterprises Development project (which seeks to improve and expand the FEDECCREDITO system). Still other projects have simply used local intermediaries such as the Nicaragua Development Foundation, the Central Bank of Bolivia or the Colombia Popular Finance Corporation.

(2) Technical

AID has provided many forms of technical assistance to SSEs in recent years. For example, management training programs have been designed to support the development of micro-industry projects as in the Upper Volta Women's project or to train local business persons in basic business operations as in the Botswana Rural Enterprise Extension Service. Similar projects were undertaken in the Dominican Republic and Kenya.

Such assistance also has sought to facilitate the transfer of technologies to SSEs as in the Tanzania-Arusha Planning and Village Development project which is establishing an appropriate technology center. Some centrally-funded projects have sought technology transfer and diffusion (including intermediate technology) for the benefit of SSE through: 1) linkage between U.S. and developing country universities (Georgia Tech/UST-Ghana, etc.); 2) supporting the development of standards (essential to efficient small industry growth) by linkage between the U.S. National Bureau of Standards and similar institutions overseas; 3) strengthening and improving links between developing country industrial research institutions and their operating client firms by sponsoring

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seminars and short-term advisors aimed at improved relevance of research and better technology diffusion to enterprises including SSE.

In some projects as in the Cameroons, Kenya and Central America, assistance to improve marketing capacity was provided.

(3) Institutional development

Institutional development efforts often have been coordinated with technical assistance efforts. For example, in the Lesotho Cottage Mohair Industry Project skills training was provided to spinners at the same time they received help in forming cooperatives. Support in forming cooperatives also has been a part of the Bolivia Small Farmer Organizations Project. In the cases of the Haitian Development Foundation and the Nicaragua Rural Small Merchant Credit Unions, support was provided to establish private credit institutions for small merchants and businesses. Other projects in the Caribbean and Bolivia have sought to strengthen the institutional capacity of the Caribbean Development Bank and the National Federation of Cooperatives, respectively, to enable both to use their resources better on behalf of SSEs. In Chile, support was provided to enhance the institutional capacity of indigenous regional PVOs which help low-income persons to establish SSEs. In the Indonesia PDP, support has been directed toward improving the capacities of local governments to undertake programs to improve the productivity of the rural poor.

(4) Infrastructure development

In recent years more attention has been given to technical and financial assistance to SSEs than to developing some of the basic infrastructure such enterprises need to improve and expand their operations. There are some examples, however, as in the Panama Rural Growth and Service Centers project and earlier in the India Rural Electric Cooperatives Development Project where basic infrastructure

which would assist SSEs was provided. In the Panama project, for example, some industrial sites and buildings were constructed specifically for small businesses.

(5) Procurement

While other forms of assistance have generally assumed more importance in AID's work with SSEs, AID has, in some instances, facilitated the procurement of equipment and raw materials for SSE development. In both the Lesotho Lower Income Housing Company and the Ghana F.A.A.D. projects, AID grants helped local institutions to obtain needed equipment to encourage the development of SSEs.

b. Use of institutional intermediaries for SSE development assistance

AID has been more creative than some other SSE funding agencies in using a variety of institutional approaches or vehicles to accomplish its goals in SSE development. These approaches include working through regional, governmental, quasi-governmental and private intermediaries (both in the U.S. and in the developing countries).

(1) Regional

AID supported the development of a Project Office under the Entente Fund in francophone West Africa to provide technical assistance to development banks and borrower enterprises (SSEs) in the five participating countries. AID also sponsored and assisted the formation of the Latin American Agro-Industrial Development Corporation (LAAD) to provide financial and technical assistance to agro-industrial SSE's in Latin American and the Caribbean.

(2) Government channels

Typical of the host country governmental intermediaries used by AID as intermediaries are the Government Coordinating Committee for Rural Development in Upper Volta, the Community Development Coordinating Committee in the Cameroons, national development banks, various government ministries (e.g., Commerce and Industry, Finance and Planning, etc.) national development corporations, and the development finance units of central banks (as in the MIDAS project in Ghana for marketing development). A further example is the Village Councils under the Development Decentralization I project in Egypt.

(3) Private organizations

AID has used both U.S. and developing country profit and non-profit private organizations as intermediaries in SSE development. Examples of profit-oriented organizations are local developing country commercial banks.

AID has also increasingly used non-profit private voluntary organizations as intermediaries because of their effectiveness in working at the "grass-roots" with SSEs in both rural and urban areas. Examples of such U.S. intermediaries include Partnership for Productivity (PFP), CARE, the YMCA, Technoserve, International Executive Service Corps, AITEC/Accion and others (see Chapter V). In developing countries AID has worked through local women's groups and PVO's, private development foundations, cooperatives, credit unions, and universities.

B. Institutional Responsibilities

1. Central Bureau functions

AID has three central Bureaus whose functions impinge on the SSE sector and related to activities with interregional geographic impact. These are the Bureau for Program and Policy Coordination (PPC), the Bureau for Private and Development Cooperation (PDC) and the Bureau for Development Support (DS). PPC, as its name implies, has as its primary function the development of policy for the Agency as a whole, including the budget, evaluation, and information retrieval functions. It has had some impact on SSE through these functions but does not appear to have taken a strong position in the recent past on SSE *per se* except that in monitoring compliance with the Congressional Mandate it has tended to bring pressure on AID programs to avoid emphases which are not part of a strategy to address the needs of the poor majority or to meet basic human needs. This may have discouraged some SSE initiatives over the past several years. PPC has chaired a Steering Group to examine broad development issues where the role of SSE's is of substantial or strategic importance.

The Development Support Bureau has responsibilities in a number of areas for providing technical analysis and backstopping for the Agency as a whole which have brought into focus the role and/or the potential contribution of SSE activities to achieving AID's objectives. These include the relationships of SSEs to efforts to improve the operations of the small farmer, in supporting rural development generally, in

providing off-farm rural employment and in addressing the well-being of rural women, and finally in meeting the need for increased employment and income generating activities among the rapidly increasing numbers of the urban poor. An informal working group has met for over a year within the DS Bureau to share information and provide mutual support in project design related to SSE development. The group has been known as the Small Enterprise and Employment Unit (SEE-U). It has included representatives from the Offices of Agriculture, Rural Development and Development Administration, Science and Technology, Urban Development, Housing and others with interests in the SSE field. In some cases, offices within the DS Bureau have jointly sponsored centrally-funded projects with multisector objectives whose SSE components have benefited from SEE-U input.

DSB also has liaison responsibility with the AID-funded independent organization separately authorized by Congress and known as Appropriate Technology International (ATI). ATI has evolved as an intermediary organization which seeks to diffuse appropriate technology across a wide spectrum of needs and in the face of many constraints of institutional, technical, cultural or other sorts. In order to accomplish the widest and most cost-effective diffusion ATI has concluded that "commercialization" is one of the most efficient strategies and that small enterprises are one of the best means to bring these technologies to people in an understandable way. Hence ATI has also become a significant instrumentality by which AID resources are being

used (albeit in a manner quite independent of AID administration and direction) to foster and support SSE. About $18 million of AID appropriated funds have been transferred to ATI over the three years, 1978-81.

DSB has also used its worldwide vantage point to foster experimental work in developing countries and to initiate pilot small scale enterprise activities as integral parts of broader programs. These are sometimes linked to the use of other resources. This is the case with the Integrated Improvement Program for the Urban Poor which is related to Housing Investment Guaranty funds raised through private banking institutions. DSB has also initiated activities to foster agro-industrial small and medium-scale enterprises, e.g. the proposed International Agro-Industrial Services Center and the research and pilot program known as PISCES for the smallest category of mostly informal enterprises.

Another of AID's central Bureaus is the Private Development Cooperation Bureau which has responsibility for planning, programming, and providing grant funding to private voluntary organizations (PVOs). A number of PVOs are engaged in programs the PDC Bureau has initiated to support SSE. Through its Office of Private and Voluntary Cooperation (PVC), the Bureau has made both Institutional Development Grants (IDG) and Operational Program Grants (OPG) to PVOs which _inter alia_ have had either a primary focus on SSE or a secondary concern in this area as part of a strategy of rural or urban development. In this way, PDC

has had a significant role in the Agency's overall program to promote employment and income-generating activities since SSEs are typically labor intensive. These central grants have also strengthened various PVOs to a point where they have sufficient capacity to initiate or collaborate on country activities. Individual AID country Missions have then supported PVOs through OPGs for the promotion of SSE as part of country development strategies.

2. Regional Bureaus

The Regional Bureaus of AID have responsibilities in the various geographic regions, namely Asia and the Pacific, the Near East, Africa and Latin America, and the Caribbean. Each has had either a Technical Resources (TR) or a Development Resources (DR) Office responsible for backstopping country and regional projects. ASIA/TR and NE/TECH are organized on a functional basis. LAC/DR is also basically organized functionally. On the other hand, the Africa Bureau has a DR office which is organized geographically where divisions and project officers work on all projects in any field in their respective areas. As in all such choices there are advantages in each. With a functional system an officer has the opportunity to see a set of activities in the same functional field in several countries, while in an area-based grouping a given project officer has the opportunity to see the full range of activities in relation to a particular country's or sub-region's environment and strategy. In regard to SSE activities, the functional specialty approach may still fail to integrate all such activities in

one person or group because various sectors and functional areas have included SSE activities. Perhaps in either case then, it has been difficult to obtain a clear focus or have a comprehensive view of the role of SSE in the Region as a whole. This has been a complication (perhaps an inevitable complication) in developing a fully inclusive picture of SSE activity for AID as a whole.

Staffing for SSE poses a similar dilemma at the Country Mission level. Missions seldom have an officer especially designated to deal with SSE activities because where such efforts have been undertaken in recent years they have flowed out of broader strategies for rural or urban development, integrated regional development programs or a concern for the role and well-being of women in the context of Women in Development (WID) projects. The result is that most Mission projects with SSE objectives are monitored by multi-sector officers or generalists rather than specialists. This may weaken the Agency's capacity to effectively manage such activities.

C. AID's Experiences in SSE Development in Developing Countries

1. Introduction

The magnitude of AID's overall SSE project efforts since 1952 are indicated in Table 1 by region. This table must be considered only as indicative because of the data base problems as noted in Annex 6.[1] Nevertheless, because it is the most comprehensive information

[1] See Annex 6, Section A, for a discussion of data reliability and data base problems applicable to AID.

Table 1 : AID projects with a small-scale enterprise component 1952 to present--by numbers of projects and amount obligated by region

Region	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Africa	71	21	92	$ 100,642	$ 34,933	$ 135,575
Asia	240	6	246	339,866	84,01	423,877
Latin America/ Caribbean	184	50	234	309,693	187,862	497,555
Near East/ North Africa	172	7	179	362,588	152,62[illegible]	515,214
TOTAL, Developing Country Regions	667	84	751	$1,112,789	$459,432	$1,572,221
Europe	153	0	153	4,099	0	4,099
Other[2]	13	12	25	63,438	10,463	73,901
TOTAL, AID SSE Projects	833	96	929	$1,180,326	$469,895	$1,650,221

[1] The project information summarized in this table is drawn from the computerized records of the Development Information and Utilization Office of AID's Development Support Bureau. The key words used to pull data on small-scale enterprise projects were "small industry", "small business", "cottage industry", "rural industry", and "rural business". Despite the fact that the data base has some serious shortcomings, the figures here represent the most comprehensive statistical picture available from the Agency. For further details on the data base and problems associated with it, see Annex 6.

[2] The category "other" includes those projects that are funded and supported out of non-regional bureaus such as the Development Support Bureau, the Private Development and Cooperation Bureau, etc.

available, the data in Table 1 (and Tables 2-10 which follow later in the Chapter) is used here to give at least a notional idea of the extent and focus of AID's past and present SSE activities. It shows that between 1952 and 1980, over 775 AID SSE projects, (or projects with SSE components), were initiated in developing countries. Most of these projects were concentrated in two regions, Asia and Latin America/ Caribbean.

In the case of Asia, according to the DIU computer database, more than 90 percent of the AID-funded SSE projects were initiated between 1952 and 1973. Only a handful of projects have been initiated since 1974. In the Latin American/Caribbean region, three-fourths of the SSE projects in the region were implemented before 1973. Of those initiated since 1974, the majority have been undertaken in Central American and Caribbean countries. Countries in the Near East/North African region have had the third largest number of experiences with SSE projects since 1952, though as with the two regions noted above, (with the exception of Egypt), SSE development in the region today is almost nil. Countries in the African region, largely neglected until 1974 by comparison to other regions, have had more SSE projects since 1974.

In sum, while there is increasing interest today within the Agency in small and medium-scale enterprises, over the last decade the numbers of AID SSE projects, (or large-scale projects with SSE components), in developing countries has declined. One reason for this is the "New Directions" legislation of 1973 that refocused the Agency's energies

on the poor majority, small farmers, and meeting basic human needs in food and nutrition, health and family planning, and education. SSE activities were planned only where they had a definite role in strategies meeting these elements of the Congressional Mandate.

The following pages briefly describe AID's experiences in SSE promotion and development by developing country region. To the degree possible given the existing data base, project approaches are evaluated in terms of their success or failure in attaining stated project goals.

2. Latin America/Caribbean

a. Summary of projects and approaches

The Latin America/Caribbean Regional Bureau has a long history of promoting private enterprise development through Latin America and U.S. public and private institutions and organizations, some of which was directed at SSE. This extensive involvement is due, in part, to the existence of well-established infrastructure, both institutional and physical, which is conducive to enterprise development. As Table 2 indicates, since the early fifties over 230 projects with SSE components have been supported in 23 countries in the region. The majority of these were undertaken before 1974. The countries that have had at least nine or more AID-funded SSE projects include Bolivia, Brazil, Chile, Ecuador, El Salvador, Guatamala and Panama. A number of regional projects have also contained SSE components.

Since 1974, AID's support of SSE projects in the region has diminished somewhat. The primary recipients of such project support

Table 2 : AID projects with a small-scale enterprise component in the Latin America/Caribbean Region, 1952 to present--by numbers of projects and amount obligated by country in the region[1]

Country	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Argentina	3	0	3	$ 231	$ 0	$ 231
Belize	2	0	2	82	0	82
Bolivia	12	3	15	4,771	11,521	16,292
Brazil	18	1	19	33,903	3,277	37,180
Chile	15	1	16	9,776	110	9,886
Colombia	5	4	9	22,151	10,207	32,358
Costa Rica	3	1	4	6,604	5,500	12,104
Dominican Republic	7	2	9	23,823	12,159	35,982
Ecuador	19	0	19	28,453	0	28,453
El Salvador	12	6	18	15,458	18,221	33,679
Guatemala	11	2	13	6,418	10,925	17,343
Guyana	5	0	5	1,897	0	1,897
Haiti	0	2	2	0	9,901	9,901
Honduras	6	4	10	11,177	4,225	15,402
Jamaica	1	0	1	529	0	529
Mexico	3	0	3	2,064	0	2,064
Nicaragua	8	6	14	14,693	23,894	38,587
Panama	9	4	13	15,645	11,060	26,705
Paraguay	3	0	3	6,449	0	6,449
Peru	9	3	12	15,320	18,465	33,785

[1] The project information summarized in this table is drawn from the computerized records of the Development Information and Utilization Office of AID's Development Support Bureau. The key words used to pull data on small-scale enterprise projects were "small industry", "small business", "cottage industry", "rural industry", and "rural business". Despite the fact that the data base has some serious shortcomings, the figures here represent the most comprehensive statistical picture available from the Agency. For further details on the data base and problems associated with it, see Annex 6.

Table 2 : AID projects with a small-scale enterprise component in the Latin America/ Caribbean Region, 1952 to present--by numbers of projects and amount obligated by country in the region (cont.)

Region	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Suriname	2	0	2	$ 351	$ [illegible]	$ 351
Trinidad & Tobago	4	0	4	567	0	567
Uruguay	3	1	4	85	200	285
Other West Indies-Eastern Caribbean	0	7	7	0	42,957	42,957
ROCAP	10	2	12	52,365	5,010	57,375
L.A. Regional	14	1	15	36,881	230	37,111
TOTAL	184	50	234	$309,693	$187,862	$497,555

Devres

over the last eight years are Bolivia, Columbia, El Salvador, Honduras, Nicaragua, Panama and several West Indian countries. Table 3 provides a listing from AID's computer data base of SSE projects undertaken in the region.

The Bureau has used many approaches to SSE development, often working through local financial institutions and other intermediaries. The Bureau's early efforts were aimed at assisting the small industry sector in recipient countries, to complement host government industrialization programs as well as to expand employment opportunities. Later projects in the seventies were designed to address the needs of the non-farm rural poor--to increase employment and income and improve the welfare of the rural and urban poor in accordance with the New Directions legislation and AID's Basic Human Needs strategies. The projects listed in Table 3 reflect this change of emphasis.

As can be seen from Table 4, 21 projects have been identified that had SSE development as a primary purpose. The types of assistance AID provided for these projects were either financial, technical, institutional development or a combination of one or more of these approaches. Most of them were large-scale projects with 13 projects each receiving more than $4 million and some as much as $15 million in AID funds. Generally, the financial assistance was channeled through a host country Government institution such as the Corporación Financiera Nacional (CORFINA) in Guatemala or the Central Banks as was the case

Table 3: AID projects with SSE components: Latin America/Caribbean

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: ARGENTINA								
5100005	5101270005	PRODUCTIVITY & MANAGEMENT	60	67	270	C	149	149
5100021	5101230021	PRIVATE ENTERPRISE	60	62	230	C	47	47
5100037	5101240037	INDUSTRIAL DISTRICTS	62	66	240	C	35	35
COUNTRY: BELIZE								
5050004	5051120004	INDUSTRIAL TRAINING	57	64	230	C	77	77
5050007	5051120007	SURVEYOR TRAINING	57	63	230	C	5	5
COUNTRY: BOLIVIA								
5110047	5111270047	BILINGUAL PETRO CODE	55	58	270	C	59	59
5110049	5111520049 2	PRIVATE ENTERPRISE DEV	69	73	290	C	133	133
5110136	5111270136	BILINGUAL MING CODE	57	60	270	C	53	53
5110357	5111230357	BLANCA FLOR OIL MILL	63	64	230	C	20	20
5110452		SMALL FARMERS ORGANIZATIONS	76	81		A	4135	3533
5110472		RURAL ENTERPRISES AND AGRI-BUSINESS	78	82		A	6600	1367
5110486	5111690486	HUMAN RESOURCES DEV-HUM REV &	65	66	690	C	104	104
5110495	5111290495	INDUSTRIAL DEVELOPMENT CREDITS	54	66	290	C	45	45
5110514		CONSOLIDATION OF COLONIZATION PROGRAM	79	82		A	736	552
5110664	5111230664	PRODUCTIVITY CENTER	54	69	230	C	913	913
5110721	5114920721	SAVING AND LOAN SYSTEM	67	71	920	C	55	55
5110723	5124920723	INDUSTRIAL BANK B I S A	54	69	920	C	779	779
5110723	5124920723 0	INDUSTRIAL BANK OF BOLIVIA-BIS	63	68	920	C	2245	2245
5110724	5115920724	BANKING ADV SERVICES	62	70	920	C	5	5
5110726	5111910726	TRAINING	54	69	910	C	305	305

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: BRAZIL								
5120023	51211920023	REG AUDIOVISUAL WORKSHOP	57	58	920	C	48	48
5120109	51211920109	INDUST. DEV. NE	63	64	920	C	23	23
5120226	51215920226 2	INTERMEDIATE CREDIT INST EXPAN	66	70	920	C	110	110
5120227	51226950227 0	PRODUCTION EQUIP/MACH EXPANS.	65	73	950	C	9338	9338
5120227	51215910227 1	CAPITAL MARKET DEVELOPMENT	64	73	910	C	549	549
5120227	51215950227 3	STDY OF COMM ORGAN FOR IND DEV	63	72	950	C	15	15
5120227	51215950227 5	REG INDUSTRIAL TECH ASSISTANCE	63	72	950	C	2509	2509
5120227	51211940227 7	TECH ASST-REG & STATE IND ORG.	63	72	940	C	278	278
5120227	51215930227 8	IND ENG SURVEYS OF FOOD & FORE	66	70	930	C	163	163
5120231	51224230231 0	CHEMICAL RECOVERY SYSTEMS	65	71	230	C	749	749
5120255	51222230255 0	SYNTHETIC RUBBER PLANT	62	67	230	C	2983	2983
5120256	51222290256	DEVELOPMENT BANK	63	66	290	C	4000	4000
5120257	51224230257 0	CARBON BLACK PLANT	63	67	230	C	1915	1915
5120304	51213950304 2	PRODUCTIVITY IMP BASIC CONSCEP	61	72	950	C	842	842
5120304	51211950304 6	SUDENE IND PROGRAM INV INCENT	66	72	950	C	180	180
5120304	51215950304 9	EXPORT EXPANSION & PRODUCTION	69	73	950	C	15	15
5120317		CAPITAL MARKET DEV. FUND	74	78		C	3277	3277
5120318		NORTHEAST SMALL/MED. INDUSTRY	73	77		C	10000	10000
5120900	51211290900	PRODUCTIVITY CENTER	52	56	290	C	186	186
COUNTRY: CHILE								
5130013	51311230013	MEAT PACKING	60	62	230	C	6	6
5130016	51311290016	TECHNOLOG. DEVELOP.	55	66	290	C	608	608
5130017	51313290017	SM SIZE IND DEV	59	63	290	C	36	36
5130023	51313270023	MANAG ASSOC ICARE	57	63	270	C	195	195

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
5130029	51311290029	DAMM. ASSOC. I.F.	57	64	290	C	153	153
5130047	51311290047	CHILEAN DEV CORPO	59	63	290	C	35	35
5130057	51311290057	INDUSTRY SERVICIO	52	60	290	C	337	337
5130058	51311290058	INDUSTRY ADM SCIT	51	60	290	C	658	658
5130073	51315290073	INDUS ENG DEV	56	57	290	C	104	104
5130081	51326290081	TECHNOL. DEV. LOAN	55	66	290	C	836	836
5130113	51313950113	DEV BANK SM IND	62	63	950	C	1	1
5130181	51326910810	FEASIBILITY STUDIES	64	66	910	C	1980	1980
5130187		SPECIAL DEVELOPMENT ACTIVITIES (C)	64	80		C	824	824
5130192	51324920192 0	COOP DEVELOP BANK	65	72	920	C	3650	3650
5130210	51313270210	SML-MEDIUM SCALE INDUSTRY DEV.	66	72	270	C	353	353
5130262		SMALL SCALE REGIONAL DEVELOPMENT	76	78		C	110	110
COUNTRY: COLOMBIA								
5140015		LABOR AFFAIRS	53	77		C	2686	2686
5140044	51413270044	INDUSTRY & MING.	58	65	270	C	381	381
5140116		PRIVATE INVESTMENT	64	75		C	17807	17807
5140117	51456290117	INDUSTRIAL DEVELOPMENT	64	69	290	C	1040	1040
5140143	51413290143	EXPORT DEVELOPMENT	65	73	290	C	237	237
5140181		SMALL INDUSTRY DEVELOPMENT	75	78		C	4636	4636
5140194		SMALL FARMER MARKET ACCESS	76	79		C	4992	4992
5140209		RISK SHARING INV. PROGRAM	77	79		C	89	89
5140226		AGRICULTURAL TRAINING PROGRAM (COPG PVO)	79	80		C	490	490

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: COSTA RICA								
5150041	515112300041	INDUSTRIAL DEVELOPMENT	54	71	230	C	1554	1554
5150079	515249200790	COFISA DEVELOP BANK	63	67	920	C	4994	4994
5150130		URBAN EMPLOYMENT-COMMUNITY IMPROVEMENT	73	82		A	5500	663
5150965	515119100965	INV INCENT PROG	60	62	910	C	56	56
COUNTRY: DOMINICAN REPUBLIC								
5170012	517119100012	TRNG IN ECON S M U	54	55	910	C	4	4
5170018	517249200180	PRIVATE DEVELOPMENT CO.	68	73	920	C	4972	4972
5170038	517159500038	PRIVATE ENTERPRISE D	63	65	950	C	13	13
5170066	517552900066	DEV IND & MARKETING	65	71	290	C	1037	1037
5170066	517552900660	DEV INDUSTRY & MARKETING	65	71	290	C	4925	4925
5170102		PRIVATE INVESTMENT FUND	69	75		C	7870	7870
5170106		PRIVATE DEVELOPMENT FINANCE	72	76		C	5002	5002
5170122		TRAINING RURAL MANAGERS (UPG)	77	81		T	159	159
5170142		SMALL FARMER AGRICULTURAL REHABILITATION	80	80		A	12000	9322
COUNTRY: ECUADOR								
5180016	518152900016	MANUAL ARTS	55	59	290	C	32	32
5180019	518152900019	INDUST & POWER	55	57	290	C	32	32
5180023	518159500023	IND ADM	56	62	950	C	181	181
5180024		INDUSTRIAL DEVELOPMENT	47	74		C	3110	3110
5180028	518249500280	PRIVATE DEVELOPMENT BANK	66	69	950	C	2915	2915
5180030	518229500030	INTER-AMER. CONF. FA	58	61	950	C	2300	2300

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
5180040	51815930040	SURVEY PRELIMINARY	60	62	930	C	14	14
5180041	51815930041	SURVEY FINAL	60	62	930	C	47	47
5180042	51815930042	SURV SALE PRIV IND	60	62	930	C	2	2
5180043	51815950043	IND COOP SERVICE	55	62	950	C	238	238
5180044	51815910044	ORG DEV CTER	60	62	910	C	33	33
5180048	51815210048	DEVELOP CENTER	61	62	910	C	70	70
5180067	518249200670	INDUSTRIAL CREDIT	62	67	920	C	5000	5000
5180069	518222900690	FEASIBILITY STUDIES	63	72	290	C	1991	1991
5180072	518269200720	FINANCING SUB LOANS	65	67	920	C	1200	1200
5180081	51815290081	ARTISAN DEV CENTER	67	68	290	C	186	186
5180092		CIVIC DEVELOPMENT	67	74		C	1816	1816
5180096		INSTITUTIONAL DEVELOPMENT	67	77		C	4836	4836
5180098		SMALL ENTERPRISE ASSISTANCE	71	77		C	4450	4450
COUNTRY: EL SALVADOR								
5190010	51911290010	PHYS PLNG INFRASTRUCTURE	64	68	290	C	149	149
5190042	51911930042	SURV PRIVATE INVEST	60	61	930	C	33	33
5190075	51911290075	DEV BANK & INDUSTRY	58	70	290	C	592	592
5190075		DEVELOPMENT BANK	70	77		A	3428	3428
5190089	51911920089	EARTHQUAKE RECONST	65	67	920	C	40	40
5190094	519229200940	INDUSTRIAL PROMOTION	63	66	920	C	4432	4432
5190094	519118100942	COMMUNITY DEVELOPMENT - FUNCO	66	72	810	C	69	69
5190094		SPECIAL DEVELOPMENT ACTIVITIES (C)	66	84		A	1195	1195
5190095	519249200950	ASST FIN PRIVATE BAN	65	67	920	C	5190	5190
5190174		INTENSIVE SMALL FARM MGMT.	79	79		A	[illegible]	[illegible]

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
5190177		SMALL ENTERPRISE DEVELOPMENT OPG	78	81		A	500	500
5190216		CENTRAL MARKETING COOPERATIVE (PVO OPG)	79	81		A	75	50
5190223		RURAL WOMEN'S PRODUCTION CENTERS PVO-OPG	79	82		A	198	120
5190229		SMALL PRODUCERS DEVELOPMENT	80	83		A	5500	1650
[illegible]		MARGINAL COMMUNITY IMPROVEMENT	80	82		A	10950	5818
[illegible]	51911290900	JOINT SERVICIO CSPA		59	290	C	158	158
5190906	51911290906	ADMINISTRATION		60	290	C	58	58
5190907	51911290907	PRODUCTIVITY SERV		60	290	C	114	114
COUNTRY: GUATEMALA								
5200010	52011290010	INDUSTRIAL DEV	56	64	290	C	596	596
5200016	52011290016	IND PARTICIPANTS	54	56	290	C	4	4
5200023	52011290023	TRAINING PROGRAM	55	56	290	C	2	2
5200024	52011290024	TRAINING PROGRAM	55	56	290	C	3	3
5200092	52011290092	ADVISE GOVT ON DEVELOP AGRIC	58	60	290	C	14	14
5200111	52022950111	RUR COM SERV & DEVELOP		62	950	C	300	300
5200126	52011290126	IND PROM & P CENTER	61	63	290	C	58	58
5200153	52011910153	INVESTMENT PLANNING & PROMOT	63	71	910	C	402	402
5200166	52024230166O	KENAF BAG FACTORY	59	68	230	C	399	399
5200201		EXPORT DEVELOPMENT	70	73		C	176	176
5200216		PRIVATE DEVELOPMENT BANK	72	76		C	4464	4464
5200226		PROP TAX DEVELOPMENT II	74	77		C	4500	4500
5200245		RURAL ENTERPRISES DEVELOPMENT	79	85		A	6425	0
COUNTRY: GUYANA								
5040004	50411230004	INDUSTRY DEVEL ADVISORY SERV.	60	66	230	C	41	41

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
5040[illegible]	5041[illegible]0025	SPINNING & WEAVING	56	57	230	C	2	2
5040038	5041[illegible]0038	PHOTOGEOLOGY & PROSPECTING	58	60	290	C	4	4
5040038		PRIVATE INVESTMENT FUND	66	73		C	1717	1717
5040043	5041910043	DEVEL & INVESTMENT ADVERTISING	66	67	910	C	133	133
COUNTRY: HAITI								
5210074		AGRIC. FEEDER ROADS	79	81		A	9406	7724
5210113		HAITIAN DEVELOPMENT FOUNDATION (PVO-GPG)	79	82		A	495	390
COUNTRY: HONDURAS								
5220003	5221[illegible]0003	INDUSTRY AND DEV.	60	66	290	C	545	545
5220019	5221910019	INVESTMENT INCENTIVE	60	61	910	C	33	33
5220027	5222[illegible]0027	DEVELOPM GUAYA VAL	57	61	950	C	1749	1749
5220042	5221[illegible]0042	MNG SPEC IND. TNG.	63	65	290	C	6	6
5220053		EXPORT PROMOTION	65	77		C	934	934
5220057	5224[illegible]0570	PRIVATE DEVELOPMENT BANK	66	72	920	C	7910	7910
5220105		AGRICULTURE COOPERATIVES	75	79		C	259	259
5220127		EXPANDING INCOME EMP	76	79		C	146	146
5220157		RURAL TECHNOLOGIES	79	84		A	3750	958
5220179		HONDURAN FED INDUSTRIAL COOPS PVO-GPG	80	81		A	70	70
COUNTRY: JAMAICA								
5320002	5321[illegible]0002	INDUSTRY SERVICES	56	66	270	C	529	529
COUNTRY: MEXICO								
5230152	5315[illegible]0152	IND DEVELOPMENT	58	66	290	C	1999	1999
5230153	5315[illegible]0153	IND DIAG SURVEY	63	63	290	C	60	60
5230918	5315[illegible]0918	TECHNICAL EQUIPMENT	55	58	290	C	5	5

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: NICARAGUA								
5240011	52411270011	INDUSTRIAL MNGT INVESTMNT PRO	59	63	270	C	466	466
5240021	52411290021	GENERAL IND TRAINING	57	59	290	C	1	1
5240022	52411910022	INVESTMENT INCENTIVE	60	61	910	C	33	33
5240051	52426920051O	INDUSTRIAL DEVELOPMENT BANK	65	67	920	C	3970	3970
5240055	52424920055O	PRIVATE DEVELOPMENT BANK	65	68	920	C	2980	2980
5240069		PRIVATE INVESTOR BANK	67	74		C	4775	4775
5240070	52426920070O	SMALL BUSINESS	67	73	920	C	2000	2000
5240091		INDUSTRIAL DEVELOPMENT	71	74		C	463	463
5240113		RURAL DEVELOPMENT SECTOR PROGRAM	75	81		A	14000	10937
5240140		MANAGUA URBAN RECONSTRUCTION SECTOR	75	81		A	6000	5012
5240141		RURAL SMALL MERCHANT CREDIT UNIONS	77	79		C	135	135
5240156		OPG FUND DIVERSIFICATION	78	79		C	500	500
5240183		NICARAGURA RECOVERY PROGRAM	80	81		A	3009	2089
5240198		SMALL ENTERPRISE DEVELOPMENT PVO-OPG	80	83		A	250	223
COUNTRY: PANAMA								
5250005	52511290005	INDUSTRIAL PROG	54	56	290	C	20	20
5250012	52511290012	MINING & PETROL LAWS	58	60	290	C	17	17
5250018	52511270018	ASST IND DV	56	65	270	C	411	411
5250069		PRIVATE ENTERPRISE DEVEL	63	74		C	1395	1395
5250100	52524920100O	DEVELOPMENT BANK	63	67	920	C	5099	5099
5250111	52524920111O	DEVELOPMENT BANK	66	72	920	C	3949	3949
5250112	52526950112O	SAVINGS & LOAN ASSN	66	68	950	C	2101	2101
5250153		CREDIT UNION OPERATIONS	71	73		C	1900	1900

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]		GROWTH AND SERVICE CENTERS DEV.	78	84		A	10000	[illegible]
5250137		TECH SUPPORT (EDUC SECTOR)	75	81		A	435	333
5250200		GUAYMI AREA DEVELOPMENT	79	82		A	500	93
5250225		ENTREPRENEURIAL DEVELOPMENT PVO-OPG	80	83		A	125	44
5250900	52511290900	ECON DEVEL COOP SERV	54	60	290	C	253	253
COUNTRY: PARAGUAY								
5260033	52624950033	DEV MENNO COLONIES		62	950	C	998	998
5260039	52611290039	INDUSTRIAL DEVELOP	60	62	290	C	34	34
5260302		PRIVATE DEVELOPMENT BANK	70	78		C	5417	5417
COUNTRY: PERU								
[illegible]70011	52722950011	SO PERU COLINIZ & DVLP		66	950	C	2000	2000
5270053	52711290053	REG[illegible]NAL DEVELOPMENT CORP	62	72	290	C	1691	1691
5270053	527152700583	EXPORT/INDUSTRIAL MGT & PLNG	62	72	270	C	696	696
5270053	527112700584	GRADUATE SCHOOL BUSINESS ADMIN	62	72	270	C	1961	1961
5270113		COMMUNITY AND LOCAL GOVT DEVELOPMENT	63	76		C	1980	1980
5270134		COMM DEV AND RECON	71	75		C	3000	3000
5270139		PRIVATE INVESTMENT FUND	68	76		C	1500	1500
5270140		RECON AND DEVELOP SMALL BUSINESS	72	75		C	2446	2446
5270141		AGRICULTURAL ECONOMICS	74	80		C	10000	10000
5270144		RESEARCH AND DEV. FRESH WATER FISHERIES	77	81		A	465	394
5270176		RURAL ENTERPRISES II	79	83		A	8000	6365
5270942	52711290942	RURAL DEVELOP IND	64	65	290	C	46	46

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: SURINAM								
5030008	5031123008	VOCATION INDUSTRY	58	65	230	C	93	93
5030009	5031123009	INDUSTRY & MINING	57	75	230	C	258	258
COUNTRY: TRINIDAD & TOBAGO								
5330031	5331191031	DEVELOPMENT LOAN & TRUST FUND		67	910	C	410	410
5330044	5331127044	INDUSTRIAL MANAGEMNT	59	62	270	C	45	45
5330045	5331129045	METED TRAINING	59	63	290	C	56	56
5330046	5331123046	HANDCRAFT - DEV	59	63	230	C	56	56
COUNTRY: URUGUAY								
5230011	52315920011 4	DEVELOPMENT LANDING	66	69	920	C	74	74
5230012	5231392001 2	DEVELOP BANKS	64	64	920	C	3	3
5230038	5231192003 8	AUDIOV LEAD TNG		61	920	C	8	8
5230106		CREDIT UNION DEVELOPMENT PROGRAM (...)	77	80		A	200	200
COUNTRY: OTHER WEST INDIES-EASTERN CARIBBEAN REG.								
5330010		REGIONAL AGRIBUSINESS DEVELOPMENT	76	83		A	450	555
5330011		REGIONAL AGRIBUSINESS DEVELOPMENT	75	79		A	6000	1650
5330013		EMPLOYMENT/INVESTMENT PROMOTION	78	81		A	1176	329
5330018		EMPLOYMENT/INVESTMENT PROMOTION II	79	83		A	8950	2226
5330023		CARIBBEAN DEVELOPMENT FACILITY	78	82		A	20000	18800
5330025		SOCIAL SERVICES/LOANS TO WOMEN PVO ORG	80	82		A	381	108
5330057		AGRIBUSINESS EXPANSION	79	80		A	6000	70
COUNTRY: REG OFFICE CEN AMER & PANAMA-ROCAP								
5960010	5961129001 0	PHYS PLNG INFRASTRUCTURE	64	72	290	C	1511	1511
5960011	5961129001 1	ECONOMIC DEVELOPMENT & PLAN	63	70	290	C	446	446

Table 3: AID projects with SSE components: Latin America/Caribbean (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
5960019	596225900190	SECOND INDUSTRIAL DEVEL LOAN	64	70	920	C	9993	9993
5960027		COMMERCIAL AND INDUSTRIAL PLANNING	69	74		C	453	453
5960031	596112900031	CADASTRAL SURVEY	62	67	290	C	547	547
5960032	596113700032	CIVIL AVIATION	63	67	370	C	323	323
5960032		NON-TRADITIONAL EXPORT INDUSTRY	70	77		C	29984	29984
5960033		EXPORT INSTITUTIONS DEVELOPMENT	70	76		C	2643	2643
5960034		REGIONAL TOURISM EXPANSION	70	78		C	455	455
5960039		DEVELOP AGRI BUSINESS PROJECTS	71	75		C	6000	6000
5960060		SPEC. DEVEL. ACTIVITIES-BELIZE (C)	76	80		C	10	10
5960063		LAAD AGRIBUSINESS DEVELOPMENT	75	79		C	5000	5000
COUNTRY: LATIN AMERICA REGIONAL								
5980001	598222900010	SUB-LOAN FOR AGRIC &INDUSTRY	62	67	290	C	5000	5000
5980004		ANDEAN DEVEL CORPORATION	72	77		A	10500	2553
5980028	598112900028	METEOR. TNG.		65	290	C	4	4
5980117	598119501 17	DEVEL OF COMM STDS		66	950	C	96	96
5980421	598132904219 5	MKTG ARTISAN HANDICRAFT	67	72	290	C	2770	2770
5980428	598152804 28	INDUSTRIAL DEVEL TECH RECRUIT.	65	69	280	C	310	310
5980429	598152804299 5	INDUSTRIAL DEVELOPMENT TRNG	64	72	280	C	839	839
5980440		NATIONAL MARKETS	65	73		C	946	946
5980442	598132704 42	COUNCIL FOR INTL PROG IN MGMNT	65	70	270	C	74	74
5980449	598112904 49	CARTOGRAPHIC SCHOOL		67	290	C	77	77
5980463	598139104639 5	CLEARING HOUSE	67	72	910	C	762	762
5980476		INTR-AMER EXPORT PROMOTION CTR	68	80		C	15247	15247
5980550		REGIONAL EXPORT PROMOTION	72	74		C	56	56
5980552	598139205529 5	REGIONAL ECONOMIC INTERGRATION	72	73	920	C	200	200
5980577		OPERATIONAL PROGRAM GRANTS	78	80		A	230	227

Source: AID/DS/DIU Development Information System

Table 4: Summary of selected SSE projects in Latin America and the Caribbean[1]

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
El Salvador	Small Enterprise Development (519-0229)	1980	1981	9,750	Ministry of Planning; Federations of Cooperative Associations of Savings and Credit (FEDECACES) and Federations of Credit Banks (FEDECCREDITO)	Financial assistance to provide capital funding; TA: planning, training.
LAC Regional	Agribusiness Expansion (598-0614)	1980	--	6,000	Latin American Agribusiness Development Corporation, S.A. (LAAD)	Financial assistance via intermediary to make low-interest credit available.
Other West Indies - Eastern Caribbean Region	Employment Investment Promotion II (538-0018)	1979	1982	9,800	Caribbean Development Bank (CDB)	Financial assistance to CDB to strengthen lending capacity; institutional development in industrial and service sectors, industrial estates; TA: technical, administrative assistance.
Guatamala	Rural Enterprises Development (520-0245)	1979	1981	8,170	Corporación Financiera Nacional (CORFINA), National Center for Export Promotion (GUATEXPRO)	Financial assistance for equipment for service institution. TA for provision of training, studies, etc.

1/More complete descriptions of these projects can be found in Annex 3.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
Bolivia	Rural Enterprises and Agribusiness/ Agribusiness and Artisanry (511-0472)	1978	1982	6,000	Central Bank of Bolivia (BCB), other intermediary credit institutions.	Financial assistance to BCB for initial capital for subloans, mechanization in BCB. TA: market expansion, procurement of agriculture-related goods and services, employment generation.
ROCAP	Transfer of Technology (596-0066)	1978	1981	N.A.	Central American Institute for Industrial Technology and Investigation ICAITI).	Institutional development at ICAITI, including training of representatives in transfer techniques.
ROCAP	Regional Rural Agribusiness Development (596-0069)	1977	1982	15,000	Central American Bank for Economic Integration (CABEI)	Financial assistance and TA for lending institutions providing credit to agribusiness, and for agribusinesses.
Caribbean Regional	Regional Agribusiness Development (538-0010)	1977	1981	6,950	Caribbean Development Bank (CDB); Caribbean Investment Corporation (CIC); National Develment Finance Corporations (DFCs).	Initial capitalization for the CDB Agribusiness Development Fund, to be used for loan and equity investments in agribusiness and labor-intensive enterprises selected for their beneficial impact on small farmers and the rural poor.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
Paraguay	Production Credit Guaranty Program (526-0114)	1977	1979	3,500	Central Bank of Paraguay (CBP)	Financial assistance to CBP to establish guaranty fund for loans to SSE. TA to CBP and other lenders to improve ability to identify and make good loans.
Nicaragua	Rural Small Merchant Credit Unions (524-0141)	1977	1978	135	Nicaragua Development Foundation	Institutional development through financing salaries of 15 full-time credit managers, TA to train managers.
Peru	Rural Development Agribusiness Fund (527-0159)	1977	--	15,000	Central Reserve Bank of Peru	Initial capitalization of Agribusiness Fund. TA for establishment of a rediscount mechanism to finance agribusiness subprojects.
Chile	Small-scale Regional Development (513-0282)	1976	--	110	Industrial Corporation for Regional Development (CIDERE)	Institutional development and TA to cover identification of projects, prototypes and studies.
Paraguay	Rural Enterprises (526-0106)	1976	--	2,500	Central Bank of Paraguay, other participating banks.	Financial assistance for financing of rediscounts to participant banks.
Peru	Rural Enterprises Development (527-0057)	1975	1980	8,300	Industrial Bank of Peru (BIP)	TA and financial assistance for establishment of credit fund for rural enterprise.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
Uruguay	Agro-Industry Development Loan (528-0103)	1975	1979	5,000	Central Bank of Paraguay, Unidad Asesora.	Financial assistance for the provision of medium- and long-term credit to private sector entrepreneurs and cooperatives, for the establishmnet or expansion of agro-business.
Ecuador	Small Enterprise Loan (518-0098)	1971	--	4,450	Government of Ecuador financial institutions.	Financial assistance for the purpose of relieving a credit shortage for small manufacturing enterprises; TA for training of both distributors and recipients of credit concerning its use, industrial techniques, business management, and decision-making.
El Salvador	Credit Union Development (FEDECACES) (519-0094	1967	1973	1,346	Credit Union National Association (CUNA); El Salvador Credit Union Federation (FEDECACES)	Institutional development for FEDECACES, financial assistance for sub-lending through member unions to small farmers and entrepreneurs. TA for training in administration and credit management of member unions and FEDECACES personnel.
Nicaragua	Rural Market Women's Cooperatives (524-0108)	1975	1978	279	Nicaraguan Development Foundation (FUNDE).	Institutional development and financial assistance for cooperative development.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
Colombia	Small Industry Development (514-0181)	1975	--	5,000	Popular Finance Corporation (CFP)	Financial assistance and TA for credit unions and small industry development.
Brazil	Northeast Small/Medium Industry (512-0318)	1973	1978	10,000	Regional Training and Research Center for Small and Medium Industry (TRC/SMI) of the government of Brazil.	Creation of TRC/SMI, institutional development, managerial training, research services.
Peru	Reconstruction and Development of Small Business (527-0140)	1972	1975	2,500	Créditos para la Reconstruccion de Comercio y Empresas (CRECE), a fund administered through the Central Reserve Bank of Peru and coordinated with CRYRZA (the Commission for Reconstruction and Rehabilitation of the Zone Affected by the Earthquake of May 31, 1970).	Financial assistance to small business through a credit fund.
Projects with SSE Components:						
Other West Indies - Eastern Caribbean Region	Agribusiness Expansion (538-0057)	1980	--	6,000	Latin American Agribusiness Development Corporation (LAAD)	Financial assistance to private sector entrepreneurs through subloan funds administered by LAAD, in areas of food production, processing, packaging, storage, and transportation. TA provided to sub-projects.
Costa Rica	Urban Employment and Community Improvement (515-0130)	1978	1981	4,460	GOCR: Social Assistance Institute	Financial assistance provides credit for shelter and community improvements and for small business investment. TA: managerial training.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE Components:						
Honduras	Rural Technologies (522-0157)	1979	1982	2,750	GOH: Ministry of Economy	Institutional development and TA to create the necessary systems for the development, testing, demonstration, and delivery of light capital technologies and related technological assistance for small farmers and small rural enterprises.
Other West Indies - Easter Caribbean Region	Caribbean Productive Employment Generation (538-0025)	1979	1981	381	Caribbean Group for Cooperation and Economic Development (CGED)	Technical and capital resources provided to improve institutional capacity and the investment climate for promoting labor-intensive enterprises on a self-sustaining basis, and for mobilizing private sector resources as well as creating new jobs for the poor.
Haiti	Haitian Development Foundation (521-0118)	1979	--	200	Pan American Development Foundation (PVO)	Establishment of a private credit institution, the Haitian Development Foundation, and TA for development of credit facilities.
Peru	Appropriate Rural Technology (527-0162)	1978	1982	1,276	GOP: Office of Appropriate Rural Technology	Institutionalization of a system within the GOP for improving technology used by rural inhabitants, including specifically: artisan-based ceramics industries, processes for leather tanning and preparation of furs; artisan-based textile industries; etc.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE Components:						
ROCAP	Latin American Agribusiness Development (596-0039)	1971	1975	6,000	Latin American Agribusiness Development Corporation (LAAD)	Funds loaned to LAAD to promote, finance and implement agro-industrial enterprises, and provide TA to projects it finances.
Panama	Credit Union Operations (525-0153)	1971	1974	1,900	Federation of Credit Unions of Panama	Credit provided to fund programs for small farmers and businesses to increase production, and for individual credit union members for home improvement, education, consumer purchases, etc.
Peru	Food Marketing (527-0135)	1968	1975	5,500	Trust Fund in the Industrial Bank.	Financial assistance to small food stores to help them form voluntary chains to compete with large supermarkets. Loans provided through wholesaler as intermediary.
Bolivia	Credit Unions (511-0049)	1966	1977	16,735	Federación Nacional de Cooperativas de Bolivia, Cochabamba (FNCACB)	Financial assistance for seed capital to be used for short-term loans for small businesses and home improvements, and for budgetary support for FNCACB personnel. TA to provide training for officers and managers of member credit unions.
Panama	Private Enterprise Development (525-0069)	1963	1974	1,277	Panamian Government: Ministry of Commerce	Creation of an Industrial Investment Research and Promotion Center; development of institutional capability in MOC for coordination of research, information, promotion, etc.

Table 4: Summary of selected SSE projects in Latin America and the Caribbean (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE Components:						
Caribbean Region	Employment/Investment Promotion Project (538-0013)	1978	1980	1,676	Caribbean Development Bank (CDB); Caribbean Investment Corporation Development Finance Corporations (DFCs); other lending institutions.	Strengthening of on-lending institutions (CDB, CIC, DFBs) through financial assistance and TA concerning reorganization, standardization of lending criteria, administrative procedures, improvement of staff and staffing patterns.
Panama	Rural Growth and Service Centers (525-0185)	1978	--	10,000	GOP: Ministry of Planning and Economic Policy	Strengthen the GOP's capacity to plan and develop growth and service centers, including an effective town planning process. Financial assistance to agro-business, and industrial infrastructure. TA to improve ministry's capabilities, as well as to provide training in skills and business management.
Dominican Republic	Training Rural Management (517-0122)	1977	1979	160	Dominican Development Foundation (DDF)	TA in business management provided through DDF to small farmers and artesans.
Bolivia	Small Farmer Organizations (511-0452)	1976	1981	4,147	National Community Development Service, National Office of Integrated Cooperatives (NOIC), National Federation of Savings and Credit Cooperatives (FENACRE).	Establishment of a revolving credit fund for seed capital and other economic assistance to small farmers organizations; grant assistance to subsidize hiring professional management personnel; and TA for strengthening NCDS training capability and training participants in business management, accounting and finance.

in Paraguay, Bolivia and Peru. Regional banks such as the Caribbean Development Bank and private intermediaries such as the Latin American Agribusiness Development Corporation, SA (LAAD) also have served as channels for AID funds. In most instances, these AID funds were used to strengthen the lending capacity of these and other institutions lending to SSEs.

Technical assistance and institutional development have also been important. Much TA has been directed at training the staff of various credit institutions to do a better job of identifying and assessing the eligibility of potential loan recipients and to improve their management skills. Some TA, as in the Ecuador Small Enterprise Loan project has also been directed to the recipients of loans to help them improve their business management, credit utilization and decision-making skills. Finally, institutional development has been provided in such cases as the Nicaragua Rural Small Merchant Unions project to help organize and staff smaller institutions which will serve the needs of small-scale entrepreneurs.

A number of other projects have been undertaken in the region that had SSE development as one of the components of a large project. These projects have taken a variety of different approaches to helping SSEs including the supply of appropriate technology to artisans, the provision of industrial infrastructure for small businesses, the development of credit institutions for SSE and the promotion of smaller-scale agro-industrial enterprises.

b. Evaluation of approaches

Relatively more evaluations have been undertaken of SSE projects in the Latin America/Caribbean region than in other regions. Unfortunately, with a few exceptions, only a limited amount of evaluative material was available for the projects summarized in this paper. These evaluations indicated varying degrees of success in assisting SSEs. Most concentrated on the efficacy of the intermediary institution and not on the actual impact on SSE of the assistance. Generally, it was found that private development banks proved to be the most useful intermediary entities for AID funds at subsidized rates and to identify smaller projects and eligible entrepreneurs. Particular problem areas which limited the success of projects including changes in host country policies that detracted from a program, misdirection of AID funds to larger enterprises, institutional weaknesses in the delivery of credit, poor project design.

Two of the projects on which extensive evaluation was available were the Paraguay Productive Credit Guaranty Program (PCGP) and the Bolivia Small Farmer Organizations Project. The Paraguay program was designed to establish a self-sustaining guaranty fund that would neutralize the risks involved in lending to smaller-scale entrepreneurs. The measurable criteria chosen for the determination of success of this effort was the capitalization of the fund itself. On this criteria alone the project was extremely successful in that the fund grew to be 20 times larger by 1980 than originally estimated in the Project Paper. In

Devres

addition, it was estimated that the P.C.G.P generated over 600 projects and some 3,900 new jobs and improved the profitability of the enterprises assisted. In the midst of this real success, however, the Central Bank of Paraguay, with little explanation, withdrew its support of the project which left its expansion and support by AID in doubt.

An evaluation of the Bolivia Small Farmer Organization's project indicated a different set of problems which affected the success of the project, namely poor credit system design and implementation, poor project planning and the limited competence of coop staff in managing loans, etc. Conflicts also arose between the cooperatives and one of the intermediary organizations designed to assist them. In terms of evaluation methodology, the important thing to note is that the scope of work prepared by AID for this evaluation was focused primarily on measuring the success or failure of the establishment of the institutional mechanisms designed to help SSE, which was, in fact, the prime purpose of the project.

The project's approved goal, however, of increasing "the per capita income and standard of living of rural people" was only incidentally a part of the evaluation scope of work and thus the real impact of this SSE project on low-income people was not assessed. Moreover, because no baseline data had been collected in the project areas <u>before</u> the establishment of the SSE-support institutions it was impossible to objectively verify the achievement of this goal. This situation has been somewhat corrected by a recent general baseline survey and interviews with the project's intended beneficiaries who indicated there had been some improvement in their standard of living. What happened in this project evaluation, however, has implications for both the design and the evaluation of future projects if the real <u>impact</u> of a SSE project is to be assessed.

3. Africa

a. Summary of projects and approaches

In general, the level of development, the level of per capita income and the stage of development of entrepreneurship in Africa is below those in the countries of other regions in the developing world. This is reflected in the number and character of SSE activities which AID has supported in the African Region. As Table 1 indicated (p 41) the Africa Region has had the smallest number of AID-supported SSE projects. Table 5 indicates the spread of these projects over more than 20 countries in the region over the past 25 years. It also indicates that over 70% of the projects were begun before 1974. The countries that have had four or more SSE-related projects over the years include Ethiopia, Ghana, Ivory Coast, Liberia, Nigeria, Sudan, Tanzania and Upper Volta. Table 6 provides a listing from AID's computer data base of SSE projects undertaken in the region during this period.

Within the region there are significant differences among the countries. In some of the countries at a more advanced stage of development, with higher incomes and a broader base of experienced entrepreneurship, (notably in Nigeria, Ivory Coast and Kenya), AID projects have been initiated and carried out with a substantial measure of success where the primary purpose was SSE promotion and the target group were entrepreneurs and enterprises in the formal sector (small and medium-sized). In some other African countries at

Table 5: AID projects with a small-scale enterprise component in the Africa Region, 1952 to present--by number of projects and amount obligated by country in the region[1]

Country	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Botswana	0	2	2	$ 0	$ 2,999	$ 2,999
Cameroon	1	2	3	3,229	851	4,080
Ethiopia	11	1	12	3,843	725	4,568
Djibuti	0	1	1	0	553	553
Ghana	3	2	5	44,092	3,453	47,545
Guinea	2	0	2	3,270	0	3,270
Ivory Coast	4	0	4	5,186	0	5,186
Kenya	0	2	2	0	860	860
Lesotho	0	1	1	0	500	500
Liberia	6	2	8	1,955	1,415	3,370
Madagascar	3	0	3	106	0	106
Malawi	2	0	2	51	0	51
Mali	0	1	1	0	500	500
Niger	3	0	3	504	0	504
Nigeria	4	0	4	8,701	0	8,701
Senegal	2	1	3	142	1,758	1,900
Sierra Leone	1	0	1	4	0	4
Somalia	3	0	3	583	0	583
Sudan	5	0	5	10,728	0	10,728
Tanzania	3	1	4	121	13,945	14,066

[1] The project information summarized in this table is drawn from the computerized records of the Development Information and Utilization Office of AID's Development Support Bureau. The key words used to pull data on small-scale enterprise projects were "small industry", "small business", "cottage industry", "rural industry", and "rural business". Despite the fact that the data base has some serious shortcomings, the figures here represent the most comprehensive statistical picture available from the Agency. For further details on the data base and problems associated with it, see Annex 6.

Table 5: AID projects with a small-scale enterprise component in the Africa region, 1952 to present--by number of projects and amount obligated by country in the region (cont.)

Country	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Uganda	2	0	2	$ 50	$ 0	$ 50
Upper Volta	1	3	4	6	2,910	2,916
Central/West Africa Regional	3	1	4	17,518	1,880	19,398
Africa Regional	12	1	13	553	2,584	3,137
TOTAL	71	21	92	$100,642	$34,933	$135,575

Table 6: AID projects with SSE components: Africa

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: [illegible]								
[illegible]		RURAL DEVELOPMENT	60	65		A	2500	[illegible]
[illegible]		RURAL ENTERPRISE EXTENSION [illegible] (OPG)	78	81		A	429	313
COUNTRY: CAMEROON								
6310010	6311110010	HIGHWAY DEVELOP & TRAINING	62	72	310	C	3229	3229
6310010		NORTH CAMEROON PILOT COMMUNITY D V (OPG)	77	80		A	351	352
6310034		TRAINING FOR SMALL BUSINESS PVO OPG	80	81		A	500	0
COUNTRY: ETHIOPIA								
6630014	6631290014	IND & PUBLIC WORKS	58	66	290	C	447	447
6630033	6631290033	IND RES SERVICES	57	60	290	C	6	6
6630049	6631290049	IND. GEN. COOP. SERV	54	64	290	C	11	11
6630054	6631290054	PRIV. ENTERPRISE PRO	60	67	950	C	117	117
6630057	6631290057	COMM & INDUSTRY	54	57	290	C	190	190
6630074	6632230074	COTTON TEXTILE MILL		61	230	C	500	500
6630095	6632290950	DEVELOPMENT BANK	61	72	920	C	1987	1987
6630104	6631290104	MEAT IND. PROMOTION	63	66	930	C	22	22
6630129	6631290129	INDUSTRIAL FEASIBILITY STUDY	66	66	950	C	85	85
6630141	6631290141	PROMOTION OF PRIVATE INVESTMNT	67	72	950	C	285	285
6630164		EXPORT PROMOTION AND INVESTMENT	69	75		C	193	193
6630214		MICRO REGIONAL RUR. DEVELOPMENT (PVO)	78	79		C	725	[illegible]
COUNTRY: DJIBOUTI, REPUBLIC OF								
6630003		DISASTER RELIEF DJIBOUTI FLOOD	78	78		A	553	330

Table 4: AID Projects with SSE Components: Africa (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: GABON								
6410050	641162200050	NATIONAL INVESTMENT BANK	68	71	920	I	620	620
6410052	641242300520	CONSTRUCTION OF AGRI SHELTER	62	71	230	C	43300	43300
6410047	641119300047	AGRIC INVESTMENT PROGRAM	67	73	930	C	172	172
6410072		FARMERS ASSN. 2ND AGRIBUSINESS LOAN (PVO)	77	85		A	3400	2234
6410075		WOMEN IN DEVELOPMENT	75	77		C	53	53
COUNTRY: GUINEA								
6750005	675119300005	INDUSTRIAL GROWTH	62	65	930	C	270	270
6750046	675262230046	SOMOVA VEHICLE ASSEMBLY PLANT	66	67	230	C	3000	3000
COUNTRY: IVORY COAST								
6310010	631112700010	MARKETING INSTITUTE		65	270	C	5	5
6310015	631112700015	4TH AFRICAN IND DEV	62	63	270	C	10	10
6310040	631269200400	DEVELOPMENT BANK	65	72	920	C	4998	4998
6310042	631119200042	PROMOTION SMALL INDUSTRY	67	69	920	C	173	173
COUNTRY: KENYA								
6150174		PEP RURAL ENTERPRISE DEVELOPMENT	77	81		A	300	300
6150134		INCREASE EMPLOYMENT-INCOME PROGS IN-OPG	78	81		A	500	405
COUNTRY: LESOTHO								
6320209		COTTAGE MOHAIR INDUSTRY (OPG) (PVO)	78	80		A	500	499
COUNTRY: LIBERIA								
6690005	669112700005	CARTOGRAPHIC SERVICE	54	56	290	C	71	71
6690032	669119100032	INDUSTRIAL MANAGEMENT	57	58	910	C	99	99
6690069	669119200069	DEVELOPMENT BANKING	60	61	920	C	12	12

Table 6: AID projects with SSE components: Africa (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	PRIVATE [illegible] EXHIBITION	[illegible]	68	910	[illegible]	[illegible]	[illegible]
6670113	6671190113	OFFSHORE FISHERIES INVESTIGATI	68	69	950	C	10	10
6670154		NIMBA COUNTY ENTREPRENEURIAL DEV. (PVO/O	78	79		A	164	163
6670163		NIMBA COUNTY RURAL TECHNOLOGY DEV-PVO	80	81		A	1251	153
6670401	6672420401	SAWMILL PROJECT	58	67	280	C	164	164
COUNTRY: MADAGASCAR								
6870015	6871190015	MAGNETOMETER SURVEY		66	930	C	74	74
6870016	6871120016	INDUSTRY DEV STUDY	62	64	280	C	7	7
6870017	6871120017	MINING & PETROLEUM CODE	62	62	290	C	25	25
COUNTRY: MALAWI								
6120140	6121120140	SURV RURAL IND COMMERCE&CREDIT	62	65	290	C	41	41
6120159	6121190159	PRE INVEST SURVEY	67	68	930	C	10	10
COUNTRY: MALI								
6880125		TRAINING CENTER FOR RURAL WOMEN	80	83		A	500	0
COUNTRY: NIGER								
6830006	6831590006	SMALL INDUSTRY DEVEL	65	70	920	C	144	144
6830014	6831120014	INDUSTRIAL DEVELOPMENT STUDY	62	64	270	C	1	1
6830023	6832690230	DEVELOPMENT BANK	63	69	920	C	359	359
COUNTRY: NIGERIA								
6200096	6201120096	SMALL MINES SURVEY	59	60	270	C	7	7
6200713	6201590713	INVESTMENT PROMOTION	61	70	950	C	4261	4261
6200714	6201190714	INDIGENOUS INDUSTRIAL DEVELOP	61	72	910	C	2179	2179
6200761	6201120761	IND PLNG & PROJ APPRAISAL	66	69	290	C	2254	2254

Table 6: AID projects with SSE components: Africa (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: [illegible]								
[illegible]	[illegible]	DEVELOP LOAN BANK		63	270	[illegible]	24	24
[illegible]	[illegible]	NEGRO ARTS FESTIVAL	66	67	290	C	113	113
[illegible]		INTEGRATED YOUTH JOB DEVELOPMENT (GPO)	79	84		A	1758	900
COUNTRY: SIERRA LEONE								
[illegible]	63611910010	DEVEL BANK & CENTER	62	63	910	C	4	4
COUNTRY: SOMALIA								
6470009	64911230009	FOOD TECHNOLOGY	58	59	230	C	3	3
6470030	64911910030	INDUSTRIAL DEVELOP	59	66	910	C	131	131
6470040	64952920040	CREDIT DEVELOPMENT	59	72	920	C	449	449
COUNTRY: SUDAN								
6500017	65015270017	INDUSTRIAL DEVELOPMENT BANK	59	69	270	C	298	298
6500052	65011280052	COMMUN SCHOOL	61	64	380	C	49	49
6500059	65015290059	INDUSTRIAL DEVELOPMENT SUPPORT	62	69	290	C	201	201
6500070	65024230700	SUDAN-AMERICAN TEXTILE INDUST	59	68	230	C	9978	9978
6500071	65022920071	INDUS DEVELOP BANK	63	66	920	C	202	202
COUNTRY: TANZANIA								
6210005	62111270005	SMALL IND MANAG		61	270	C	4	4
6210011	62114230011	SELOND INDUSTRIES		62	230	C	54	54
6210026	62111930026	AGRICULTURE INVESTMENT PROGRAM	67	70	930	C	63	63
6210143		VILLAGE AGRICULTURAL DEVELOPMENT CENTER	78	82		A	13945	6344

Table 6: AID projects with S&E components: Africa (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: GAMBIA								
6170005	6171930005	TRADE & IND DEVEL	58	62	930	C	30	30
6170043	6171930043	FREEMAN INSURANCE STUDY	67	68	930	C	20	20
COUNTRY: UPPER VOLTA								
6860010	6861120010	7TH AFR IND DEV ST	63	63	280	C	6	6
6860211		WOMEN'S ROLES IN DEV.	77	81		A	1056	447
6870212		ONCHO AREA VILLAGE DEVELOP	78	81		A	1212	223
6860217		RURAL ENTERPRISE DEVELOPMENT	77	81		A	642	584
COUNTRY: CENTRAL & WEST AFRICA REGIONAL								
6250505	6251120505	REGIONAL INDUSTRY DEV SURVEY	69	70	920	C	10	10
6250711	6251120711	INTERMEDIATE CREDIT INSTITUTION	71	72	920	C	13	13
6250715		INVESTMENT AND CREDIT FACILITY	73	80		A	17495	15576
6250717		INTENTE AFR ENTERPRISE	74	80		A	1880	1430
COUNTRY: AFRICA REGIONAL								
6980013	6981120013	SURVEY AREA SOUTHERN SAHARA		65	290	C	59	59
6980024	6981120024	INDUSTRIAL DEVELOP SURVEY		64	290	C	46	46
6980037	6981120037	CREDIT UNION LEADERSHIP SURVEY		66	950	C	4	4
6980103	6981120103	CENTRAL AFRICA SUB-REGION		65	290	C	5	5
6980105	6981120105	AFRICAN REG INDUSTRY STUDY	66	69	290	C	126	126
6980107	6981120107	INDUSTRIAL EXTENSION		67	290	C	6	6
6980112	6981120112	AFRICAN ALUMINUM STUDY		67	230	C	12	12
6980143	6981120143	AFRICA SCHOLARSHIP COORDINATED		67	930	C	28	28

Table 6: AID projects with SSE components: Africa (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	PROMOTION INV IN INS	[illegible]	69	950	C	13	13
[illegible]	[illegible]	LARGE UNIT AGRICULTURE	69	73	950	C	146	146
6930181	6931192018195	NATIONAL LEAGUE INSUR SAV ASSN	70	73	920	C	60	60
[illegible]	[illegible]	WEST AFR STUDY-MEDIUM INDUSTRY	70	72	930	C	43	43
[illegible]		AFRICAN WOMEN IN DEVELOPMENT	76	86		A	2584	1453

Source: AID/DS/DIU Development Information System

similar stages of development, AID projects with a primary purpose of SSE promotion may be absent mainly because other donors were active in the field (e.g. the ILO and Peace Corps in Ghana). See Table 7 and Annex 3 for descriptions of projects with SSE as the primary purpose.

In most other countries in Africa, SSE-related AID activities have been undertaken as a component of projects with some broader purpose, (e.g., rural development, Women in Development (WID) activities), and/or targeted toward the smallest sector (i.e., informal enterprises). This is typical of a very broad range of activities AID has carried out in Africa in recent years including some in the more developed countries. The African Enterprise Program carried out through the Abidjan-based Entente Fund is a special case covering five francophone West African States. It has been especially active in the most advanced of the five countries (Ivory Coast) and has had less impact in the four poorer, less advanced countries.

PVOs have been the channel for delivery of technical and/or financial assistance for SSE development in the majority of cases in Africa. This includes projects whose primary purpose was SSE promotion as well as those with secondary SSE-related purposes and for both formal and informal sector SSEs. For the most part the projects have been of modest proportions or have been made up of a number of sub-projects executed by various PVOs.

Although executed in an earlier period (1961-72), the Nigeria Industrial Development Project deserves particular mention. It was perhaps the most ambitious enterprise/industry development effort

Table 7: Summary of selected SSE projects in Africa[1]

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Projects with SSE as Primary Purpose:						
Kenya	Increase of Employment Income & Production (615-0184)	1978	1981	500	Technoserve OPG	TA: advice in planning management marketing, etc. plus loan application preparation
Botswana	Rural Enterprises Extension Service (633-0212)	1978	1980	500	Partnership for Productivity & GOB/Min. of Commerce & Industry	TA: training informed sector entrepreneurs in basic business practices
Upper Volta	Rural Enterprise Development (686-0219)	1978	1980	532	Partnership for Productivity	TA: advice to newly existing entrepreneurs - financial assistance; credit
Lesotho	Lower Income Housing Co. (No N/A)	1977	1981	490	Foundation for Cooperative Housing	Funding for equipment to improve production
Kenya	Rural Enterprise Extension Service (615-0174)	1977	1980	360	Partnership for Productivity/Kenya	TA: Training of field workers/extension agents & advice to entrepreneurs (informal sector)

[1] More complete descriptions of these projects can be found in Annex 3.

Table 7: Summary of selected SSE projects in Africa (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Entente Fund (Upper Volta, Ivory Coast, Niger, Togo, Benin)	African Enterprise Program (625-H006) (625-0713) (625-0717)	1973	1978	17,500	Entente Council	Financial assistance: loans to small- and medium-size enterprises; TA: advisory assistance on loan applications and management/ technical needs of firms
Nigeria	Indigenous Industrial Development (620-0714)	1961	1972	3,376	State/Regional Government Industrial Centers with Contract advisors	TA: Training, demonstrations, seminars integrated with financial assistance; credit
Projects with SSE Components:						
Lesotho	Cottage Mohair Industry (632-0209)	1978	1980	500	CARE (OPG); COL-owned corporations; Primary/secondary co-operatives	TA: coop formation and training of spinners; financial assistance. working capital loans and equipment finance.
Ghana	Farmers Associations-Agribusiness (641-0072)	1977	1982	5,000	Grants to U.S. and local PVO's	Financial assistance to PVO's and enterprises; TA: advice/ training by PVO's.

Table 7: Summary of selected SSE projects in Africa (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Tanzania	Arusha Planning & Village Development (621-0143 (03))	1978	1982	14,591	Government of Tanzania	TA: advice, training, financial assistance to set up Appropriate Technology Centers & promote rural enterprise
Botswana	Rural Sector Grant (633-0077)	1980	1985	3,780	Government of Botswana	Finance: to form agro-industrial enterprises; TA to train extension advisors and entrepreneurs
Upper Volta	Oncho Area Village Development Fund (686-0212)	1977	1980	2,173	Volta Valley Authority of GOUV	Financial assistance; loans to enterprises; TA: technical and management training
Senegal	Integrated Youth Development (682-0222)	1979	1984	1,758	YMCA and ORT	Financial assistance; create training center; TA: train technical and administrative personnel
Cameroon	North Cameroon Pilot Community Development Project (631-0010)	1977	1979	387	Community Development Foundation	TA: market development and research for handicrafts training, management consulting

Table 7: Summary of selected SSE projects in Africa (cont.)

Country and Area	Project Name and Number	Date Begin	Date End	AID Funds ($000)	Intermediary or Implementor	Strategy and Character of Inputs
Africa Regional	African Women in Development (698-0388)	1976	1982	3,205	Local women's group and host country governments	Financial assistance grants to fund skills training and and analysis/assessment of opportunities for employment creating activities
Chad	African WID sub-project training farmer women	(two years)		233	Farmer training centers for women	Develop women's coops and improve marketing by training, seminars
Upper Volta	African WID sub-project Women's Role in Development (686-0211)	1977	1979	1,056	National Women's Council and GOUV	Financial assistance; loan fund; TA; training and advice to set up micro-projects for employment/ income generation

undertaken in the Region. It is notable for having closely integrated technical, managerial and production, advisory and training assistance with financial assistance. This project is briefly summarized in Annex 3.

As can be seen from Table 7, "Summary of Selected SSE Projects in Africa," seven projects have been identified whose primary purpose was the development of either formal or informal sector SSEs. Only two, (in Nigeria and the Entente countries of Francophone West Africa), have been projects of major proportions, (i.e. with AID funding over $1 million.) All the other projects whose primary purpose was SSE promotion are of a size less than $1 million and all were executed by PVOs under country Mission-funded OPGs. These include two projects in Kenya and three in RLDCs (Botswana, Lesotho, and Upper Volta). Eight projects are listed which have a secondary SSE purpose. In some cases their inclusion as SSE activities is open to being considered sub-marginal on the grounds that the activities are in fact agricultural or the enterprise development impact is too remote, (e.g., the training of workers in skills to engage in income-generating activities).

In summary it is apparent that SSE activity has not been a major focus of AID in the African Region though it has played some part in strategies related to improved income generation and employment creation for the rural poor.

b. Evaluation of approaches

Evaluative material relating to the SSE projects in Africa is

available only for a limited number of the activities this search has identified. The principal exceptions are the two largest SSE programs--the Entente Fund African Enterprise Development and the Nigeria Indigenous Industrial Development project.

The two latter programs are characterized not only by involving substantial sums and being linked to related activities of other donors but also by being of extended duration. The Nigeria project received AID support over an eleven-year period (1961-72) and the Entente Fund activity which was initiated in 1974 is still in progress though data on the most current inputs have not been available. Both of these projects appear to have enjoyed a considerable measure of success in terms of having contributed to expanding the sales, improving the efficiency and increasing the profitability of a number of enterprises and in creating new employment opportunities. The Nigeria experience appears to have been especially successful in creating new institutions which had a capacity to sustain the program and continue to nurture enterprise development. It also was judged to have been particularly successful in strengthening SSEs by reason of integrating technical advisory services with financial assistance. By so doing it was evidently able to achieve material reinforcement and to more rapidly build viable enterprises than might otherwise have been feasible.

The Entente Fund program, on the other hand, was less successful in this respect because the Project Office which provides technical advice was kept somewhat apart from the loan assistance of the

development banks (at least up to 1978). This separation resulted in less effective business development especially for the more fragile, smaller firms which were in particular need of technical assistance. It has not been clear whether this may have been improved over the past two years since recommendations were made to modify the previous patterns towards a more integrated approach. Other respects in which the Entente Fund program was believed to have been less than fully successful include: 1) too large a portion of the funds being used in the richest of the five participating countries (i.e. the Ivory Coast); 2) too large a proportion of the funds being used by large borrowers to the detriment of smaller firms; and 3) too much influence in borrower selection for access to scarce funds as a result of "insider" contacts.

As a broad strategy for dealing with smaller projects in the SSE sector in Africa the use of PVOs appears to be a generally suitable and successful approach. Insufficient access to evaluative material, (or perhaps its absence), limits our ability to identify more and/or less successful PVO approaches. Nevertheless, those activities designed to create extension systems to deliver advisory services to SSE appear to have particularly good potential and to be especially suitable efforts for PVOs. We are similarly handicapped with respect to those activities in which PVOs have been engaged where SSE promotion is a secondary purpose. Informal comment from persons knowledgeable about these activities leads to the conclusion that some have been successful while others have had mixed results and

that some administrative problems have occurred. The latter appears to have particularly developed where Missions have set up a project which opens a "window" for various PVOs to present applications for funding within specified criteria. It has proven to be difficult and time-consuming for Missions to administer and sometimes difficult to monitor the degree of compliance with criteria by the PVOs which have received grants. Other problems have also arisen which will call for further review to determine the suitability of this device.

Multipurpose and intersectoral integrated development projects using SSEs to provide needed services, goods, and employment have been used in a number of African countries with and without PVO participation. The concept is an attractive one from the viewpoint of tying together related needs and objectives. Partly because these projects are mostly of recent origin and again because of scarcity of specific evaluations, little can be said regarding the practical experience gained.

4. Near East

a. Summary of projects and approaches

The number of Near East Region SSE projects identified in the computer list document search and inquiries in the NE Bureau is especially small over the period 1974 to 1981, though a large number

of projects were undertaken before 1974 (see Table 8). The fact that only seven such projects were identified despite considerable efforts to locate as many as possible suggests that such activities have been held to a low level by reason of other priorities taking precedence within the strategies of NE program countries.

In the period before 1974, as indicated in Tables 8 and 9, the majority of projects in the region were undertaken in seven countries--Greece, Iran, Israel, Lebanon, Tunisia, Turkey, and Yugoslavia. Many of these projects with so-called SSE components were large scale, generally capital-intensive, industrial projects such as fertilizer and cement plants, sugar refineries, and steel projects. A large number of these projects provided loans or grants to development banks. Several countries--Yugoslavia, Lebanon, Israel, Jordan, Morocco--also received support for tourism development. A few projects were directed at promoting handicraft development. Another project in Turkey supported and assisted the Federation of Chambers of Commerce and Industry to support the activities and interests of its small and medium-scale industries membership. More recently, a project carried out in Afghanistan was concluded in 1973 with the purpose of expanding the small-scale private industrial sector through improved administration,

Table 8: AID projects with a small-scale enterprise component in the Near East Region, 1952 to present--by number of projects and amount obligated by country in the region[1]

Country	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Afghanistan	5	0	5	$ 1,966	$ 0	$ 1,966
Cyprus	1	0	1	344	0	344
Egypt	9	5	14	13,435	137,200	150,635
Greece	13	0	13	12,633	0	12,633
Iran	23	0	23	62,172	0	62,172
Iraq	2	0	2	237	0	237
Israel	23	0	23	25,099	0	25,099
Jordan	8	1	9	4,269	14,485	18,754
Lebanon	12	0	12	6,370	0	6,370
Libya	4	0	4	1,205	0	1,205
Morocco	6	0	6	3,057	0	3,057
Syria	2	0	2	960	0	960
Tunisia	15	1	16	18,930	941	19,871
Turkey	21	0	21	154,277	0	154,277
Yemen Arab Republic	1	0	1	432	0	432
Yugoslavia	20	0	20	57,059	0	57,059
CENTO	4	0	4	71	0	71
Near East Regional	3	0	3	72	0	72
TOTAL	172	7	179	$362,588	$152,626	$515,214

[1] The project information summarized in this table is drawn from the computerized records of the Development Information and Utilization Office of AID's Development Support Bureau. The key words used to pull data on small-scale enterprise projects were "small industry", "small business", "cottage industry", "rural industry", and "rural business". Despite the fact that the data base has some serious shortcomings, the figures here represent the most comprehensive statistical picture available from the Agency. For further details on the data base and problems associated with it, see Annex 6.

Table 9: AID projects with SSE components: Near East

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: AFGHANISTAN								
3020004	3021120004	AFGHAN FARMER INSTITUTE	66	73	290	C	130	130
3020031	3021120031	VILLAGE INDUSTRIAL DEVELOPMENT	56	59	230	C	41	41
3020046	3021190046	IND DIST FARAHAR	57	60	940	C	95	95
3020087	3021190087	PRIVATE SECTOR DEVELOPMENT	63	73	950	C	742	742
3020114		INDUSTRIAL DEVELOPMENT	70	75		C	888	888
COUNTRY: CYPRUS								
2830001	2831590001	DEVELOPMENT BANK	61	69	920	C	344	344
COUNTRY: EGYPT								
2630045		DEVELOPMENT INDUSTRIAL BANK	78	81		A	2000	275
2630047		SUEZ CANAL PORT DEVELOPMENT	78	85		A	30000	0
2630052		MAADI CEMENT PLANT	78	83		A	95000	0
2630070		MANAGEMENT DEVELOPMENT FOR PRODUCTIVITY	80	85		A	8500	0
2630076		SMALL SCALE AGRICULTURAL ACTIVITIES	79	82		A	1700	142
2630120	2631190120	IND POLICY EGYPT	53	56	290	C	550	550
2630250	2631170250	IRON STEEL INDUS DEV	54	56	270	C	3	3
2630262	2631190262	INDUSTRY TRAINING	54	56	290	C	7	7
2630273	2631130273	TECH ADV GEOPYIP	62	69	230	C	1260	1260
2630278	2631170278	MANAGEMENT DEVLPT	63	66	270	C	283	283
2630291	2632290291	INDUSTRIAL BANK	60	66	920	C	2357	2357
2630292	2632230292	MISRAYON CELLOPHANE PLANT	62	72	230	C	3007	3007
2630293	2632230293	KAFTA HARDBOARD PLANT	63	72	230	C	5771	5771
2630315	2632230315	EMBINA CANNING & FREEZING PLT	60	64	230	C	197	197

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: JORDAN								
2400033	24015230033	MODERN METH INDUSTRIAL PROD	56	60	230	C	54	54
2400035	24015290035	TRAIN IN IND MANAG	55	58	270	C	19	19
2400036	24011230036	USE OF ATOM ENERGY	55	58	230	C	3	3
2400037	24013230037	SMALL SCALE IND	57	59	230	C	3	3
2400038	24011290038	IND ADV TO MIN COORD	54	57	290	C	17	17
2400039	24011290039	USE OF RADIO ISOTOPE	55	57	290	C	2	2
2400040	24011290040	OFFICE OF INDUSTRIAL ADVISOR	58	61	290	C	69	69
2400041	24015290041	ECON DEV FINAN	59	60	290	C	11	11
2400042	24015290042	FORM & FLOW OF CAP	60	61	290	C	3	3
2400075	24013230075	FOOD PROCESSING SURVEY	60	65	930	C	167	167
2400076	24015290076	INDUSTR DEVELOPMENT	60	63	290	C	224	224
2400181	24022230181	PTOLEMAIS FERTILIZER	59	66	230	C	11978	11978
2400184	24024920184	ECONOMIC DEVELOPMENT	62	66	920	C	83	83
COUNTRY: IRAN								
2650001	26512230001	CONP FARS CEMENT PLT	52	57	230	C	1287	1287
2650004	26512230004	FASSA SUGAR REFINERY	52	57	230	C	685	685
2650008	26512230008	EXPAN TCHITSAZI MILL	52	58	230	C	2161	2161
2650016	26512230016	REY CEMENT PLANT	52	56	230	C	125	125
2650017	26512230017	TEHRAN SLAUGHTER HOUS	52	64	230	C	600	600
2650037	26512230037	WOOL SORTING	53	56	230	C	169	169
2650038	26511240038	BUREAU OF STANDARDS	53	63	240	C	468	468
2650065	26512230065	IRN SUGAR REFINERIES	53	56	230	C	934	934

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	PROFESSIONAL SERVICE	54	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	2651129[illegible]31	[illegible]	54	59	290	[illegible]	15	15
[illegible]	2651129[illegible]32	LUMBERING OPERATIONS	54	62	230	C	594	594
[illegible]	2651129[illegible]35	TEA PROCESSING PLANT	54	56	230	C	16	16
[illegible]	2651229[illegible]36	BEEF MARKING IN IRAN	54	59	230	C	287	287
2650070	2651191[illegible]70	BANKING OPERATION	56	61	910	C	120	120
2650095	2651229[illegible]95	PROJ FUNDS AGREEMENT	53	58	290	C	274	274
2650096	2651229[illegible]96	PROJ FUNDS AGREEMENT	54	58	290	C	375	375
2650109	2651191[illegible]09	IND DEVELOP CENTER	56	65	910	C	945	945
2650118	2651128[illegible]18	ENG IND & MINING	58	64	280	C	1614	1614
2650203	2651295[illegible]03	OSTAN OFFICE OPERATIVES	55	59	950	C	917	917
2650240	2651192[illegible]40	MOBILIS OF LOCAL CAPITAL	64	69	920	C	100	100
2650243	2651191[illegible]43	IND MNGT INSTITUTE	56	65	910	C	38	38
2650267	2652492[illegible]67	DEVELOPMENT BANK	59	66	920	C	3483	3483
2650270	2652293[illegible]70	ECONOMIC DEVELOPMENT		63	930	C	45912	45912
COUNTRY: IRAN								
2660034	2661128[illegible]34	INDUSTRIAL SERVICES EDUCATION	55	58	280	C	147	147
2660059	2661129[illegible]59	PART TRNG PROG	64	66	290	C	90	90
COUNTRY: ISRAEL								
2710003	2711127[illegible]03	EXEC DEV	59	63	270	C	277	277
2710007	2711124[illegible]07	EXP MARKET INST	55	62	240	C	79	79
2710008	2711124[illegible]08	TOURISM	59	62	240	C	83	83

Table 9: AID projects with S&T components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
2710007	2711170007	IND MIN & TRANSP	55	62	270	C	131	131
2710015	2711130015	DEV OF SEL IND	52	62	230	C	712	712
2710016	2711170016	MANAGT TRAINING	55	62	270	C	769	769
2710017	2711170017	INSP STAND QUAL CONT	57	62	290	C	266	266
2710019	2711130019	ENCOUR PRIV INVEST	59	63	930	C	187	187
2710022	2711170022	PROD PROJ	53	62	270	C	91	91
2710033	2711130033	CHEMICAL IND	52	59	230	C	72	72
2710034	2711130034	CERAMICS IND	52	59	230	C	19	19
2710035	2711130035	FOOD PROCESSING	53	58	230	C	29	29
2710036	2711130036	METALS INDUSTRY	53	57	230	C	16	16
2710037	2711130037	GLASS PROD	53	57	230	C	14	14
2710038	2711130038	TEXTILE IND DEV	53	59	230	C	25	25
2710039	2711140039	TOURISM SURVEY	55	56	240	C	55	55
2710042	2711170042	INDL PRODUCTIVITY	52	58	270	C	12	12
2710043	2711170043	IDL PLAN & DEVEL	53	58	270	C	3	3
2710044	2711170044	IDL AUDIT	53	58	270	C	81	81
2710045	2711190045	INDL DEVEL PLANG	56	60	290	C	74	74
2710132	2712240132	INDUST DEVELOP BANK	59	62	240	C	9992	9992
2710135	2712920135	INDUS DEVELOP BANK	61	65	930	C	9731	9731
2710136	2712240136A	DESALINATION POWER PL	63	65	240	C	2131	2131
COUNTRY: JORDAN								
2730007	2811170007	TECH ADV SELECT IND	52	63	290	C	409	409
2730049	2811240049	INDUST LOANS	54	54	240	C	100	100
2730060	2811290060	FIELD PROJ ASSIST	52	58	290	C	141	141

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	[illegible]	[illegible]	63	290	C	[illegible]	[illegible]
2780102	2781124010[illegible]	TOURISM DEVELOPMENT PROGRAM	60	69	240	C	2178	2178
2780105	2781129010[illegible]	INDUST INFO SERVICE	60	67	290	C	379	379
2780183		VILLAGE DEVELOPMENT ADV. SERVICES	75	80		C	14485	14485
2780202	2781123020[illegible]	OLIVE OIL STUDIES	52	53	230	C	10	10
2780203	2781124020[illegible]	DIRECTION AND ADMIN	52	53	240	C	4	4
COUNTRY: LEBANON								
2680025	2681127002[illegible]	INDUSTRY INSTITUTE	53	60	270	C	1335	1335
2680040	2681129004[illegible]	REST HOUSE	53	55	290	C	5	5
2680046	2681127004[illegible]	ADMIN OF INDUSTRY	53	54	290	C	19	19
2680048	2681129004[illegible]	ADMIN OF TOURISM	53	54	290	C	6	6
2680049	2681129004[illegible]	PROM OF TOURISM	53	54	290	C	6	6
2680054	2681123005[illegible]	SOLAR SALT	55	57	230	C	8	8
2680057	2681129005[illegible]	CEN OF INDUST ESTABL	55	57	290	C	30	30
2680061	2681124006[illegible]	IMPROV INDUSTRIAL PRACTICES	55	56	240	C	5	5
2680086	2681123008[illegible]	PROD QUALITY CONTROL	57	58	230	C	10	10
2680095	2681191009[illegible]	TRAVEL TRADE DEVELOP	58	60	910	C	54	54
2680131	2682692013[illegible]	DEVELOPMENT BANK	60	64	920	C	4522	4522
2680132	2682623013[illegible]	ALUMINUM PLANT		62	230	C	370	370
COUNTRY: LIBYA								
6700020	6701223002[illegible]	AGRIC PRODUCTS		58	230	C	950	950
6700060	6701129006[illegible]	INDUSTRY DEVELOPMENT	55	63	290	C	314	314
6700062	6701123006[illegible]	DEVELOP HAND INDUSTR	59	63	230	C	73	73
6700090	6701127009[illegible]	ASSIST TO MIN OF IND	62	71	270	C	463	463

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: JORDAN								
2630003	2631127 0003	ARTISANAL INDUSTRY	59	67	270	C	518	518
2630023	2631191 0023	NATIONAL ECONOMIC SURVEY	60	61	910	C	23	23
2630040	2631528 0040	IND MANAGEMENT ENG TRAINING	61	70	280	C	292	292
2630050	2631124 0050	TOURISM DEVELOPMENT	65	69	240	C	35	35
2630084	2631191 0084	INVESTMENT PROMOTION CENTER	67	68	910	C	36	36
2630104	2632692 01040	EXPANSION PRIVATE INDUSTRY	70	73	920	C	2153	2153
COUNTRY: SYRIA								
2760005	2762223 0005	MODERN INDUSTRIES		62	230	C	700	700
2760006	2762223 0006	INDUSTRIAL BANK	60	64	230	C	260	260
COUNTRY: TUNISIA								
6640006	6641528 0006	CERAMICS DEVELOPMENT	57	63	230	C	186	186
6640013	6641192 0013	INDUSTRY LOAN FUND ADVISORS	58	64	920	C	144	144
6640032	6641129 0032	INDUSTRIAL DEVELOPMENT SERVICE	58	65	290	C	259	259
6640050	6641127 0050	MINING SECTION CENTER	59	60	270	C	2	2
6640051	6641527 0051	INDUSTRIAL MANAGEMENT TRAINING	58	66	270	C	172	172
6640052	6641528 0052	PARTICIPANT TRAINING	58	67	280	C	280	280
6640080	6641128 0080	SPECIAL TRAINING OF ELECT ENG	58	61	280	C	3	3
6640112	6641528 0112	PRACTICAL EXPER ENG GRADUATE	59	61	280	C	10	10
6640130	6641129 0130	MODERNIZE TOPOGRAPHIC SERVICE	61	65	290	C	202	202
6640174	6641623 0174	SFAX-GAFSA CO	62	67	230	C	94	94
6640183	6642692 01830	INDUSTRIAL DEVELOPMENT BANK	61	66	920	C	4675	4675
6640184	6645223 0184	SOCIETE NAT FONTS DE CELLULO	64	67	230	C	63	63

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
6640103	6642020103	FERT FACTORY	65	67	230	F	[illegible]	[illegible]
6640205		ADK PRODUCTION-CEREALS	70	77		A	1413	1413
6640207	6642920207	NATIONAL AGRICULTURAL BANK	61	66	920	C	4656	4656
6640305		RURAL DEVELOPMENT	76	79		A	241	793
COUNTRY: TURKEY								
2770100	27711920100	AUDIO VISU SPECIA	54	56	920	C	22	22
2770171	27711270171	MANAGEM TRNG	55	56	270	C	4	4
2770276	27715290276	IND ALLOCATION SYS	55	60	290	C	53	53
2770280	27711290280	TURK STANDARDS	57	58	290	C	3	3
2770281	27711290281	HANDICRAFT DEV	56	60	290	C	71	71
2770285	27714230285	PRIVATE IND DEV	57	67	230	C	1731	1731
2770295	27711910295	FORMAT&FLOW OF CAPIT	57	57	910	C	4	4
2770318	27711270318	ETIBANK MANAGMNT TRNG	58	61	270	C	110	110
2770320	27711290320	PARTICIPANTS TRNG	59	60	290	C	8	8
2770330	27711270330	STATE ECONOMIC ENTERPRISE	59	67	270	C	820	820
2770338	27711290338	INDL DISTR FOR PRIVATE INDUSTR	63	67	290	C	153	153
2770340	27711290340	STAND INST LABR	61	65	290	C	52	52
2770354	27711290354	SMALL INDUS DEV	63	65	290	C	75	75
2770372	27715910372	INVST ENCRGMT FOR PRIVATE IND	62	69	910	C	1139	1139
2770375	27724920375	INDUST DEVELOP BANK LOAN I	58	64	920	C	9659	9659
2770378	27724230378	PRODUCTION OF CHEMICALS	61	67	230	C	2798	2798
2770381	27726230381	ERDEMIR STEEL PROJECT	61	69	230	C	129596	129596
2770384	27721290384	ELBAN-CIFCROZ STUDIE	63	66	290	C	314	314

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
2770387	277240200370	DEVELOPMENT BANK	64	67	720	C	4770	4770
2770393	277242300392	EXPANSION OF TIRE FA	64	66	230	C	2500	2500
2770392	277132700392	MNGT & TECHNICAL TRAINING	66	69	270	C	195	195
COUNTRY: YEMEN ARAB REPUBLIC								
2790023		PRE-DEVELOPMENT STUDIES	73	78		C	432	432
COUNTRY: YUGOSLAVIA								
1580008	158112300008	MEAT PACK MODERN	55	56	230	C	15	15
1580063	158112300063	MACHINERY	56	59	230	C	15	15
1580098	158112300098	LEATHER & FOOTWEAR	56	64	230	C	407	407
1580099	158112700099	INDUSTR MANAGEMENT	54	65	270	C	991	991
1580108	158112300108	COTTON TEXTILE	54	62	230	C	270	270
1580110	158112300110	PULP AND PAPER	54	64	230	C	258	258
1580112	158112300112	TOOLS AND DIES	56	61	230	C	331	331
1580113	158112300113	MANUF & PROCESS	58	59	230	C	23	23
1580114	158112300114	WOOL TEXTILES	57	61	230	C	211	211
1580118	158112300118	FOUNDRIES	52	63	230	C	254	254
1580123	158112300123	MACHINERY	58	58	230	C	7	7
1580125	158112800125	IND INFORM SERVICE	56	65	280	C	136	136
1580131	158112900131	TOURISM	59	62	290	C	44	44
1580147	158112300147	MACHINE BUILDING	61	62	230	C	23	23
1580150	158112800150	CHEMICAL INSTITUTE	61	62	280	C	56	56
1580151	158112800151	CHEMICAL INSTITUTE	61	64	280	C	78	78
1580165	158112300165	FOOD PROCESS INDUSTR	61	65	230	C	76	76

Table 9: AID projects with SSE components: Near East (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	FERTILIZER PLANT	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
1580206	1582223020 6	ZAHREB PLASTICS	60	67	230	[illegible]	[illegible]	[illegible]
1580207	1582223020 7	LISAK IRON WORKS	61	64	230	C	8500	8500
COUNTRY: TUNIS								
2900123	2901193012 3	TOURISM	60	61	930	C	11	11
2900127	2901192012 7	CONF ON DEVELOP BNKNG		64	920	C	26	26
2900170	2901191017 0	SYMP DEV CAPTL MARKE	64	66	910	C	18	18
2900220	2901127022 0	INDUSTRIAL DEVELOPMENT SURVEY	63	69	270	C	16	16
COUNTRY: N.E. REGIONAL-(DA)								
2980004	2981124000 4	TOURISM ADVISOR	59	62	240	C	28	28
2980005	2981129000 5	INDUSTRIAL TRADE SPECIALIZED	53	1 5	290	C	15	15
2980014	2981191001 4	REGIONAL INVESTMENT	53	57	910	C	29	29

Source: AID/DS/DIU Development Information System

investment encouragement, and studies directed toward identifying and reducing investment constraints.

Since 1974, it is evident that some attention has been given to the sector, particularly in Egypt, where several projects with SSE components have been initiated. One focuses on a major institution serving SSEs and seeks to improve the staff and institutional capabilities of the Development Industrial Bank through advice, training, improved management systems, and installation of equipment. In this way it is hoped that future SSE financing operations can be strengthened and streamlined. Another program of modest proportions has been underway since 1979 with a secondary purpose of assisting rural agro-industries to produce appropriate technology equipment for use by small farmers. In addition, the USAID Mission hopes to carry out a project over the next year to develop a new strategy and specific interventions to promote a more vigorous and growing SSE sector. In Jordon, a village development advisory services project was initiated in 1975 and ended in 1980. Also, in Lebanon, it has recently been proposed to fund a three-year program to rehabilitate farms and small-scale enterprises destroyed during the Civil War as a means of supporting and encouraging resumption of normal conditions.

b. Evaluation of approaches

From this small sample and with little evaluative information at the disposal of the Devres team, it is not feasible to draw meaningful conclusions.

5. Asia and Pacific Islands

a. Summary of projects and approaches

In the last 30 years, AID has undertaken more than 240 SSE projects in the Asia and Pacific Island Region. SSE development, in recent years however, has been limited. Ninety-five percent of the 240-plus projects were initiated before 1974. As Table 10 indicates, over 50 percent of these projects were carried out in Korea and Taiwan. Another 35 percent were for SSE projects implemented in India, Indonesia, Pakistan, the Philippines, and South Vietnam. Nearly all of these were begun before 1974.

As can be seen from Table 11, which provides a listing of SSE projects undertaken in the region since 1952, emphasis was initially placed on larger-scale industrial development projects with an SSE component in a few Asian countries. Between 1952 and 1973, these projects generally supported larger-scale, often capital-intensive industries such as sugar and petroleum refineries, cement, steel and fertilizer factories, paper and textile mills. In addition, a number of industrial surveys and training programs were undertaken. Only a small amount of assistance was given to clearly smaller-scale enterprises such as cottage industries and handicrafts.

Table 10: AID projects with a small-scale enterprise component in the Asia Region, 1952 to present--by number of projects and amount obligated by country in the region[1]

Region	No. of Projects Before 1974	No. of Projects 1974 to Present	Total Number of Projects 1952 to Present	Amount Obligated Before 1974 (US$000)	Amount Obligated 1974 to Present (US$000)	Total Amount Obligated 1952 to Present (US$000)
Bangladesh	0	2	2	0	$70,645	$70,645
Burma	3	0	3	$ 1,575	0	1,575
India	25	0	25	75,252	0	75,252
Indonesia	12	1	13	6,319	6,500	12,819
Japan	4	0	4	4,769	0	4,769
Kampuchea	5	0	5	145	0	145
Korea	61	0	61	100,274	0	100,274
Laos	2	0	2	1,290	0	1,290
Nepal	5	1	6	2,283	4,031	6,314
Pakistan	19	0	19	55,040	0	55,040
Philippines	13	1	14	18,834	2,335	21,169
South Vietnam	13	0	13	15,086	0	15,086
Sri Lanka	2	0	2	883	0	883
Taiwan	65	0	65	52,633	0	52,633
Thailand	9	1	10	3,544	500	4,044
Asia Regional	2	0	2	1,939	0	1,939
TOTAL	240	6	246	$339,866	$84,011	$423,877

[1] The project information summarized in this table is drawn from the computerized records of the Development Information and Utilization Office of AID's Development Support Bureau. The key words used to pull data on small-scale enterprise projects were "small industry", "small business", "cottage industry", "rural industry", and "rural business". Despite the fact that the data base has some serious shortcomings, the figures here represent the most comprehensive statistical picture available from the Agency. For further details on the data base and problems associated with [illegible] see [illegible].

Table II: AID projects with SSE components: Asia

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: BANGLADESH								
3830071		RURAL ELECTRIFICATION	77	84		A	62700	40[illegible]
3830076		PVO COFINANCING II	80	84		A	1345	771
COUNTRY: BURMA								
4820102	482222230102	FORESTRY TIMBER EXTRACTION	57	59	230	C	642	642
4820103	482222230103	UNION BURMA RESEARCH INSTITUTE	58	67	230	C	858	858
4820110	482222230110	RICE MILL SPARE PARTS	58	58	230	C	55	55
COUNTRY: INDIA								
3860026	386122700026	INDUSTRIAL RESEARCH	54	65	270	C	2522	2522
3860026	386222700026	INDUSTRIAL RESEARCH	54	65	270	C	489	489
3860032	386112300032	SINDRI FERTILIZER	52	54	230	C	17	17
3860037	386152300037	IND TECH SERV	54	58	230	C	2056	2056
3860051	386152900051	IND PROG DEVP	57	59	290	C	154	154
3860087	386119400087	SMALL IND DEVP	58	63	940	C	807	807
3860099	386112300099	MACHINE TOOL IND	56	57	230	C	18	18
3860111	386112900111	NAT RES PROGRAM	57	58	290	C	10	10
3860115	386112700115	PROD COUNCIL	57	67	270	C	3837	3837
3860137	386112300137	LIME INDUSTRY	58	60	230	C	1	1
3860138	386112300138	STEEL INDUSTRY	58	59	230	C	17	17
3860142	386152920142	BANKING & INVEST	58	60	920	C	74	74
3860151	386112700151	ASST TO CSIR	58	61	270	C	19	19
3860163	386112300163	STEEL TRAINING	67	67	230	C	1225	1225
3860164	386159100164	INDIAN INVEST CENTER	60	68	910	C	568	568

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	INDUSTRIAL FINANCE OF INDIA	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	FERTILIZERS	59	60	230	[illegible]	[illegible]	[illegible]
[illegible]	[illegible]	INDUST CREDIT & INVESTMENT	61	66	920	[illegible]	4475	4475
[illegible]	[illegible]	BOKARO STEEL PLANT		63	230	C	[illegible]	[illegible]
[illegible]	[illegible]	DELHI CLOTH MILLS	62	66	230	C	3006	3006
[illegible]	[illegible]	NAPCO BEVEL GEAR OF INDIA	62	64	230	C	1723	1723
[illegible]	[illegible]	NATIONAL SMALL INDUSTRIES CORP	61	67	920	C	1540	1540
[illegible]	[illegible]	EXPANSION BALLBEARING PLANT	64	72	230	C	4246	4246
[illegible]	[illegible]	BOMBAY METHANOL PLANT	64	66	290	C	4836	4836
[illegible]	[illegible]	HINDUSTAN SHOVEL PRO	65	68	230	C	2772	2772
COUNTRY: INDONESIA								
4970010	497122300 10	SPINNING MILL	55	58	230	C	107	107
4970016	497119200 16	NATL FILM SERVICES	53	58	920	C	693	693
4970017	497112300 17	CONSUMER INDUSTRY	54	63	230	C	1332	1332
4970017	497112300 17	DEVEL TRNG INSTITUTE		61	280	C	318	318
4970020	497112300 20	PAPER PULP MILL	56	61	230	C	34	34
4970063	497119200 63	SUPPORT RADIO REPUB INDONESI	55	58	920	C	150	150
4970068	497119200 68	SYRACUSE AUDIO VIS	55	57	920	C	28	28
4970074	497119200 74	TRNG MASS MEDIA ED	55	57	920	C	20	20
4970089	497112300 89	CEMENT PLANT	56	61	230	C	781	781
4970124	497113700 24	INDUSTRIAL TECH CEN	60	64	270	C	269	269
4970173	497112300 173	TRAINING WITHIN IND	56	63	230	C	123	123
4970183	497224300 183	AUTOMOTIVE PARTS PLA		63	230	C	2429	2429
4970266		SCIENCE AND TECH/TECH ASSISTA 3/TRNG	78	83		A	6500	1443

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: [illegible]								
4880005	4881527000[illegible]	[illegible] PROD CENTER	55	64	270	C	714	714
4880007	4881327000[illegible]	WAYANA UNIV APPTL	55	63	270	C	752	752
4880014	4881529001[illegible]	LOAN REHAB STUDY	56	57	290	C	15	15
4880023	4881327002[illegible]	FFTO HARV [illegible] AUM	57	63	270	C	88	88
COUNTRY: CAMBODIA								
4470110	4421191011[illegible]	PUBLIC ADMIN	54	56	910	C	26	26
4470215	4421192021[illegible]	SMALL IND LOAN FUND	58	62	920	C	40	40
4470236	4421129023[illegible]	CONSTRUCTION STANDARDS IMPROV	59	62	290	C	35	35
4470239	4421123023[illegible]	DEV RURAL CRAFTS	59	61	230	C	20	20
4470240	4421195024[illegible]	INDEPENDENT DEVELOP SERVICES	60	67	950	C	24	24
COUNTRY: KOREA, REPUBLIC OF								
4890275	4891123027[illegible]	2ND FERTILIZER PLANT	56	61	230	C	43	43
4890280	4891523028[illegible]	INDUSTRIAL [illegible]	56	64	230	C	961	961
4890292	4891323029[illegible]	STRAW PULP PLANT	56	62	230	C	61	61
4890293	4891323029[illegible]	KOREA HANDICRAFTS	56	61	230	C	348	348
4890305	4891323030[illegible]	CAUSTIC SODA PLANT	56	61	230	C	7	7
4890306	4891323030[illegible]	CAUSTIC SODA PLANT	56	61	230	C	7	7
4890307	4891423030[illegible]	HARD BOARD PLANT	56	60	230	C	500	500
4890308	4891423030[illegible]	PAPER MILL	57	60	230	C	500	500
4890309	4891423030[illegible]	SILICON CARBIDE PLANT	56	59	230	C	170	170
4890310	4891423031[illegible]	[illegible] EARTHENWARE PLNT	56	60	230	C	462	462
4890311	4891323031[illegible]	PHARM PLANT	56	59	230	C	50	50
4890312	4891423031[illegible]	RUBBER HOSE PLANT	56	59	230	C	275	[illegible]

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
4890314	4891423 0314	DYEING FIN UNIT [illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
4890315	4891423 0315	OTHR [illegible] MFG CO	56	59	230	C	122	[illegible]
4890316	4891323 0316	PHARM PLANT	56	60	230	C	52	52
4890317	4891323 0317	PHARM PLANT	56	59	230	C	50	50
4890318	4891423 0318	FISHNET DAMING PLANT	56	58	230	C	100	100
4890319	4891423 0319	TEXTILE PARTS PLANT	56	59	230	C	202	202
4890320	4891423 0320	CHAIN MFG PLANT	56	59	230	C	111	111
4890321	4891423 0321	TEXTILE PARTS PLANT	56	58	230	C	214	214
4890324	4891423 0324	ICE PLANT & FREEZER	56	58	230	C	100	100
4890325	4891323 0325	PHARM PLANT	56	58	230	C	50	50
4890328	4891423 0328	SYNTHETIC FIBER PLNT	56	59	230	C	474	474
4890329	4891423 0329	PAPER MILL	56	60	230	C	420	420
4890330	4891423 0330	SPUN RAYON SPIN PLNT	56	60	230	C	1000	1000
4890331	4891423 0331	TEXTILE MILL PLANT	57	58	230	C	500	500
4890332	4891323 0332	GRAIN ELEVATOR	56	60	230	C	10	10
4890414	4891123 0414	SER & TNG CHINLAE FERTIL PLT	57	66	230	C	3734	3734
4890422	4891323 0422	TECH AID SMALL & MED INDUSTRY	56	57	230	C	47	47
4890444	4891323 0444	DEV DOM BLDG MTRL PL	57	62	230	C	99	99
4890455	4891423 0455	SMALL IND DEV	57	63	230	C	3807	3807
4890459	4891423 0459	MEDIUM IND DEV	57	64	230	C	8192	8192
4890492	4891123 0492	INDUSTRIAL DEV CNTR	58	62	230	C	150	150
4890497	4891123 0497	CHUNGKI FERTIL PLANT	57	59	230	C	63	63
4890503	4891223 0503	IND RESEARCH CENT	58	62	230	C	504	504
4890531	4891123 0531	DEMR OF INVENTORY RECORDS	60	61	230	C	36	[illegible]

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	[illegible]	61	[illegible]	230	C	[illegible]	[illegible]
4890564	489152305 64	MAX UTILIZATION EXIST PLANTS	61	66	230	C	2933	2933
4890565	489152305 65	EST NEW IND FOR IL	61	65	230	C	81	81
4890581	489152305 81	PART IND GOAL II	62	65	230	C	157	157
4890606	489152306061	INDUSTRIAL EXTENSION	63	71	230	C	194	194
4890607	489152306062	INDUSTRIAL TESTS AND STANDARDS	63	71	230	C	152	152
4890606	489152306063	INDUSTRIAL PLANNING	63	70	230	C	240	240
4890609		INDUSTRIAL DEVELOPMENT	63	74		C	1971	1971
4890614	489242306 14	TONG YANG CEMENT		61	230	C	2140	2140
4890616	489262306 16	CHUNGJU HYDRO FEAS		64	230	C	1115	1115
4890617	489242306170	ORIENTAL CHEMICAL	59	68	230	C	5178	5178
4890618	489262306180	KOREAN.RECONSTRUCTION BANK	60	66	920	C	5000	5000
4890619	489242306 19	KOREA NYLON	61	64	230	C	3130	3130
4890621	489242306210	HYUN DAI CEMENT	62	67	230	C	3987	3987
4890640	489242306400	HYUN DAE CEMENT PLANT	66	69	230	C	2977	2977
4890643	489242306430	DAEHAN SYN FIBER PLANT CONST	66	69	230	C	1650	1650
4890654	489159106 54	INVESTMENT PROMOTION	66	72	910	C	172	172
4890655	489242306550	NYLON FILAMENT PLANT	66	67	230	C	5810	5810
4890660	489249206590	MEDIUM INDUSTRIAL BANK	66	73	920	C	6921	6921
4890660	489249206600	KOREA RECONSTRUCTION BANK	66	72	920	C	11374	11374
4890666	489262306660	PRIVATE DEVELOPMENT	67	72	920	C	2891	2891
4890667	489262306670	MEDIUM INDUSTRY	68	73	920	C	11001	11001
4890670	489512306700	PROCURE SCIENTIFIC EQUIP	68	73	230	C	1856	1856
4890676	489262306760	A N COMPANY PROJECT	69	72	230	C	4999	4999
4890677		PRIVATE ENTERPRISE DEVELOPMENT	70	74		C	349	349

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: LAOS								
4[illegible]	4[illegible]1290053	INDUSTRIAL DEVELOPMENT CENTER	59	62	290	[illegible]	34	34
4[illegible]071		INDUSTRY DEVELOPMENT	67	74		C	1,456	1,456
COUNTRY: NEPAL								
367[illegible]030	367112[illegible]0030	COTTAGE&SMALL INDUSTRY TRAING	58	66	230	C	95	95
367[illegible]032	367112[illegible]0032	NASIC SURVEY	60	64	290	C	2	2
367[illegible]033	367559[illegible]0033	NEPAL IND DEV CORP	56	72	910	C	1577	1577
367[illegible]033	367559[illegible]0033	NEPAL IND DEV CORP-AID LOANS	63	63	910	C	420	420
367[illegible]083	367119[illegible]0083	INDUSTRIAL DISTRICT	60	67	940	C	189	189
367[illegible]113		SEED PRODUCTION AND STORAGE	73	83		A	4031	393
COUNTRY: PAKISTAN								
391[illegible]007	391112[illegible]0007	FERTILIZER FACTORY	58	64	230	C	12781	12781
391[illegible]033	391122[illegible]0033	INDUSTRIAL TRNG CENT	54	62	230	C	892	892
391[illegible]038	391112[illegible]0038	MANUF INDUST ALCOHOL	55	59	290	C	3	3
391[illegible]041	391112[illegible]0041	ADMINI OIL COMPANIES	55	59	270	C	5	5
391[illegible]045	391112[illegible]0045	OFF SET PRINTING	55	59	240	C	1	1
391[illegible]052	391112[illegible]0052	INDUST DEVELOP SURVE	55	62	230	C	435	435
391[illegible]059	391112[illegible]0059	INDUSTRIAL ADVISORY	55	59	290	C	40	40
391[illegible]064	391119[illegible]0064	TRADE AND INVESTMENT	55	59	910	C	37	37
391[illegible]065	391129[illegible]0065	AUDIO VISUAL AID	55	62	920	C	291	291
391[illegible]074	391112[illegible]0074	INDUSTRIAL TECH ASSIST CENTER	59	67	230	C	2233	2233
391[illegible]086	391112[illegible]0086	INDUST PRODUCTIV CEN	56	62	230	C	243	243
391[illegible]093	391522[illegible]0930	PICI DEVELOPMENT BANK	60	67	920	C	21434	21434

Table II: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	SURV INDUST ORD FACT	58	62	230	[illegible]	[illegible]	[illegible]
3910107	391122[illegible]0107	FERTILIZER PLANT	57	62	230	[illegible]	10000	10000
3910137	391119[illegible]0137	INVESTMENT ADVISORY CENTER	62	72	910	C	1385	1385
3910236	391522[illegible]0236	WAH INDUSTRIES	62	69	230	C	4720	4720
3910258	391162[illegible]0258	E PAK SMALL INDUSTRIES DEVELOP	67	72	240	C	324	324
3910333	391159[illegible]0333	INVESTMENT CORP OF PAKISTAN	67	72	910	C	106	106
3910345	391119[illegible]0345	FINANCIAL LEGISLATION IMPROV.	71	73	950	C	56	56
COUNTRY: PHILIPPINES								
4920035	492112[illegible]0035	IND. DEV. CEN.	54	68	270	C	2021	2021
4920073	492112[illegible]0073	IND RESEARCH	55	68	280	C	393	393
4920101	492112[illegible]0101	ENGINEERING LAB	58	58	280	C	37	37
4920123	492112[illegible]0123	PRE-LOAN SURVEY	61	68	290	C	319	319
4920157	492112[illegible]0157	HANDICRAFT DEV	51	54	230	C	11	11
4920158	492112[illegible]0158	IND CONSULT	52	54	270	C	39	39
4920170	492229[illegible]0170	SM INDUSTRY LOAN FUND	59	68	920	C	2588	2588
4920172	492242[illegible]0172	PULP & PAPER MILL	59	66	230	C	5396	5396
4920173	492242[illegible]0173	CEMENT PLANT	59	67	230	C	3580	3580
4920174	492242[illegible]0174	INDUSTR. EXPLOSIVE PL.	61	62	230	C	331	331
4920178	492112[illegible]0178	ECONOMIC DEVELOPMENT FOUNDATIO	65	70	270	C	329	329
4920191	492119[illegible]0191	UNIV IND EXTENSION	65	68	950	C	14	14
4920236		PROVINCIAL DEVELOPMENT	68	77		C	3776	3776
4920303		DIOCL. INTEGRATED RURAL DEVELOPMENT	73	82		A	2305	992

Table II: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: VIET NAM(SOUTH), REPUBLIC OF								
7300000	7301129000	TECH SUP IND MNG DIV	54	56	290	C	20	20
7300076	7301129007	PROG SUPPORT FUNDS	55	60	920	C	109	109
7300101	7301129010	IND MNG ADM SUPPORT	55	56	290	C	20	20
7300106	7301191010	ADMIN SUP TRADE DIV	55	57	910	C	36	36
7300168	7301123016	PAPER IND SURVEY	57	60	230	C	18	18
7300169	7301523016	SUGAR IND SURVEY	57	58	230	C	30	30
7300170		INDUSTRIAL DEVELOPMENT	57	76		C	13868	13868
7300171	7301523017	CEN IND SURVEY	57	59	230	C	542	542
7300216	7301123021	CEM PLT ENGRG SVY	59	59	230	C	44	44
7300217	7301529021	DEVELOPMENT OF TOURISM	59	62	290	C	32	32
7300229	7301528022	SUGAR TECHNICIAN TNG	60	62	280	C	210	210
7300310	7301193031	CAM RANH CITY INDUSTRIAL DEVEL.	66	70	930	C	99	99
7300376	7301195037	INDUSTRY GENERAL SUPPORT	67	72	950	C	58	58
COUNTRY: SRI LANKA								
8330004	8331527000	IND. PRODUCTIVITY	56	64	270	C	877	877
8330030	8331529003	MANUFACT. TRNG.	63	65	290	C	6	6
COUNTRY: TAIWAN								
4840046	4841223004	UREA PLANT	52	62	230	C	8833	8833
4840047	4841223004	HUALIEN NITRO CHALK	55	59	230	C	303	303
4840048	4841223004	LASC EXPANSION	51	57	230	C	38	38
4840052	4841423005	HIGHBRAIN PAPER MILL	55	59	230	C	701	701
4840053	4841423005	HSINCHU WINDOW GLASS	52	57	230	C	38	38

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	TAIWAN [illegible] CO EXP	[illegible]	[illegible]	[illegible]	C	[illegible]	[illegible]
4840055	484142300055	CHINA TEXTILE CEMENT	55	59	230	[illegible]	[illegible]	[illegible]
4840056	484142300056	TA SHU SHAN LOGGING	55	61	230	C	641	641
4840057	484142300057	ART WOOD BOARD PLANT	56	67	230	C	1066	1066
4840058	484122300058	SUGAR REFINERY CENTRIFUGE	55	58	230	C	166	166
4840059	484122300059	SUGAR REFINERY GENERATORS	55	57	230	C	148	148
4840060	484122300060	SUGAR CANE TRANSPORT	55	58	230	C	167	167
4840064	484132300064	SYNTHETIC DETERGENT	55	57	230	C	60	60
4840065	484122300065	TAIWAN [illegible] CO EXP	54	59	230	C	597	597
4840066	484122300066	SALT FIELD MODERN		62	230	C	17	17
4840067	484112300067	PETROLEUM REFIN EXP	55	58	230	C	2	2
4840072	484142300072	ELEC MOTOR & SWITCH	57	59	230	C	337	337
4840074	484142300074	PINEAPPLE CANNING	55	58	230	C	94	94
4840077	484149200077	SMALL IND LOAN FUND	53	61	920	C	6587	6587
4840077	484249200077	SMALL INDUSTRIAL LOAN FUND		63	920	C	2483	2483
4840078	484112700078	MANAGEMENT CONTROL	52	55	270	C	7	7
4840079	484112700079	MAT STANDARDS CONT	53	63	270	C	160	160
4840081	484122900081	HEAVY CONST EQPT IMP	54	58	290	C	366	366
4840082	484112900082	AREA & RESOURCE SURV	52	55	290	C	10	10
4840091	484112300091	MECHANICAL LOGGING	55	58	230	C	4	4
4840092	484122300092	YEAST MFG	52	58	230	C	2	2
4840095	484112300095	ALUMINUM MFG	55	58	230	C	9	9
4840096	484142300096	DIESEL ENGINE MFG	54	57	230	C	73	73

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]	[illegible]	[illegible]	55	[illegible]	[illegible]	C	[illegible]	[illegible]
4840117	4841230117	[illegible]	55	57	230	C	[illegible]	[illegible]
4840146	4841191014[illegible]	FOREIGN TRADE INVEST	51	59	910	C	46	46
4840224	4841230224	[illegible]	55	60	230	C	466	466
4840226	4841230226	SUGAR PROCESSING TSC	55	58	230	C	2	2
4840230	4841527023[illegible]	INDL MANAGEMENT	57	60	270	C	10	10
4840231	4841423023[illegible]	CORRUGATED BOARD PLT	55	59	230	C	299	299
4840236	4841423023[illegible]	PAPER BOARD PLANT	55	58	230	C	296	296
4840281	4841223028[illegible]	PINEAPPLE DEV	55	61	230	C	720	720
4840306	4841223030[illegible]	SULPHURIC ACID PLANT	56	65	230	C	1425	1425
4840307	4841223030[illegible]	MODERN OF MILLS TSC	56	59	230	C	926	926
4840310	4841323031[illegible]	CHEMICAL PULP MFG	56	59	230	C	46	46
4840311	4841327031[illegible]	CHINA PRODUCTIVITY&TRADE CTR	55	67	270	C	431	431
4840312	4841127031[illegible]	IND RESEARCH INS	57	60	270	C	92	92
4840313	4841323031[illegible]	THERMAL POWER CAPACITY	56	63	230	C	542	542
4840357	4841123035[illegible]	FEED PROCESSING PLT	56	58	230	C	70	70
4840373	4841223037[illegible]	CHANGHUA BAGAS BOARD	54	58	230	C	185	185
4840389	4841129038[illegible]	STOCK EXCHANGE ADVI	57	59	290	C	4	4
4840399	4841423039[illegible]	LITHO PRINTING PLANT	57	61	230	C	587	587
4840411	4841223041[illegible]	BAGASSE SHAV BOARD	57	61	230	C	976	976
4840416	4841123041[illegible]	PETROLEUM REFINING	57	59	230	C	4	4
4840418	4841223041[illegible]	AL PLANT MODERN	57	62	230	C	621	621
4840419	4841223041[illegible]	SHOP IMP TRMG	57	60	230	C	229	229

Table II: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
4840420	484142304200	[illegible]	57	61	230	C	[illegible]	[illegible]
4840431	484112304311	IND TRAINING RETSER	58	60	290	C	76	76
4840493	484112304931	FASC IND EXPANSION	57	61	230	C	6	6
4840501	484122305011	NAOH & C. PRODUCTS	57	61	230	C	210	210
4840543	484262305433	CHINA DEVELOPMENT BANK	60	66	920	C	8730	8730
4840569	484152305699	INDUSTRIAL DEVELOPMENT SUPPORT	55	57	290	C	1343	1343
4840572	484119305722	INDL. & AGRI. SURVEY	60	65	930	C	169	169
4840573	484159305733	INDL. DEV. SURVEYS	63	66	930	C	209	209
4840578	484159105788	CAPITAL DEV. SUPPORT	59	67	910	C	457	457
4840579	484242305799	ASIA CEMENT CORP		61	230	C	2992	2992
4840580	484242305800	PIONEER CHEMICAL CO	59	69	230	C	1000	1000
4840581	484269205811	LAND BANK OF TAIWAN		62	920	C	683	683
4840582	484222305822	TAIWAN ALUMINUM CORP		63	230	C	1343	1343
4840587	484242305877	HSINCHU WINDOW GLASS	61	64	230	C	1516	1516

COUNTRY: THAILAND

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
4930023	493112300233	VEG OIL REFINING	55	58	230	C	7	7
4930024	493112300244	IND DEV PROG AID1	57	57	290	C	20	20
4930025	493112300255	INVESTM SURVEY	59	61	290	C	25	25
4930029	493112300299	HIGHW MAT SURVEY		60	290	C	16	16
4930127	493112301277	IND DEVEL SURVEY	60	65	290	C	131	131
4930128	493112301288	IND TECH ADV SERV	57	64	290	C	112	112

Table 11: AID projects with SSE components: Asia (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]		PRIVATE SECTOR DEVELOPMENT	[illegible]	76		[illegible]	[illegible]	[illegible]
4930232		PRIVATE CAPITAL DEVELOPMENT	72	76		C	426	426
4930248		HILL TRIBE RESEARCH FOOD	73	75		C	42	42
4930306		RURAL OFF-FARM EMPLOYMENT ASSESSMENT	79	81		A	500	309
COUNTRY:	ASIA REGIONAL							
4980012	498112980012	ASIAN FOOD ORG	60	68	290	C	1938	1938
4980165	498119980165	CATALOG OF INVEST OPPORTUNITY		67	950	C	1	1

Source: AID/DS/DIU Development Information System

Since 1974, only a handful of SSE-related projects have been initiated in Asian countries, including Indonesia, Pakistan, Bangladesh, Nepal, the Philippines, and Thailand. Of these projects, several have been aimed, primarily, at larger-scale enterprises, with very small SSE components, such as the Nepal Seed Production and Pakistan Fauji-Agrico Fertilizer Projects. Others, such as the Asia Regional Project--Extension of Small-Scale Agricultural Equipment have focused much more directly on the needs of very small-scale enterprises. (See Annex 3 for a brief description of these projects.) One of the reasons there have been fewer projects in the Asian region is that some of Asia's countries are among the least developed in the world. As a result, much of Asia does not have a favorable setting for extensive SSE development through there are many types of existing SSEs in the region that could use assistance. However, high illiteracy rates and a limited infrastructure outside of the major cities have made it difficult to promote many SSE projects.

The approaches taken with the majority of SSE projects identified in this Region involve strengthening the capacity of local government and/or government development institutions to reach small entrepreneurs. Projects have generally included a great number of diverse activities with SSE development as a small loosely-structured component. Examples of this type are the Nepal Rapati Zone Rural Area Development Project and the Indonesia Provincial Area Development

Programs I, II, and III. Another approach taken in Asia is the improvement of physical infrastructure that will benefit SSE. An example of this approach is the India Rural Electric Cooperatives Development Project, part of whose goal is to stimulate small agro-industry through electrification of rural areas. These projects are briefly summarized in Annex 3. Increasingly, projects directed toward SSE development in the region work through agro-industry to improve agricultural production through the manufacture of tools and implements expected to have an indirect effect on small-scale farmers. This is the case, for example, with the regional project, Extension of Small-Scale Agricultural Equipment, to be implemented in Thailand, India, Indonesia and the Philippines, and several others now in the design process.

There are plans to promote SSE (especially rural non-farm enterprise) in Bangladesh, Indonesia, and the Philippines in the future. Such projects include the Bangladesh Rural Industries and Indonesia Off-Farm Employment/Rural Industrialization projects now in the design process.

The Thailand, India, Sri Lanka, South Pacific, and Burma Missions have made decisions to forego further SSE development for the present. More specifically, the India mission made a serious review in 1980 to determine whether they should undertake work in SSE development and concluded that neither the mission nor the Government of India was in a position at this time to pursue further work in

this area. This can be partially attributed to an increasing emphasis on the promotion of agriculture and rural development activities. Limitations of budget and staff and government investment priorities are also cited as reasons for limiting SSE development at this time.

b. Evaluation of approaches

Evaluation documents for SSE projects in the Asia and Pacific Island Region have not been available for this study. As several of the projects will be terminated in the next few years they might be prime candidates for impact evaluation studies.

6. Other

a. Summary of projects and approaches

In addition to the projects operated by the Regional Bureau and Country Missions discussed above, AID has used a variety of centrally initiated and managed activities as vehicles to support and promote SSE. These, some of which are listed in Table 12, have been done through a variety of project modes including:

- Matching (development) Grants to U.S. PVOs with programs of their own design to support SSE;
- 211(d) or similar institutional development grants to U.S. universities to build capacity to support developing country development of employment-creating activities including SSE by the conduct of pilot studies and programs and the development of networks with similarly interested institutions in developing countries;
- Support of research, pilot studies and evaluations to build a knowledge base through grants to non-profit institutions with experience in the SSE field;

Table 12: AID projects with SSE components: Centrally funded

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
COUNTRY: INTERNATIONAL TRAINING								
9220002	92411290002	FOR TECH SVC IND		67	290	C	20	20
9220019	92411270019	INDUSTRIAL MANAGEMENT SEMINAR		66	270	C	23	23
9220020	92411270020	INDUSTRIAL MANAGEMENT TRAINING		66	270	C	115	115
COUNTRY: TECHNICAL ASSISTANCE								
9310139		RURAL DEVELOPMENT	72	77		C	850	850
9310142		EMPLYMT GENERATION THRU SMALL SCALE IND	73	78		C	800	800
9310438	93117290438	COSTS OF URBAN INFRASTRUCTURE	65	68	290	C	257	257
9310290		SMALL INDUSTRY GRANTS	74	79		T	825	825
9311090		APPROACHES WITH THE URBAN POOR	78	80		A	1563	932
9311343		AGRIBUSINESS RSSA	79	82		A	754	439
COUNTRY: POPULATION AND HUMANITARIAN ASSISTANCE								
9320001		INTL EXECUTIVE SERVICE CORP (C)	64	82		A	59171	55171
9320002	93211920002	FH DEVEL PROGRAM	68	69	920	C	85	85
9320002	93211950002	FOR TECH-SERV ENTERP PASA		69	950	C	80	80
9320029		TECHNOSERVE SMALL ENTRPSE ASST-TNS (AAG)	72	78		C	996	996
9320034		INST INT L DEVEL INC - IIDI (AAG)	72	78		C	675	675
9320053		DEV PROG GRANT FOR TECHNOSERVE	74	78		C	905	905
9320090		DEVELOPMENT PROGRAM GRANT/IHEAS	77	80		C	574	574
9320103		DEVELOPMENT PROGRAM GRANT/IED	77	81		A	1000	990
9320743	93211290743	EXPORT SERVICES INC		69	290	C	121	121
9320902	93211290902	TECH SERV DOMINICA		69	290	C	245	245

Table 12: AID projects with SSE components: Centrally funded (continued)

PROJECT NUMBER	OLD PROJECT NUMBER	PROJECT TITLE	DATE STARTED	DATE COMPLETED	OLD TECH CODE	PROJECT STATUS	OBLIGATED TO DATE	EXPENDED TO DATE
[illegible]: PRIVATE AND DEVELOPMENT [illegible]								
[illegible]		INSTITUTE FOR INT'L DEVELOPMENT (PVO)	79	82		A	1011	[illegible]
9830141		PARTNERSHIP FOR PRODUCTIVITY PVO	79	82		A	441	390
9830145		TECHNOSERVE, INC (PVO)	79	82		A	1400	1100
9830146		ACTION INTERNATIONAL (AITEC PVO INC)	79	82		A	290	178
9830147		SALVATION ARMY WORLD SERVICES UPG	80	83		A	850	248
9830147		SALVATION ARMY WORLD SERVICES UPG	80	83		A	850	248

Source: AID/DS/DIU Development Information System

- Establishment of field support units through RSSA funding to assist missions in the design and evaluation of SSE activities (e.g., USDA in agro-industry);

- "Umbrella projects" to test or demonstrate innovative approaches to addressing the employment, income and service needs of poor urban or rural people including inter alia promotion of SSE (e.g., IIPUP);

- Grants to develop private contacts, communications and networks to promote new or develop existing SSE (e.g., the grant to the International Conference on New Enterprises - ICONE);

- Programs to extend "demonstration program" grants or conduct seminars and provide advisory services to receptive developing country institutions which have a role in the diffusion of ideas and knowledge valuable to promoting SSE and/or intermediate/appropriate technology in LDC's (e.g., National Academy of Science programs with similar scientific and engineering institutions in developing countries; National Bureau of Standards liaison with standards institutions overseas, etc.);

- Grants passed to Appropriate Technology International (ATI) which has evolved a system for technology diffusion through "commercialization" making substantial use of SSE and in the process developing such enterprises as well;

- Creation of intermediary institutions which have worldwide or inter-regional functional responsibility to facilitate or promote the development of SSE and/or institutions in developing countries with such functions (e.g., the proposed creation of an International Agro-Industrial Services Center (IASC) and the long-established International Executive Service Corps (IESC);

- Conduct of programs directed primarily at other objectives but using SSE's as vehicles and in the process strengthening the SSE sector where such work was undertaken (e.g., central programs for commercial distribution of contraceptives in developing countries via "kiosk" of other SSE's, similar programs for basic medicinal substances distribution as a health delivery technique or for foods to improve nutrition).

In this rather wide-ranging variety of ways the Central Bureaus of AID have provided support, developed pilot programs, conducted research or strengthened institutions with multi-regional impact in support of SSE both directly and indirectly. Such programs have been sponsored by various offices in DSB and in PDC (and their predecessors). They reflect a variety of program objectives. In some cases, SSE is a primary project purpose and the activity was aimed directly at SSE promotion. In a larger number of cases, SSE development was only an ancillary purpose or was not targeted at all but was only an incidental beneficiary. Many of these have broken new ground, identified novel approaches or tested ideas that could be adapted and applied more widely. (See Annex 3 for details.)

b. Evaluation of approaches

(1) The matching grant mode: Where PVOs have a program concept and a track record there appears to be considerable merit in providing a centrally-funded OPG to permit the Agency to approach various potential countries to initiate pilot efforts. They can often point the way and facilitate work which will later be funded by other means to support SSE within the country strategy as a means to expand output, employment and incomes. Many such new starts have evolved in that way with apparently favorable development impact.

(2) The institution - building model: There appear to be a number of instances where developing country and/or U.S. institutions

have been developed with the capacity to provide long-term and/or advisory inputs which are essential to the continued success of SSE promotion. Those investments apparently have succeeded best where the institution had clearly defined long-term objectives and target groups of beneficiaries and where careful evaluation was conducted to insure effective reaching of the targets. Otherwise it is relatively easy to concentrate too heavily on internal results and lose sight of the desired long-term external impact.

(3) The umbrella pilot model: Specific evaluations are lacking to give a clear view of actual impacts achieved. As a ground-breaking/testing model, however, with a significant evaluation built-in to the project, it should provide a high pay-off at minimum investment to develop cost-effective means of attacking major future development problems including the role of SSE in integrated urban-oriented programs as in IIPUP.

(4) The intermediary institution model: Both institutions such as science and standards agencies which extend supportive services to SSE a those which have a primary function to promote SSE appear to be significant elements of a serious SSE-oriented strategy. This appears to be the case both at the country level and at the international level. A focus on these activities in a future impact evaluation would be advisable. However, as relatively little evaluative material has come to light in this overview survey, it is not possible to draw definitive conclusions at this time.

(5) The "incidental" SSE impact model: Projects which have been directed toward other objectives (e.g., health, family planning or nutrition) but use SSEs as a vehicle have probably had some favorable serendipitous impact on SSE and perhaps in some instances have been significant as SSE promoters. They are not likely, however, to have as much impact as desirable unless there are favorable policies and support systems consciously developed and/or assisted to give the SSE sector a clear road by which to perform the functions of which it is capable.

IV. APPROACHES TO SMALL-SCALE ENTERPRISE DEVELOPMENT--WORLD BANK

A. Description of Approaches

1. Introduction

Since 1975 it has been the policy of the World Bank (Bank) to direct an increasing share of its support for industrial development to assisting small-scale enterprises with the intent of generating more employment opportunities, especially in the urban areas.

Prior to 1975, only a very small percentage (about five percent) of World Bank lending for development finance companies (DFC's) was especially for SSEs, though other DFC and some industrial estate projects indirectly benefitted smaller firms.[1] In the last six years, the Bank has emphasized in its economic and industrial studies the importance of correcting past policies which tended to over-emphasize capital-intensive investment to the detriment of SSE development. As a result, it has gradually begun to give greater emphasis to assisting SSEs, including sole proprietorships and firms with a small number of employees.

The Bank has relied primarily on four approaches to assist SSEs--1) financial assistance through DFC's and other financial intermediaries; 2) technical assistance coordinated with a financial assistance package; 3) industrial estate development, and 4) general infrastructure development.

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[1] DFC is used by the Bank as a generic term that includes all types of intermediary institutions whose functions are to provide term finance (loan or equity) to non-agricultural productive enterprise in developing countries.

It now is considering and experimenting with various other approaches as well. Each of these four approaches is described briefly in the following sections.

2. Financial assistance through DFC's and other financial intermediaries

The Bank has a long history of providing financial assistance through development finance companies (DFCs) to promote enterprise-related activities, primarily in the manufacturing sector. Traditionally, the intermediaries, such as country development banks, have lent to large-scale enterprises which have used Bank financing to cover the cost of imported goods and services. Most of these conventional DFC loans have had stiff criteria and procedures for project evaluation and been of longer term duration at the Bank's normal interest rate. Such conditions often worked against the goal of SSE development. Thus, the Bank has begun to make some changes in its lending policies that would accomodate the special needs of SSEs.

In working with DFC's, the Bank is emphasizing its concern to increase the employment and income efforts of development efforts by:

> "(1) setting forth the rationale for assistance to SSEs, including the need to involve poor people more directly in the process and benefits of development;
>
> (2) urging DFCs to examine possibilities for labor-intensive options in their appraisal of subprojects;
>
> (3) soliciting their suggestions on effective means to promote application of appropriate technology and SSE development in their respective countries to which the Bank might make some contribution."[1]

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[1] Employment and Development of Small Enterprises, Sector Policy Paper, Washington, D.C., World Bank, February 1978, p. 54.

As the Bank has expanded its operations with SSEs, however, it has found it necessary to work through other intermediaries. In a few cases, a financing institution established specifically for the small- and medium-scale sector has been used. Commercial banks are also used with a rediscounting arrangement to cover major portions of any defaults. Other financial institutions such as workers' banks, savings and loan institutions, credit unions and people's banks have also been used by the Bank as useful intermediaries for channeling finance to smaller and less affluent firms.

3. Technical assistance

The World Bank's experience in providing technical and managerial assistance directly to SSEs is very limited. This is partly due to the preference of many countries for grants from other lending agencies, instead of World Bank loans, for technical assistance. In recent years, the World Bank has emphasized the need to provide technical assistance along with credit, though preferably through a separate agency that is closely linked with the financial intermediary. This combination of financial and technical assistance in SSE programs is being applied in a number of countries, particularly in the African and South Asian regions. The technical assistance provided in these packages include assistance in procurement of raw materials and access to equipment, surveys and development of support packages, information and advice on marketing, assistance with the technical aspects of production and

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organization, and training for entrepreneurs, their workers, and for the staff of participating intermediary institutions.

4. Industrial estates

The World Bank also finances industrial estate projects. In most cases, these projects have provided infrastructures for relatively large plants although often some units are intended for lease to smaller industrial firms. Since 1978, projects in Kenya, Mexico and Portugal have earmarked a specific component of industrial estate loans for infrastructure and factory construction for SSEs on the estates.

5. Infrastructure development

Used primarily in urban SSE projects, infrastructure improvements for SSEs often involve the provision of work areas or serviced sites and the construction of shops. In some cases, major business areas are designed with a combined residential/business arrangement for small-scale entrepreneurs. Often infrastructure assistance includes construction of municipal markets, sanitary systems, and storage areas for food products.

6. Other approaches

The World Bank is considering other approaches to help small enterprises in addition to those already directed to the needs of the modern manufacturing sector. These include developing direct institutional procurement for SSE's; encouraging subcontracting of small firms by large firms; broadening lending by conventional development finance companies to include loans to construction, transportation, trade, fisheries, repair facilities, organized and personal services, tourism, and other activities; providing working capital in addition to (or

instead of) fixed-asset finance; devising alternative means of loan security; and developing simpler lending criteria and procedures for the allocation of funds and loan supervision. Some of these approaches are being tried in recent SSE projects.

B. Institutional Responsibilities for SSE Development

The development of SSE programs and projects is carried out by four main organizational units within the Bank--Central Projects Staff, Regional Offices, Development Policy Staff (research) and the International Finance Corporation (IFC). Two project-oriented units with primary responsibility for SSE promotion and project development--1) Industrial Development and Finance (IDF) and 2) Urban--are located within both the Regional Offices (as divisions) and the Central Projects Staff (as departments). Some efforts are made to coordinate SSE activities among these organizational units and departments within the Bank as described below.

1. Central Projects Staff

Central Projects Staff have three major functions relating to SSE projects: First, they provide operational support and advice to their respective regional offices, including, on occasions, participating in SSE missions. Second, they maintain quality control, by ensuring that SSE documents properly reflect World Bank policy. This is done at the early, conceptual stage of a project's development. Third, they develop policy guidelines for the regional offices such as new

policy objectives or a new program emphasis.

As noted earlier, the Industrial Development and Finance (IDF) and Urban Departments of the Central Projects Staff are the most involved in carrying out these three major functions in the SSE area. However, the Agricultural and Rural Development Department of the Central Projects Staff has been involved also, although it has sponsored only a few SSE projects. It has combined operational and advisory responsibilities, though some of the operational activities are passed on to the regional agricultural divisions depending on the size of both the project and a division's staff. Its lending programs, which are components of larger rural development projects, support small non-agricultural enterprises. They are usually located in the provincial towns and cities, making some of the recent urban SSE components in secondary cities very similar to the rural development ones. Despite having few actual projects, however, the Agriculture and Rural Development Department has been instrumental in guiding government policies on rural SSEs in a number of countries.

2. Regional Offices

The various Regional Offices conduct the operational aspects of SSE projects. This is where a project is identified, initiated, appraised and supervised during implementation. Within each Regional Office are two divisions dealing with SSE projects--Industrial Development and Finance and Urban.

The Industrial Development and Finance Divisions in the Regional

Offices conduct most of the Bank's SSE lending with individual loans of around $20 million or higher. The IDF's SSE projects are primarily loans to financial intermediaries. In the earlier years, this SSE lending was done only as part of a general loan to a Development Finance Company (DFC) project. (A DFC project is considered to have an SSE share if it either has a component earmarked for SSEs or more than twenty percent of the general DFC loan is expected to go to SSE projects.) In recent years, these SSE loans have increasingly become projects in themselves. SSEs have benefited also from IDF's Industrial Estate Development projects. IDF's projects are usually national or regional in scope, and some focus on enterprises of a certain subsector (or subsectors), such as leather goods production. Many of the projects benefit both small and medium enterprises.

SSE lending by the Urban Divisions of the Regional Offices is geared to promoting small business development. These departments cater to enterprises not only in industry, but in the trade and services sectors as well. This lending is focused on employment-generating components of general urban development projects. SSEs benefiting from these components, the micro to small-scale enterprises, are usually smaller than those reached by the IDF's projects. The components are largely pilot efforts, however, and therefore the loan amounts are comparatively small (by Bank terms), ranging from $30,000 to $12 million. This excludes the few urban industrial estate project components which run

between $31 million and $72 million.

Urban SSE loans were applied, initially, only to the very large cities. In recent years, primarily for those countries on their second or third urban loan, the loans focus on the smaller, secondary cities that are supported by the surrounding agricultural sector.

The Urban Divisions are quite new since urban activities in the Bank have been regionalized only since 1979. The last urban divisions will be assigned in July 1981 to the Eastern Africa and the Western Africa Regional Departments. Some of the SSE activity done in Regional Offices is guided by the corresponding departments in Central Projects.

3. Development Policy Staff

Research on SSE development and on related policy issues is done in two divisions of the Development Economics Department of the Development Policy Staff--Economics of Industry and Urban and Regional Economics. The former is currently undertaking a major research project on SSE development, involving large collections of data from several countries. The IDF Department in Central Projects Staff works closely with this office on SSE matters and its members have participated in research panels that determine the kind of SSE research to be done. The Urban and Regional Economics Division prepares short research or policy studies on urban-related SSE issues as requested by the Urban Department of Central Projects Staff.

4. International Finance Corporation (IFC)

The fourth participant in SSE development is the International

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Finance Corporation (IFC). Its contribution includes subloans providing small lines of credit ($1-2 million) for SSE development to commercial banks in such diverse countries as the Dominican Republic, Kenya, the Phillipines, Sri Lanka, and Thailand. It also funds several venture capital companies (e.g., in Spain and the Phillipines) for small and medium industries and finances a company that leases equipment to SSEs in Thailand. IFC's method of operation is not suited to small-scale lending. Therefore, the Corporation's involvement in this area has been small by Bank standards with annual loans of $10-20 million.

5. Coordination of SSE activities

Coordination of SSE projects within the Bank occurs primarily between the IDF and Urban Departments at the Central Projects level and between the corresponding divisions at the regional levels. The offices keep each other abreast of SSE project experiences and of new projects to be undertaken that concern other participants. Expertise and other support elements are provided across departments, including an occasional IFC participant on Urban Projects' missions. For those urban SSE components involving technical assistance and a credit scheme, the IDF Department is often requested to give expertise, advice and approval. Specific SSE project activities of mutual concern are frequently coordinated between offices. At least one SSE project in Mauritania is being conducted jointly by the IDF and Urban Divisions in the Western

Africa Regional Office. In other cases, an urban development project will omit an SSE component if an IDF project will be benefiting the same enterprises. IFC and the IDF Department are also working cooperatively on several SSE projects involving IFC's funding of venture capital and leasing companies.

C. Regional Experiences

1. Introduction

Despite the World Bank's rather recent emphasis on SSE development, it has committed a sizable amount of money to SSE loans over the years. During the fiscal years 1972-76, World Bank lending for SSEs amounted to only $180 million. Since FY 1977, SSE lending has increased from about $50 million in FY '77 to about $300 million in FY '81, an increase in DFC committments especially for SSEs from roughly 5 percent to 30 percent of total I.D.F. lending.

World Bank lending for SSEs has been concentrated primarily in two regions--East Asia and Pacific and Latin America and the Caribbean. Both the East Asia and Pacific region and the Latin America and Caribbean regions have received over $300 million in Bank funds for SSE development since 1962. (See Table 13.) The Europe, Middle East and North Africa (EMENA) region and the South Asia regions have the next largest concentration of Bank SSE lending with total loans of roughly $160 million for EMENA and roughly $100 million for South Asia. Africa has received the smallest amount of Bank loans for SSE development of

Table 13: World Bank lending for SSE development, fiscal years 1962-1981, by region and number of projects[1]

Region	Number of Projects	Total Amount of SSE Loans (US$ millions)
Africa	32	$ 52.5
Asia		
South Asia	12	68.2[2]
East Asia and Pacific	19	308.4[3]
Europe, Middle East, and North Africa (EMENA)	14	162.6[4]
Latin America and Caribbean	32	262.3[5]
TOTAL	109	$ 854.0

[1]The following data, derived from Tables 14-17, represents a fairly comprehensive but not definitive number of Bank SSE project.

[2]Total loan amount is for only 9 of the projects. Data for the other 3 projects was not available.

[3]Total loan amount is for only 17 of the projects. Data for the other 2 projects was not available.

[4]Total loan amount is for only 13 of the projects. Data for one project was not available.

[5]Total loan amount is for only 24 of the projects. Data for the other 8 projects was not available.

all the regions, about $50 million, even though it is one of two regions with the greatest number of Bank's SSE loans.

The size of loans for SSE projects vary by region. The individual African loans, for example, tend to be quite small. Half are below $1 million, and the other half primarily in the $1 million to $3 million range and with a few no larger than $10 million. The Latin American and Caribbean region, with the same number of Bank SSE loans as Africa, generally has larger loans with a lower range concentration between $1 million to $7 million and eight projects between $14 and $60 million. Individual SSE loans in the East Asia and Pacific region are generally the largest, with most of the loans falling within either the $15-55 million range and the $5-10 million range. The loans for the Europe, Middle East, and North Africa region are either quite small (less than $2 million) or very large (between $25-40 million), with two falling in the middle. South Asia's loans concentrate in the $1 million to $7 million range with two no larger than $30 million.

The Bank's SSE loans in all regions except Africa have been generally successful in terms of the disbursement of funds by the financial institutions. These loans have been effectively channeled to SSEs primarily through commercial banks. Disbursements have been made within the time frame given and according to the criteria specified in the loans. Due to the effectiveness of the financial institutions, the demand for funds by the SSEs has increased. The technical assistance components

of these loans have not been as successful in that their implementation have been frequently delayed.

The SSE programs in Africa have not done as well as other regions, for both the financial and technical assistance components. Implementation has been ineffective, disbursements of funds have been poor, and SSE demand for these funds low. The uncertainty of achieving successful results from African SSE loans may account for the smaller total SSE lending for this region and for the smaller sizes of the individual loans.

2. Latin America and the Caribbean[1]

SSE loans for the Latin American and Caribbean region are basically credit programs using the commercial banks and development finance companies as intermediaries. Technical assistance plays a very minor role, if any. The Colombian Second Small-Scale Industry Project is an example of this approach. Of the US $42 million cost of the project, US $41.9 million is to be used by the government-owned development finance company for relending to small manufacturing firms. Only $.1 million is to be used for technical assistance.

There are about thirty-two Bank SSE loans (completed and on-going) for the Latin America and Caribbean region (see Table 14). Twelve of these are sponsored by the regional office's Industrial Development and Finance Division and the IDF Department in Central Projects. IDF's

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[1] A more complete description of projects mentioned specifically by name in this section can be found in Annex 4.

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean[1]
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Bolivia	1978	Urban Development	17.0	3.0		Special line of credit for artisans and small-scale entrepreneurs; 142 industrial/commercial plots.	
Brazil	1979	Medium-sized cities	70.0	4.5		Industrial infrastructure; technical assistance to small firms and cooperatives; manpower training.	
	1979	Pernambuco Rural Development	40.0		Small non-farm enterprises; less than 10 employees, fixed assets below US$12,000 and owner-income under US$480 per month.	Technical assistance and training to 2,700 small and non-farm enterprises.	
	1981	State of MINAS GERAIS: Second Rural Development	63.0		Small non-farm enterprises: less than 10 employees, fixed assets less than US$13,905 and annual sales less than US$27,810.	Technical assistance to 1,100 small non-farm enterprises.	
	1981	CEARA: Second Rural Development	56.0			Technical assistance to 1,100 small-scale non-agricultural enterprises.	

[1] The following list is a compilation of project information obtained from various sources in the World Bank. Though not a definitive list, it is fairly comprehensive given the difficulties in obtaining information.

[2] Loan amounts marked with an asterisk are loans directed only to small and medium enterprises.

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (Cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Colombia	1975	First Small-Scale Industry	5.5	5.5		$5 million for on-lending to small firms and $500,000 for technical assistance to CFP and to subborrowers.	Corporación Financiera Popular (CFP)
	1977	Second Small-Scale Industry	15.0	15.0			
	1978	Urban Development	24.8	3.2		Employment and Productivity unit to provide training and technical assistance in management marketing and planning; productive credits to artisans and SSE.	
	1979	Second (Cartagena) Urban Development	13.5	0.3		Employment and Productivity Unit to improve skills of workers and managerial competence of small entrepreneurs.	
	1980	Third Small-Scale Industry	32.0*	18.2	SSE: Firms with assets less than US$300,000 MSE: Assets less than US$650,000.	US$5 million for firms with assets less than US$100,000 outside major metropolitan areas. US$13.2 million for SSE.	Corporación Financiera Popular (CFP)

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Ecuador	1980	Urban I	31.0	4.3		Expansion of already active SSE program in Guayaquil area.	
	1980	Guayaquil Urban Development					
	1980	Small-Scale Enterprise Credit		20.0	Firms with assets less than S/8.75 million (US$350,000).	Cost per job US$8,700.	Commercial banks through Rediscount Fund in CFN (Corporación de Fomento Nacional) and BCE (Central Bank of Ecuador)
El Salvador	1975	Sites and Services I	8.5	--		Construction of 12 markets; provision of pilot loan fund for small industries.	
	1977	Second Urban Development	12.7	1.9		Small business extension scheme, including provision of credit, technical assistance; training and small industrial/commercial sites; loans for working capital, tools, equipment and workshop construction/improvement; 400 combination residential/commercial plots.	

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Guatemala	1977	Earthquake Reconstruction	20.0	2.8		Provision of 6 ha of commercial sites for small businesses; extension of credit to producers of building materials.	
Haiti	1981					Small-scale enterprise project.	
Honduras	1979	Industrial Credit					
Jamaica	1974	Sites and Services Development and Credit	1.9	1.9			
	1979	Small-Scale Enterprise Development		7.0	SSE assets less than US$20,000. MSE assets less than US$100,000 (land and buildings excluded).	Two programs. Credits channelled through Commercial Banks and directly through SEDCO. Expected average capital cost per job US$8,000, maximum for eligibility US$10,000.	Small Enterprise Development Corporation (SEDCO)

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Mexico	1977	National Rural Development Program (PIDER)		14.0		(1) US$9 million for investment credits to industries owned by groups of ejidatarios, small farmers, and the landless, (2) US$3 million for investment in small village industries, (3) US$2 million for technical assistance to rural industries.	Guarantee Fund for Development of Agriculture, Livestock, and Agriculture (FONDO); PIDER.
	1978	Lázaro Cardenas Conurbation Development	16.5	2.6		Establishment of a credit line for productive activities and construction of complementary industrial premises.	
	1978	Small and Medium Industry Development		47.0	SSE: Assets from Mex$50,000 to Mex$3.5 million (US$2,200 to US$154,000). MSE: with assets from Mex$3.5 million to Mex$40.0 million (US$154,000 to US$1,762,000).	Project has four main components: (1) credits, (2) equity capital, (3) industrial estates, (4) technical assistance. Maximum credit through FOGAIN US$200,000, equity financing through FOMIN US$150,000. Expected average capital cost per job US$7,000-US$10,000.	FOGAIN Rediscounting and Guarantee Fund. FIDEIN Industrial Estate Development Organization. FUND Equity Investment Fund

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Mexico (cont.)	1980	Urban II	160.0	16.4		Credits for SSEs, informal sector, industrial zones and technical assistance.	
	1980	Second Small- & Medium-Scale Industry Development	100.0*	60.0	SSE: Assets of Mex$50,000 (US$22,000) and Mex$5 million (US$200,000). MSE: Assets to Mex$40 million (US$1.78 million).	FOGAIN will rediscount loans up to US$290,000. Estimated lending to SSE 60% or US$60 million. Average cost per job US$13,000.	Commercial banks through FOGAIN (Rediscounting and Guarantee Fund), also FOMIN (Equity Investment Fund), and FIDEIN (Industrial Estate Development Organization).
	1980	Small- & Medium-Scale Mining Development	40.0*	25.0	Small mining enterprises are those with annual production value less than Mex$20 million (US$0.8 million). Medium mining enterprises those with less than annual production value Mex$150 million (US$6.[illegible] million).	Expected lending to small mining enterprises US$25 million. Cost per job US$7,000 in small mines, US$12,000 in medium mines.	Comisión de Fomento Minero (CFM)
Nicaragua	1974	(Earthquake Reconstruction) --Sites & Services Development & Credit		2.5			
	1980	Urban Reconstruction	22.0	3.2		Financing rehabilitation of small-scale enterprises.	

Table 14: World Bank lending for small-scale enterprise--Latin America and Caribbean (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Panama	1979	COFINA (DFC)	15.0	1.0	SMI: total investment of less than US$1 million.	Component of US$1 million out of US$15 million loan. Average capital cost per job for whole loan US$17,000.	Corporación Financiera Nacional (COFINA).
	1980	Urban I	35.0			Construction of general purpose industrial park.	
	1981	Industrial Credit (COFINA)					
Peru	1976	Urban Sites & Services Development	35.0			Development of 63.5 ha on an industrial site; 161 combination housing/ commercial plots.	

small-scale enterprise assistance for this region seems to be a recent effort, as half of the loans have just started in the past two fiscal years, 1980 and 1981. Most of these IDF projects are solely for the SSE sector, (or a part of this sector as in Mexico's Small- and Medium-Scale Mining Development Project), reflecting the recent trend in the Bank's SSE lending. A few projects are SSE components of larger loans as in Panama and Honduras.

The Urban Projects Department of Central Projects, and only recently the urban regional divisions, has been quite active in SSE development in Latin American and Caribbean as well. Fifteen of the urban development projects for this region have components focusing on urban SSEs, with loans ranging from $0.3 million to $16.4 million. Peru's Housing and Commercial Sites and Services Component and El Salvador's Small Business Support Component represent two types of urban SSE projects. The emphasis in the Peruvian project is on infrastructure development through the provision of combined housing/commerical plots and buildings on same site for small businesses. The El Salvador project focuses primarily on the provision of credit to small businesses.

The Agriculture and Rural Development Department of Central Projects and the Latin American/Caribbean Regional Office's agriculture division has at least four rural development projects with SSE components in this region. The one in Mexico, National Rural Development Program (PIDER), represents one of the Department's more comprehensive efforts in SSE assistance-involving both financial and technical assistance

to rural industries. Another three are in Brazil and only provide technical assistance to the rural small enterprises. The SSE component of Brazil's Rural Development Project provides technical assistance and training to 2,700 small non-farm enterprises.

The two countries in this region benefiting the most from Bank SSE lending are Colombia and Mexico. Colombia is on its third small- and medium-scale enterprise loan and its second urban SSE loan. Much of Colombia's success is due primarily to the effectiveness of its financial institution in disbursing funds to the small and medium enterprises. Mexico has benefited from six SSE loans--three are IDF projects specifically for the SSE sector, two are larger urban projects with SSE components, and one is a component of a rural development project.

3. Africa[1]

There are about 32 SSE loan (completed and on-going) for the two African Regional Offices. (See Table 15.) Nineteen of these are IDF projects, twelve are urban projects with SSE components and one in Mauritania is a joint IDF-Urban project. More than half of the IDF projects are in fact small SSE components of larger projects with component loans of less than $3 million. A few are SSE projects in their own right with an average of $8 million per loan.

The twelve urban SSE project components range in size from $.03 million to $.9 million and involve primarily the provision of land for worksites and the construction of shops for these sites. Very little is done in technical assistance or credit. For example, the SSE

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[1] A more complete description of projects mentioned specifically by name in this section can be found in Annex 4.

Table 15: World Bank lending for small-scale enterprise--Africa[1]
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Benin	1980	Industrial Development	10.0*	2.6	SSE: Projects costing less than CFAF 50 million (US$238,000).	At least US$2.6 million for small-scale and labor-intensive investments. Up to US$6.0 million for medium-scale industries. US$1.4 million to finance technical assistance. Capi-cost per job expected for SSE US$7,200 and for medium-scale enter-- US$19,500.	(BBD) Banque Beninoise pour le Developpement.
Botswana	1978	Second Urban	8.0	0.4		Market, vending shelters, infrastructure for local and district commercial centers, low-cost industrial areas for small-scale entrepreneurs.	
Burundi	1980	Urban I	15.0	0.8		Artisans promotion: - technical assistance - training; training of apprentices - credits.	

[1] The following list is a compilation of project information obtained from various sources in the World Bank. Though not a definitive list, it is fairly comprehensive given the difficulties in obtaining information.

[2] Loan amounts marked with an asterisk are loans directed only to small and medium enterprises.

Table 15: World Bank lending for small-scale enterprise--Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Cameroon	1976	Small- and Medium-Scale Enterprises	3.0	1.5		Credit, technical assistance to DFC and subborrowers	Majority government-owned. DFC Banque Camerounaise de Developpment (BCD).
Gambia	1978	Rural and Urban Enterprises		0.4		Expected average capital cost per job US$4,000.	Gambia Commercial and Development Bank for financing IDEAS (Indigenous Business Advisory Scheme) for technical assistance.
Ivory Coast	1979	Artisans, Small- and Medium-Scale Enterprises		6.0	Medium-scale investments less than 1 million.	Expected average capital cost per job US$9,300. Project will finance special funds for artisans of US$1 million and technical assistance as well as training for CCI staff.	CCI (Credit de la Côte d'Ivoire).
	1977	Urban Development I	44.0	0.4		12 ha. set aside for shopkeepers, artisans, small entrepreneurs.	Office de Promotion de l'Enterprise Ivoirienne (OPEI) local technical assistance agency, credit de la Côte d' Ivoire - local financial intermediary.
	1976		5.6	5.6		Strengthen and broaden OPEI activities, provide funds to credit de la Cote d' Ivoire for on-lending to SSE.	

Table 15: World Bank lending for small-scale enterprise--Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Ad Loans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Kenya	1978			10.0	Assets less than Ksh 3.0 million (US$362,500 approximately).	Expected capital cost US$3,700.	Kenya Industrial Estates.
	1977		2.0	1.0		IFC loan; managerial advice and credit to small and medium entrepreneurs.	Commercial banks.
	1975	Sites and Services	16.0	0.1		Construction of 400 market stalls.	
	1978	Second Urban Project	50.0	0.9		Provision for commercial activity and small industries. Including space for 350 kiosks, 1,850 market stalls, 950 serviced sites for small indus and loans for construc on of workshops.	
Lesotho	1980	Urban I	6.0	0.045		Construction of two markets. Provision of serviced plots for workshops and retail outlets. Building material loans to small businesses for construction of shops. Loans for purchase of machinery, other equipment, raw materials and working capital.	
	1977		2.5	0.3		Institution building of BEDCO to finance foreign exchange costs of SSE projects.	Basotho Enterprises Development Corporation (BEDCO)--wholly owned subsidiary of the government-owned DFC.

Table 15: World Bank lending for small-scale enterprise--Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Liberia	1977		7.0	2.0			
Mali	1979	Urban Development	12.0	0.5		4 retail markets; artisans lots and loans; development of local building materials industry.	
	1980	Industrial Sector Development	8.0	1.2	SSE: Fixed assets less than MF 100 million (US$230,000).	Line of credit was US$3.5 million, US$1.225 million earmarked for artisans and SSE. US$2.4 million for technical assistance and training. Total loan US$8 million. Remaining US$2.1 million on-lent to government-owned enterprise--ULB. Expected average cost per job US$7,000 for the artisan/SSE subloans.	Through Central Bank to be on-lent to three commercial banks.
Madagascar	1980	Bankin' Ny Indostria (BNI)		0.5	SSE: Fixed assets below FMG 15 million (about US$70,000).	Component within US$5.0 million project. Expected average capital cost per job US$20,000 for all lending in project.	Bankin' Ny Indostria (BNI).
Mauritania	1979		8.0	3.0		Component for artisans within urban development project loan of US$8 million. Expected capital cost per job US$2,600 for artisans and US$18,000 for industries.	Mauritania Development Bank for SMI (BMDC). Promotion Organization for Artisan Credits (OMAT).

Table 15: World Bank lending for small-scale enterprise--Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Mauritius	1980			1.0	SSE: Fixed assets less than R 100,000 (US$16,000).	Component within US$5.0 million. Expected capital cost per job of SSE component US$900. Lending mostly to informal sector artisans with less than 5 employees.	Development Bank of Mauritius (DBM).
	1973	Industrial Estates Development & Export Processing Zone	4.0	2.0		Supports small- and medium-sized exporting firms in the modern sector.	
Niger	1978	Industrial & Artisan Sector Employment Creation		3.0	SSE: Assets below CFAF 30 million (US$125,000). MSE: Assets less than CFAF 300 million (US$1,250,000).	Expected average capital cost per job US$6,000. 40% of credits researched for project with capital cost per job below US$5,000. Present project average US$18,000 capital cost per job.	Banque de Developpement de la Republique du Niger (BDRN). Project to support creation of Office for Promotion and Technical Assistance of Niger Enterprises (OPEN).
Nigeria	1980	Urban Project I	17.8	0.4		Development of industrial estate (7 ha): 51 (400/1200 m^2) plots; 30 people employed per plot. Technical assistance to small building contractors.	
Rwanda	1977		4.0	1.0			
Senegal	1977		4.2	0.2			
Somalia	1977		5.0	2.0			

Table 15: World Bank lending for small-scale enterprise--Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary institutions
Swaziland	1977 (approved 1981)	Nat'l. Industrial Development Corp. of Swaziland (NIDCS) & its Subsidiary, the Small Enterprise Denett Company	5.0	0.3			
Tanzania	1975	Nat'l. Sites and Services	8.5	0.1		Construction of 11 markets.	
	1978	Second Nat'l. Sites & Services	12.0	0.8		Small Industries Development Organization ($100) to administer experimental programs of assistance to existing and new small-scale industries, to include serviced sites for 150 workshops, credit for equipment and technical assistance to SSE, cooperatives and artisans.	
Upper Volta	1978	Urban Development	8.2	0.03		Construction of 6 markets.	
	1978	Artisan, Small- and Medium-Scale Enterprise	5.0	4.0	Artisan assets up to US$3,000. Employment up to 10. Small-scale assets US$3,000 to US$100,000. Employment 11 to 30. Medium-scale assets US$100,000 to US$400,000. Employment 31 to 150.	Three component--artisans US$400,000, small-scale enterprises US$1,450,000, and medium-scale US$1 million. Capital cost per job below US$5,000. Present average capital cost per job US$13,000.	Banque Nationale de Development (BND). Office de Promotion de l'Enterprise Voltaique (OPEV) for technical assistance. Centre National de Perfectionnement des Artisans Buraux (CNPAR).

Table 15: World Bank lending for small-scale enterprise—Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institution:
Zambia	1975	Lusaka Squatter Upgrading & Site & Services	20.0	0.2		Construction of 17 markets; creation of 16 small industrial reserves (43 ha) within and on the periphery of the project area.	

component in the Upper Volta Urban Development Project only involves the construction of six markets for small and medium enterprises and artisans. However, in this case, this project is closely linked to the Upper Volta Artisan, Small- and Medium-Scale Enterprise Project which provides both credit and technical assistance.

Generally, for both the Eastern and Western Africa Regional Offices of the Bank, the basic approach to African SSE development is the provision of an integrated package of financing and technical assistance. Lines of credit are provided through development banks and technical assistance through promotion agencies. These latter agencies are created especially to assist the small-scale indigenous enterprises. This "package" approach is used in the Upper Volta Artisan, Small- and Medium-Scale Enterprise Project and in the Cameroon Small- and Medium-Scale Enterprise Project. Unlike the Latin America and Caribbean SSE program, the African one involves large portions of technical assistance. The SSE component of Tanzania's Second Sites and Services Project involves a relatively high level of technical assistance. In some cases, it comprises about half of an SSE loan. It is believed that countries in their early stages of industrial development would find such levels of technical assistance beneficial.

The Bank's SSE experience in Africa has not been satisfactory. Projects have encountered difficulties in a number of areas including the lack of experienced local staff in both the financial institutions and promotion agencies to impelement projects, the small number of viable projects actually prepared, few entrepreneurs with good business skills, and inconsistent application of sound criteria by the financial institutions in appraising subprojects. The poor performance of these SSE projects is attributed to the fact that Africa's SSE sector is so fragile and so informal that interventions of assistance cannot be handled.

4. Europe, Middle East, and North Africa[1]

The Regional Office for EMENA has conducted fourteen SSE loans, with another expected for Egypt. (See Table 16.) Of the ten IDF loans, half of them are small SSE components with component loan amounts of $0.3 million to $1 million. These were all initiated in the early stages of the Bank's SSE program (FY 1976-FY 1979).

The Bank's recent trend towards loans with a total SSE emphasis is reflected in the IDF's four later projects, initiated between FY 1979 and FY 1981, with loans ranging from $25 million (the Moroccan Integrated Project for Small-Scale Industry Development) to $45 million (the Portuguese Small- and Medium-Scale Industry Development Project). The tenth IDF loan is an SSE industrial estate development project implemented in 1974.

The region's four urban projects with SSE components have loans

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[1] A more complete description of projects mentioned specifically by name in this section can be found in Annex 4.

Table 16: World Bank lending for small-scale enterprise--Europe, Middle East, and North Africa[1]
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Cyprus	1979		5.0	1.0	Employment 4 to 39.	Component within general loan of US$5 million.	Cyprus Development Bank.
	1976		6.0	0.8			
Egypt	1978	Urban Development	14.0	1.4		Loans for small businesses; technical ssistance and training; vocational and accelerated training.	
Jordan	1980	Urban Development	21.0	1.7		The project includes (i) serviced sites for shops and workshops, some with preconstructed core units, (ii) loans to small businesses for workshop construction, equipment and working capital, (iii) vocational/training centers for males and females, and (iv) extension services for small businesses.	
	1976		4.0	0.3			

[1] The following list is a compilation of project information obtained from various sources in the World Bank. Though not a definitive list, it is fairly comprehensive given the difficulties in obtaining information.

[2] Loan amounts marked with an asterisk are loans directed only to small and medium enterprises.

Table 16: World Bank lending for small-scale enterprise--Europe, Middle East, and North Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSI or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Morocco	1979	Integrated Project for Small Scale Industry Development		25.0	Very small firms with total assets after expansion under US$125,000. Small firms with total net assets after expansion between US$125,000 and US$625,000. Also medium-size firm with total assets after expansion up to US$1.25 million with costs per job created or maintained under Dh. 35,000 (US$8,750). Cost per job in first two categories US$10,000.		BNDE to be channelled through selected Commercial Banks.
	1978	RABAT Urban Development	18.0	4.4		Creation of small-scale business promotion unit to provide technical assistance in marketing, production and management; provision of developed land and credit for building construction, equipment purchase, and working capital; vocational training center for 360 men and women; separate facility for training 250 women.	

Table 16: World Bank lending for small-scale enterprise--Europe, Middle East, and North Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Portugal	1979	Small and Medium Scale Industry Development		45.0	Total investment costs excluding land not more than US$500,000 (maximum US$1 million for expansion or modernization projects).	Eligibility limited to investment costs for job created and maintained not more than US$20,000. Exceptions for SMI project exporting over 50% of output. Includes an industrial estate component.	Ten Commercial Banks and Development Banks and Banco Fomento Nacional and CCD (Caixa Geral) rediscounted through Fund in the Central Bank, Banco de Portugal, and supported with guarantees and technical assistance by IAPMEI.
Tunisia	1978		30.0	5.0	Total project cost below US$460,600 for SSI component.	Pilot SSE component. Estate expected capital cost share job for SSI US$7,000 but eligibility up to cost per job below US$10,700.	Banque de Development economique de Tunisia (BDET). Government Fund (FOPRODI) will channel SSI component through Commercial Banks.
	1981	First Small Scale Industry Devett Project	35.0	35.0			
	1979	Second Urban Development	19.0	0.0		Loans for workshop improvement and construction; extension services; vocational training.	
Turkey	1981	Labor Intensive Industry	40.0	40.0			
	1977		74.0	1/			

1/ portion below $250,000 in fixed assets will be small.

Table 16: World Bank lending for small-scale enterprise--Europe, Middle East, and North Africa (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank loan[2]	Loan Amount for SSE or Artisan	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Yemen Arab Republic	1974	Industrial Estates Development	2.3	2.3		Physical development and institutional arrangements for industrial estate, technical assistance to estate authority and subborrowers, long-term credit through YBRD.	Yemen Bank for Reconstruction and Development (YBRD).

ranging from $0.7 million to $4.4 million. An example of these components is the Small-Scale Business Assistance component in Tunisia's Second Urban Development Project that provides small business loans, extension services and vocational training to both artisans and small businesses.

5. Asia[1]

a. South Asia

The South Asia region has had about 12 SSE loans. (See Table 17.) Three of the ten, sponsored by the IDF regional division and IDF Central Projects Department, represent the Bank's first attempts in SSE assistance. The IDA credit to Pakistan of $6.5 million in FY 1962 is the Bank's earliest explicit attempt to stimulate SSE investment. The project encountered significant problems but demonstrated some important lessons in SSE assistance. An IDA credit to East Pakistan in FY 1970 was disrupted by the Civil War, but was reactivated in 1972 to Bangladesh. The SSE project in India in FY 1973 was the first to use state-level institutions as intermediaries.

After these first attempts, further SSE development efforts were not undertaken in this region until only recently, from FY 1978 to present. These recent loans are for SSE-focused projects, involving $6.5 million, $7 million and $16 million each, again reflecting the recent upward trend in the Bank's lending for SSE development.

The approach to SSE assistance in South Asia is quite different from those taken in the other regions. SSE projects focus primarily

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[1] A more complete description of projects mentioned specifically by name in this section can be found in Annex 4.

Table 17: World Bank lending for small-scale enterprise--Asia[1]
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank loan[2]	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
South Asia							
Bangladesh/ Pakistan	1970/ 1972	East Pakistan Small Industries Corporation	3.0	3.0		Original Scheme (1970); credit and technical assistance; reactivated scheme (1972) after the war; credit only.	East Pakistan Small Industries Corporation (EPSIC)
Bangladesh	1978	2nd Small Scale Industry		7.0	Fixed assets not exceeding TK 1 million (US$ 63,000 approximately).	Less than US$3,000 capital cost per job.	BSCIC (Bangladesh Small and Cottage Industry Corporation for promotion and extension and help to cottage industry. Two commercial banks for subloan financing.)
	1981	3rd Small Scale Industry					
India	1977	Madras Urban Development	24.0	1.5		Preparation of 9.5 ha commercial & 11.4 ha. industrial land; provision of training, equipment & about 100 training-cum-worksheds to create 5,000 jobs. $1.6 million for workshed construction & machinery loans for small industries; $800,000 for training, equipment and sheds for cottage industries.	Small Industry Development Corporation and local banks. $1.6 million for workshed construction and machinery loans for small industries; $800,000 for training, equipment and sheds for cottage industries.

[1] The following list is a compilation of project information obtained from various sources in the World Bank. Though not a definitive list, it is fairly comprehensive given the difficulties in obtaining information.

[2] Loan amounts marked with an asterisk are loans directed only to small and medium enterprises.

Table 17: World Bank lending for small-scale enterprise--Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
India	1978	Second Calcutta Urban Development	87.0	3.2		10 ha industrial and 3 ha commercial land, together with 50 industrial sheds; 200-400 loans for small-scale enterpreneurs: 16 ha made available for tanks, drying areas, and cattle compounds to secure commercial needs of 1,700 washermen and 500 fishermen.	
	1973/ 1976		65.0	30.0		US$25 million credit in FY 1973 and US$40 million loan in 1976 to on-lend 18 State Financial Corporations.	Industrial Development Bank of India (IDBI)
Pakistan	1962	Industrial Estates Development	6.5	6.5		Purchase and development of 2 estate sites, and support for industrial consultants to help manage the estates and appraise estate - located investments.	
		Industrial Development Bank of Pakistan					
	1981	Small Industries					

Table 17: World Bank lending for small-scale enterprise—Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for Sub-Ln Activities	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Sri Lanka	1978		8.0	0.8	Fixed assets less than Rs. 1 million (US$64,000).	Small component within loan of US$8.0 million estimated cost per job US$ 4,800.	Development Finance Coporation of Ceylon (DFCC).
	1979	Small & Medium Industry		16.0	Assets with less than Rs. 1 million (US$64,000).	Small Industry Credit Guarantee scheme to be operated for sub-loans refinanced by the SMI Fund. In most SMI sub-sectors incremental fixed cost per job is expected to average under US$1,000.	National Development Bank (NDB) (Small and Medium Industry Fund) refinancing through five major credit institutions.
	1975		4.5	0.2[1]			
East Asia & Pacific							
Indonesia	1978	Small Enterprise Development		40.0	Net worth not to exceed Rp. 20 million (US$48,000) and current assets Rp. 10 million (US$24,000).	Limited to Central and East Java and West Sumatra.	KIK/KMKP Program through State and Private Commercial Banks. Program administered through Bank Indonesia.
	1979	Yokyakarta Rural Development					
Korea	1975	Secondary Cities Regional	15.0	6.5		Fishery harbor complex; development of serviced industrial sites for auxiliary services to fishing industry; construction of a city market complex	

[1] This is the portion earmarked. More of the general loan is also expected to be used for SSE projects.

Table 17: World Bank lending for small-scale enterprise--Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Korea	1981	Second Gwangju Regional	65.0	30.1		Construction of two industrial estates in Gawnju & Mogpo cities which will provide nearly 200 ha of serviced industrial land. Nearly 16,000-20,000 employees are expected to work on these estates. Nearly 6,500 households in the fisher sector will benefit through the agriculture credit scheme and the shrimp storage facility.	
	1978		110.0	10.0	Assets not exceeding US$250,000.	US$10 million component of loan for US$110 million to KDB to be used for on-lending to finance leasing projects meeting labor intensity (US$6,000 per job) and SMI criteria.	Korea Development Bank (KDB). Korea Industrial Leasing Corporation Limited (KILC).
	1978	Small & Medium Bank I		55.0	Assets less than US$ 250,000 before loan.	Expected capital costs per job US$9,000. Loan may finance larger projects with capital costs per job below US$6,000.	Small and Medium Industry Bank.
	1980	Small & Medium Bank II	60.0	25.0	SSE: Fixed assets not exceeding US$ 300,000.	Component of US$25.0 million earmarked for SSE projects at cost per job not greater than US$8,500. Medium-scale subborrowers are limited either by total asset size--approximately US$1 million--or 300 employees.	Small and Medium Industry Bank.

Table 17: World Bank lending for small-scale enterprise--Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
Korea	1980	Citizen's National Bank		30.0	Industrial mining and transportation firms with less than 100 employees/construction and service firms less than 20 employees.	Maximum subloan limit US$400,000. Expected average capital cost per job US$8,000.	Citizens National Bank (CNB).
	1977	Korea Development Bank	82.5	7.5			
	1976		30.0	15.0		Loan to MIB mainly for modern, medium-sized firms, though expected to have significant impact on smaller companies.	Medium Industry Bank (MIB) government-owned intermediary designed to meet needs of smaller to medium-sized firms.
Philippines	1976	Manila Urban Development	32.0	1.8		Development of 9.2 ha. Industrial/commercial estates; technical, managerial services and credit facilities for small businesses; skills training in construction, business management and accounting.	National Housing Authority (NHA); commercial banks; Department of Industry.
	1979	Second Urban Development	32.0	5.0		Provision of 55.3 ha of serviced land for income generation and employment purposes; markets, technical assistance, loans funds; 3 ha serviced land for cottage industries within residential areas.	

Table 17: World Bank lending for small-scale enterprise--Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
	1980	Third Urban Development	72.0	6.6		Comprehensive effort involving technical solutions to improve the incomes, productivity and employment opportunities for the urban poor living in or close to ZIP and and MMINUTE area. Assistance with marketing, management, buildings and equipment and provision of small amounts of working capital, land and servi-es and manpower training to micro and small businesses and productive coops and associations.	
	1975	First Small Industry Development	30.0	15.0		Four components: (1) US$ 15 million for on-lending to SSE by DPP, (2) US$12 million fund to guarantee up to 80% of loans made by commercial/private development banks, (3) US$2.3 million for on-lending to rural industrial cooperative through the Rural Electrification Authority, and (4) US$700,000 for direct bank support of regional technical assistance centers.	Commission on Small and Medium Industries, Department of Industry - coordinator; Development Bank of the Philippines (DBP); Rural Electrification Authority (REA); regional technical assistance centers.

Table 17: World Bank lending for small-scale enterprise--Asia (cont.)
(US$ millions)

Country	Date of Loan (FY)	Title of Project	Total amount of World Bank Loan	Loan Amount for SSE or Artisans	Definition of SSE	Project Description/ Other Remarks	Intermediary Institutions
	1975	Second Small and Medium Industries Development		25.0	As in previous project, SSE ₱ 100,000 to 1 million. MSE ₱ 1 million to ₱ 4 million.		Industrial Guarantee Loan Fund (IGLF).
	1978	Development Bank of the Philippines	80.0	30.0	Small industry assets from ₱ 100,000 - ₱ 1 million (US$13,600 - US$136,000). Medium-scale industry ₱ 1 million to ₱ 4 million (US$544,200).	Component within larger loan of US$80 million. Expected average capital cost per job US$3,600.	Development Bank of the Philippines.
	1978	Private Development Corporation of Philippines	30.0	5.0	Definition of small enterprise as above.	Estimated component within larger loan of US$ 30 million. Expected average capital cost per job of all the loan US$14,600.	Private Development Corporation of Philippines (PDCP).
Thailand	1978	Bangkok Sites and Services and Slum Improvement	8.6	0.9		Commercial and small-scale industrial areas; loans to small-scale businesses.	
	1980	National Sites Services	28.0			Loans to small businesses and industries in slums upgraded under project and establishment of a guarantee scheme for qualified applicants who cannot secure private guarantors; loans to small industries in sites and services developments. Technical assistance will also be provided to small industries in sites and services development.	

on the very small enterprises--the cottage industries and artisans. For example, the program in Bangladesh concentrates on SSEs serving local markets with only ten to fifty workers, on light industry and handicrafts for export, and on local rural enterprises with strong local markets and little land.

South Asia's IDF program involves four components with an emphasis on bringing the private sector more into SSE activity and reducing government involvement. The financial component involves providing credit to SSEs through commercial banks. This has proved to be quite successful. There are some projects that involve joint financial schemes between the Government and the commercial banks. The Sri Lanka Small and Medium Industry Project has a financing scheme involving the Development Finance Corporation of Ceylon and four private and public commercial banks. The finance component in the Bangladesh Second Small-Scale Industry Project involves two commercial projects.

The technical assistance components comprise about 30 to 40 percent of these SSE loans and are provided primarily through the private sector. The commercial services component for SSEs also is provided through the private sector. In one project, two companies were established (one in wool and the other in metal) to provide supplying services to SSEs, including both the storage and importation of materials.

The export and product funds component is designed to promote exports of cottage industries' and artisans' products. These funds

finance consulting services to these very small enterprises to help them enter the export market. These consulting services include advice on packaging improvements and on product quality, and marketability determination of SSE products in importing countries.

There are only two urban projects with SSE components for the South Asia region, both are in India and both focus on developing workshop areas and on technical assistance. The Madras Urban Development Project is one of these two. Plans are being made for more urban SSE components in the future. The small number of urban SSE loans is attributed to the few urban development projects in the region and to the assistance already given to the very small enterprises by the IDF division.

b. East Asia and the Pacific

There are roughly nineteen SSE loans for the EAP region. Eleven of them are IDF loans, seven are urban and one rural. Out of the total eighteen loans, fifteen are concentrated in only two countries--Korea has eight loans totaling $179 million and the Philippines has seven loans totaling $88 million.

Korea's financial institutions have been very effective in disbursing funds and assisting the small- and medium-scale enterprise sector, which accounts for the continuation of Bank SSE lending to this country. The ultimate beneficiaries of these loans, however, have been the larger enterprises.

The six IDF SSE loans to Korea are components of larger loans to the financial institutions, but the size of these components is

considerable, ranging from $7.5 million to $55 million. The Small and Medium Industry Bank in Korea, established specifically for the small and medium enterprise sector, is the recipient of three of these loans. The third Small and Medium Industrial Bank Project involves financing part of the institution's foreign currency commitments to the small and medium industry sector. The two urban SSE components for Korea are also sizable loans of $6.5 million and $30.1 million for industrial estates development.

The Philippines has a major World Bank SSE program as well. Of the four loans sponsored by the region's IDF division, two have sizable SSE components of $5 million and $30 million and the other two are large SSE projects of $30 million and $25 million, (as in the Second Small and Medium Industries Development Project), with possible plans for a third. The country is also on its third urban SSE loan, the livelihood component of the Third Urban Development Project, involving a package of infrastructure development, technical assistance, and credit to micro-enterprises in Manila. The Employment Promotion Component of the Second Urban Development Project (still ongoing) provides a similar package to small businesses and cottage industries in regional cities as well as Metro Manila.

Indonesia has received two SSE loans, an IDF SSE-focused loan, and a rural component loan. The fourth recipient of SSE loans in the East Asia and Pacific region is Thailand with two urban SSE loans.

D. Evaluation of IBRD Approaches

1. Introduction

Project evaluation materials covering specific experiences in SSE lending in relation to the approaches the Bank has taken in this area have not been readily accessible. A major evaluation study, called an interim assessment, currently is being done by the IDF Department in Central Projects. It is an assessment of the Bank's SSE lending based on the experiences of 10 SSE projects that were approved before June, 1979. This study, however, is not expected to be finished until early 1982.

There have been no major evaluations of the Bank's SSE efforts. Its program in this area and many of its projects are still quite new. There are, however, periodic reports on a project's progress, such as supervision back-to-office reports, which contain short-term evaluation material. These reports are for internal use only, however, and therefore are not accessible. The Bank, recently, has adopted the practice of preparing Project Completion Reports at a project's termination. These provide good evaluation material as they present a more thorough assessment of a project's progress and effectiveness. Very few of these reports have been done on SSE projects, however, because of its recent implementation and so few SSE projects have been completed since that time. Those that are done are not accessible.

2. Evaluation criteria

The Bank's basic measurement for success of its SSE projects is

how well the criteria stated in a project's appraisal report are met. The appraisal report therefore is the basis of a project's evaluation. Some of the criteria stipulated in these reports are the level, rate, and time-frame within which disbursements of funds to SSEs have been made by financial institutions. Another criterion is the level of success an institution has had in moving resources and in improving its executive capability. The level of a project's contribution to specified overall economic benefits is also a criteria. The Project Completion Reports are extended to reflect how these criteria have been met.

3. Evaluation findings

Despite the inaccessability of evaluation material or specific projects, some general evaluation findings were obtained from interviews with World Bank staff and from a paper presented in Paris at a World Bank/PVO workshop on SSE development.[1]

a. Institutional difficulties

Only a small proportion of World Bank SSE financing has reached the very small enterprises. This is due primarily to the financial institutions' inability and reluctance to deal with the high risks, high transaction costs, and difficult problems of logistics involved in SSE lending. The Bank's initial method of financing SSE

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[1] Much of the information presented here is summarized from, World Bank Assistance to Small-Scale Enterprises in Developing Countries, a paper prepared by the Industrial Development and Finance Department and presented at a World Bank/PVO Workshop on Small-Scale Enterprise Development and Related Fields. Paris: December, 1980.

through conventional DFCs (as the Bank has done for larger firms), proved not to be very effective, because of their unsuitability. They did not want to assume the high risks, their project appraisal and supervision procedures were unsuitable and expensive to handle large numbers of small firms, and their operations and staff were too centralized to reach these firms. For some DFC's, as in the case for the two in the Philippines, SSE lending resulted in higher number of arrears and defaults and greater administrative costs for the institutions. Some DFCs, therefore, had to establish a subsidiary, but separate, institution that had a different orientation and method of operation more conducive to SSE lending.

Financing through institutions established specifically for the small and medium sector (found in some World Bank SSE projects) was more successful in reaching these enterprises. The CFP in Colombia and SMOB in Korea, for example, both on their third Bank loan, have done extremely well in disbursing funds to the small and medium enterprises. Despite their success, however, the ultimate beneficiaries have often been the larger, relatively sophisticated, small enterprises.

The ideal institution to deal effectively with the high transaction costs and the necessary margins involved in SSE lending would have a widespread branch network, a decentralized pattern of decision-making and a staff adequately trained to exercise discretion within a system of practical and flexible procedures. The commercial banks possess some of these characteristics, such as branch networks, local

connections, and established organizations. Thus, they are able to spread part of the costs over a larger volume of a more profitable business. However, they are also highly risk averse, demanding on collaterial, and less concerned with the merits and prospective cash flow of a project. To encourage SSE lending by commercial banks, the World Bank has found it useful to provide: 1) rediscount facilities at concessional rates and 2) guarantees to cover major portions of any defaults. A fund is usually established in the Central Bank which rediscounts (and guarantees a major part of) the loans made by the commercial bank to the small firms. The Bank has found the rediscounting process to work fairly well. The guarantee funds have had more problems, largely because a guarantee scheme has not yet been developed that is both financially attractive to the commercial banks and is subject to adequate control to prevent the guarantees from being used to subsidize or cover up excessive rates of defaults.

b. Technical assistance

The World Bank's experience in providing technical assistance has not been wholly satisfactory. Many of the assistance programs have been poorly implemented and frequently delayed. The Bank believes this poor performance can largely be laid at the doorstep of public institutions in developing countries which may have inexperienced and poorly qualified staff who are unable to carry out their tasks effectively, such as preparing a sufficient number of viable projects, adequately identifying competent entrepreneurs and maintaining sound principles for

the appraisal of subprojects. Staffing these institutions with qualified indigenous staff is difficult, as the majority of them either maintain their own business or have emigrated. Providing foreign experts to supplement the local staff has not been effective because of the expense involved and the lack of reliable local staff to be trained to take over responsibilities when the advisor leaves.

Other means of providing technical assistance have been tried but with little success. Technical advisory centers, for example, established by some governments have not provided adequate services and are often so few that only a small portion of an SSE sector is served. The Bank has also found that SSE extension networks that provide advisory services to scattered firms are unsatisfactory because of the high personnel cost involved in employing many qualified extension agents.

In sum, the Bank has not yet identified a satisfactory formula for providing effective technical and management assistance, though it continues to search for new ways at acceptable costs. To this end, a project is being developed in Indonesia that will conduct a comprehensive survey and evaluation of the technical and institutional resources available in the country for providing the types of SSE assistance needed and that will recommend measures for improving their accessibility and efficacy.

c. Monitoring

The Bank has found that the SSE lending program requires much more

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time of Bank staff than is normally used. SSE projects take much longer to prepare and the supervision of these projects is more intensive. It is estimated that approximately 20 person-weeks a year per project are required to supervise and provide technical guidance to SSE projects. More time is required for these projects because they involve more organizations, they require a different method of operation than is normal for the Bank and the Governments involved, and because they have to be done well in order to achieve some positive results.

V. APPROACHES TO SMALL-SCALE ENTERPRISE DEVELOPMENT--OTHER FUNDING SOURCES

A. Private Voluntary Organizations

1. Introduction

The PVO community includes a number of organizations whose primary purpose is the promotion and development of SSE and others who engage in such programs as a means to some larger end (e.g., community, rural or urban development). In addition to support received from private donors, those PVOs most active in SSE development receive varying degrees of support, both quantitative and qualitative from AID.

These include:

- o Centrally-funded matching grants to: 1) PVOs whose primary objective is SSE; 2) PVOs which incidentally support SSE; or 3) agencies which provide supporting services to the above and other PVOs (e.g. PACT, CODEL, New TransCentury Foundation)
- o Regionally-funded umbrella projects such as AFR/RA's Accelerated Rural Learning Project;
- o Country-funded through: 1) Mission approved OPG's; or 2) Mission projects to support PVO activity such as FAAD in Ghana.

Centrally-funded AID Matching Grants in support of PVOs whose primary aim is the promotion of SSE include the following:

Bureau	PVO	AID Grant Amount ($ 000)
PHA	Technoserve, Inc.	545
PHA	International Institute for Development, Inc. (IIDI)	650
PDC	IIDI	1,011
PDC	Technoserve, Inc.	1,400
PDC	AITEC/Accion	450
PDC	Partnership for Productivity	673

In recent years, the International Executive Service Corps (IESC)

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has devoted a substantial share of its activities to "small enterprise" (those with fewer than 150 employees and invested capital from $50,000 to $3 million). It is therefore a major channel of support to SSE. Of this client group, just over 25 percent had sales of less than $1 million in 1976. Grants were made by AID to IESC each year from 1971 to 1976 averaging just over $4 million annually and constituting slightly more than 50 percent of the organization's resources.

There have also been eight OPG's extended by Missions for PVO activities with a primary or significant component of SSE and at least one Mission project using PVOs as a vehicle to support rural development including SSEs.

In these various ways, AID has supported the SSE sector activities of PVOs operating from different levels and in a wide variety of modes. The Devres team identified those which have placed their primary emphasis on SSE and studied their operations in some detail. Those selected for such study were: Technoserve, Inc., ACCION International / AITEC, Partnership for Productivity, Inc., International Executive Service Corps, and the Institute for International Development, Inc.

Brief discussions follow of the approaches taken by these PVOs, with indications of where various approaches have succeeded or failed in varying degrees.

2. PVO Approaches to SSE Development

a. Technoserve

Technoserve (TNS) is a private, non-profit organization

which works with low-income people and development institutions in Africa and Latin America. Its goal is to help improve the economic and social well-being of low-income people in developing countries through the self-help enterprise development process. Since it was started in 1968, TNS has assisted more than 150 enterprises in more than a dozen countries, the majority of which have been enterprises and cooperatives with a fixed assets range between $25,000 and $250,000. TNS assistance is always in response to local initiative.

Technoserve helps smaller-scale enterprises in several ways. Through its field offices in selected Latin American and African countries, TNS routinely carries out socio-economic surveys, pre-feasibility and feasibility studies before selecting and implementing viable projects. It has focused its management and organizational assistance efforts mainly, but not exclusively, on cooperatives and savings and finance institutions. In addition, TNS has also provided significant assistance to enterprises which carry out livestock and primary agricultural production activities. TNS works with cooperatives which generally serve enterprises other than strictly non-farm, small-scale enterprises. They serve businesses who deal with the processing and and marketing of the agricultural products of individual farmers. Examples of TNS projects dealing with non-farm SSE's include a small grocers' cooperative and a clothing factory, both in El Salvador.

In 1980, TNS received funds totalling $2.108 million, an increase of about $300,000 over 1979. Nearly 60 percent of Technoserve's

support comes from AID: AID/W (24 percent) and USAID Missions (34 percent). Other support comes from church organizations (11 percent), corporations, foundations and individuals, (14 percent) host country institutions (9 percent) and revenues generated from projects (8 percent). Technoserve has been the recipient of two AID matching grants, one in 1972 and one in 1979. (See Annex 5.)

Technoserve's approach to non-farm SSE development combines institutional development, supply of technical assistance and training. It strengthens savings and credit cooperatives which serve SSEs as well as individuals, in accounting, organization and management and investment strategies. A few development/finance intermediaries with which TNS has had contact include the Botswana Development Corporation, the Cameroon National Rural Development Fund, the El Salvador Small Business Financing and Guarantee Fund, the Nicaragua National Development Bank, and the Peru Development Finance Corporation.

Evaluation of Technoserve's Kenya program, as an example, which includes TA to three savings and credit institutions indicates that its approach to institutional development is a success. TNS management and accounting systems, policy advice and training have been labeled an "unqualified and cost-effective success."[1]

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[1] Mid-term Evaluation, OPG Grant No. Aid 615-198-G, Barnett and Engel, pp. 6-7

TNS has had a variety of experience in different programs with varying degrees of success. Its approach of relating primary producers to processor/marketing entitites is a technique which was developed to achieve a greater spread effect. It is not an unqualified success but it will continue to be attractive and deserves more thorough appraisal.

b. ACCION International/AITEC

ACCION International/AITEC (AIA) was incorporated in 1965 as a non-profit organization to organize and/or provide primarily long-term technical assistance service to rural and urban socio-economic development programs in Latin America. AIA has a small, permanent staff--two in the U.S. and seven in the field, supplemented by short-term consultants who provide technical assistance and help to implement experimental projects in three areas:

- community development;
- cooperatives, credit unions and loans;
- industrial development and management.

AIA has an annual budget of approximately $900,000 which includes contributions from six U.S. corporations, AID grants (both OPGs and support for the PISCES described below), and local developing country governments. In working on SSE projects, AIA has a policy to hire mostly local people in developing countries to carry out the program of work.

Over the last eight years, AIA's approach to SSE has been through the support and development of micro-enterprises, i.e., the smallest

enterprises within the informal sector of the economy. Beginning first in Brazil and moving on to projects in Colombia, Costa Rica and the Dominican Republic, AIA has found ways to get costs down and provide assistance more efficiently to micro-enterprises. In each of these projects they have taken slightly different approaches to developing SSE. In Colombia, for example, AIA has worked with people at the very bottom of the economy where a micro-enterprise is one with two or three employees and $2,000-4,000 invested in the enterprise. After doing a survey to analyze the ability of certain micro-enterprises to absorb loans, the loan package, including technical assistance, was put together. University people serve as trainers using specially-designed materials. They train people involved in on-going projects for two years and then expect them to go out and initiate other projects.

In Bahia, Brazil, another approach--the provision of equity capital for micro-enterprises--was tried. Difficulties were encountered, however, in following through with some of the enterprises because the entrepreneurs: a) were suspicious of those who had the equity; b) did not want to register their business and/or; c) lacked the accounting system necessary to receive the capital. While AIA still believes it is possible to provide equity capital to the smallest firms, they concluded it works better with larger SSE. Another approach is the Service Center model which has been used with the Costa Rica Artisan's project. In this project, micro-enterprises with two or three workers are provided a line of credit, especially to meet their

needs in buying supplies. Subsidized by a local bank, the Service Center buys in bulk the items needed by the artisans who in turn pay a service fee for use of the Center.

AIA has also been actively involved in Phases I and II of the Program for Investment in the Small Capital Enterprise Sector (PISCES). This project, which aims at assisting the smallest-scale economic activities of the urban poor, is supported by AID's Office of Urban Development. During Phase I of the project, AIA, (along with two other subcontractors, Partnership for Productivity and the Development Group for Alternative Policies) sought to identify and describe projects in developing countries that seemed to be working effectively with those at the bottom of the economic scale. In addition, the project sought to describe the target groups more carefully (both the enterprises and the individuals who ran them) and the elements of effective assistance mechanisms.[1] Regarding the latter, the PISCES team found eight project components to be critical to the provision of effective assistance to SSEs. These include project/program design, staffing, outreach, client selection, credit, bookkeeping and managerial assistance, job skills training and marketing.

As a part of Phase II, which is concerned with the design and implementation of six new pilot projects by AID missions, AIA is involved

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[1] See Jeffrey Ashe, Assisting the Smallest-Scale Economic Activities of the Urban Poor, a Report of PISCES, Phase I, Cambridge, Mass., ACCION International/AITEC, 1980.

with a project in the Dominican Republic initially started by AIA in cooperation with the Dominican Development Foundation. The combined approach of institutional development and financial assistance is used to meet the needs of some of the smallest and most disadvantaged entrepreneurs. Basically, its approach is the organization of "solidarity groups", in this case of "tricycleros" who collect and sell scrap materials. The "solidarity group" consists of a small number of people (five to eight) in the same line of work at the lowest end of the informal sector, who become a group for the purposes of receiving credit to expand their small operations. Each member of the group is co-responsible with all other members for repaying the loans on time at a given interest rate. A loan collector collects regularly from the leader of a large number of "solidarity groups" and in turn receives a part of the collection. This approach, which has been tried in other countries as well, has been found by AIA to be fairly successful in providing loans to the smallest of entrepreneurs.

Full-fledged evaluations of AIA's projects were not available for this study. However, interviews with AIA staff indicated that they believe many of their efforts have been successful in improving the lot of the poorest entrepreneurs in the urban areas of some Latin American countries. This success can, in part, be attributed to careful assessment of target groups and projects before they are implemented, use of local staff and efficient use of very small resources in keeping

with the actual ability of the smallest scale entrepreneurs to absorb, repay and/or utilize them.

c. Partnership for Productivity Foundation (PfP)

Partnership for Productivity was founded in 1969 as a non-profit corporation with private sponsorship directed toward supporting and promoting SSE in developing countries. It was converted to a foundation in 1980. The SSE emphasis was selected as a means of increasing employment and incomes among the rural and urban poor and of providing goods and services low-income people need for an improved quality of life. PfP has sought to give particular emphasis to the informal sector (the smallest enterprises) in the rural community. At the same time, it is PfP philosophy that the whole range of businesses (large and small) is important to the development and well-being of the community. It supports new and existing entrepreneurs who have a sense of individual and community responsibility and a willingness to try new approaches and to take risk. There are no size requirements for participation in PfP programs.

PfP describes its approaches to SSE development in terms of the "tools" used to promote such activities. These include:

- Appropriate management assistance (a training process which teaches accounting and other business skills to people with no commercial education and who are illiterate);
- Training in the use of credit and commercial banking services as well as how to do business plans and economic feasibility studies;

- Identification of appropriate technologies, machines and agricultural practices that boost productivity and that are suitable to local tastes, resources and service facilities;

- Vocational education;

- Leveraging of funds and services from commercial banks, wholesalers and others who could benefit PfP's clients.

In using these "tools", PfP seeks to put an as istance "package" together that responds to the specific problems of the SSEs it seeks to serve. After careful studies of the problems and resources of a local economy, culture and society, PfP seeks to design a program, often experimental, that will best fit with a local situation and solve the problems faced by individual entrepreneurs. See Annex 5 for further details on PfP projects.

PfP has had a substantial measure of success in various modes of approach through business extension, business start-up, linkage between a major corporation and the community on which it depends for its labor, vocational education and integrated technology, etc. Th can in part be attributed to PfP's willingness to take the time to do an in-depth analysis of a particular situation and adapt an approach to that particular setting. This flexibility has been credited with giving PfP especially good acceptance in the communities where it works both with clients and the public. It has experienced some difficulties, however, when less solid links than were shown by experience to be necessary had been set up with the local government authorities of the

Eastern ORD in Upper Volta. On the other hand, its low-cost "bicycle brigade" system of business extension using trained local agents appears to be one of the few cost-effective means of reaching and supporting the informal sector of smallest scale enterprises. Also, the work done to provide services through SSE in a community linked to a large multi-nationally-owned mining enterprise in Liberia is a unique model for building independence in the community and a broader base for visibility.

d. International Executive Service Corps

Founded as a non-profit corporation in 1964, the International Executive Service Corps (IESC) assists locally-owned private enterprises, government agencies and non-profit organizations in developing countries. IESC's goal is two-fold: 1) to increase the productivity of its clients by upgrading their management skills and improving their basic technologies; and 2) to improve the image of U.S. business abroad. Toward these goals, IESC provides the voluntary services of U.S. executives, the great majority retired, to firms who request assistance in solving specific management or technical problems.

At is founding, IESC received substantial support from AID (70

percent of its total revenue) and from contributions from U.S. private contributions (17 percent). In 1976, IESC received about 51 percent of its funding from AID, 41 percent from its project clients, and eight percent from corporate funds. It presently receives 45 percent of its funding from AID and 55 percent from overseas revenues and U.S. private sector funds.

IESC has been faulted in the past for not reaching small business adequately, although it now estimates that over 50 percent of its projects focus on small-scale enterprise. IESC defines SSE as enterprises with 150 or fewer employees and/or between $50,000 and $3 million gross annual sales. IESC requires a fee proportionate to the size and financial capability of each of its clients. It believes that for a firm to benefit from IESC assistance it must be large enough to pay even a small fee and be capable of fully utilizing the volunteer's services. In order to defray costs to its smaller clients, IESC has attempted to work with homogenous groups of entrepreneurs with similar problems, charging "group rates". IESC must, however, work with a significant number of large firms so as to meet its budget requirements.

IESC considers its approach to be successful in 95 percent of its projects.[1] It measures its own success by the success of its clients,

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[1]Due to IESC's particular approach to SSE development, specific project descriptions are not included in Annex 5.

their accomplishments and growth, and how IESC has contributed to them. Reasons for failure include the "wrong" volunteer, an unsatisfactory counterpart, and insufficient time with the head of a particular enterprise due to over-extension of the entrepreneur in working with other entrepreneurs of the same group.

IESC has been criticized in the past for insufficient project screening, high fees, and for sending volunteers out of touch with their particular specialties. Critical comments did not involve IESC's approach itself. Recent evaluation shows that IESC has attempted to correct these shortcomings and has succeeded to a substantial degree.

e. The Institute for International Development, Inc.

The Institute for International Development, Inc. (IIDI), has been operating as a PVO for nearly ten years. Its objective is to create jobs in developing countries through entrepreneurial enterprise, thus alleviating unemployment and providing income for the poor majority. IIDI seeks to establish businesses, the majority of which are agriculture- or food-related, through the provision of loans and resources of the U.S. private sector. IIDI responds to proposal requests from potential entrepreneurs in LDCs and matches them with U.S. businesspeople with appropriate resources willing to participate as "investor/sponsors". These sponsors support their counterpart LDC entrepreneurs through provision of technology, critical analysis of potential projects, training, and investments and loans. Sponsors in

many cases visit their LDC counterparts at their own expense.

IIDI presently works in Honduras, Colombia, Indonesia and Kenya, but originally had operations in four others. Following an evaluation which found IIDI to be overextended, it concentrated efforts in the first three and only recently in Kenya. Plans for FY 1982 include expansion to Peru, Dominican Republic and the Philippines.

IIDI does not have a definition of small-scale enterprise. It does not aim to reach the most micro-enterprises. Of 56 projects underway in 1980, 25 percent had total investment capital of over $25,000, 34 percent between $10,000 and $20,000 and 41 percent under $5,000. IIDI's mean loan is between $3,000 and $4,000; loans go as high as $20,000. Ninety percent of IIDI loans, however, are under $10,000. IIDI will not give financing to entrepreneurs who can obtain loans through normal bank channels.

IIDI has three sources of loan funding: the IIDI revolving fund, OPIC grants and loans, and private investors, i.e., individuals interested in supporting a particular project.

IIDI's revenues come from corporations, individuals, foundations, AID, other government grants and loans to projects, and the IIDI revolving fund.

IIDI's approach uses a combination of financial assistance, technical assistance, and training. It uses a standard procedure which it replicates from country to country. Prospective entrepreneurs

come to IIDI field offices with proposed projects. IIDI staff assist them in developing business plans, financial projections, etc. These plans are reviewed in the field offices and in the U.S. home office. IIDI works in a Christian-related network, using it as a screening mechanism. Once a project is approved, funds are turned over to the entrepreneur, sometimes gradually, according to the previously-determined business plan. IIDI then withdraws from the project, not becoming involved in operating decisions. Typically, entrepreneurs attend training sessions at the project start-up point or just before, at IIDI entrepreneurial training centers. AID matching grants have provided for the establishment of these training centers in each of the countries in which IIDI works. (See Annex 5.) These sessions are held with 20 to 25 IIDI entrepreneurs three or four times a year. Courses use prepared materials and content includes simple accounting, personnel management, and business planning.

IIDI field offices work toward the goal of developing the capability of host country nationals to carry on operations alone. When the field office is self-sustaining, IIDI personnel phase out. Rather than growing larger in a few countries, IIDI prefers to move into other countries.

IIDI conducted a self-evaluation in collaboration with a contractor in the fall of 1980. Inputs from field offices, investor/sponsors, and entrepreneurs showed both weaknesses and strengths.

The former included insufficient communication between headquarters and field offices, and inadequate service to investor/sponsors. Strengths included high efficiency rates, good management and leadership qualities of staff, and high commitment levels. IIDI · very open to inputs from staff and others which will help improve IIDI's contribution toward SSE development in developing countries.

B. United Nations Agencies[1]

1. Introduction

Three United Nations agencies in addition to the World Bank that are actively providing assistance to SSEs are the United Nations Development Programme, the United Nations Industrial Development Organization and the International Labour Organization. Brief descriptions of their operations follow in the paragraphs below.

2. United Nations Development Program (UNDP)

UNDP's SSE activity consists primarily of funding SSE projects undertaken by other UN agencies. Tables 18, 19 and 20 provide a list of UNDP-funded SSE projects by executing agency. UNIDO is the largest recipient of these funds. Over 90 of its SSE projects approved since 1976 (or approved earlier and still ongoing in 1980) were UNDP-funded. ILO also has a number of UNDP-funded SSE projects. Other recipients of UNDP funds for SSE development assistance include the World Bank, United Nation's Office of Projects Execution, and the United Nations Volunteers' program.

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[1]See Annex 6 for information on the data available on UN agencies.

Table 18: Small-scale enterprise projects of the United Nations Development Programme[1]

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA				
Cameroon	Assistance au centre national d'assistance aux petites et moyennes entreprises (CAPME)(75-005). Executing office: Office for Projects Execution	5/76	1,104,215	2,778,190
Ghana	Identification of project for small-scale industry development and feasibility study (75-020). Executing agency: World Bank.	4/76	85,965	4,872
Seychelles	UNV in craft training (78-007). Executing office: United Nations Volunteers	4/79	26,730	9,230
Sudan	Small scale industry training (76-008). Executing office: Office for Projects Execution	9/76	200	

[1] This listing includes UNDP-funded projects begun between 1976 and 1980 that are either completed or are still on-going as of June 30, 1980. It also lists those projects with an approval prior to 1976 that are still on-going as of 1980. This listing has been selected from the UNDP Compendium of Approved Projects, Nos. 7-11, June 30, 1976 to June 30, 1980. The projects are not identified as SSE projects in the Compendium and thus the authors have made a judgment as to which projects to include in this listing based on the brief description provided.

Table 18: Small-scale enterprise projects of the United Nations Development Programme (Cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
ASIA				
Papua New Guinea	Handicrafts marketing organization (74-040). Executing agency: United Nations Conference on Trade and Development (UNCTAD).	1/75	16,479	20,771
Sri Lanka	Small and medium-scale industrial enterprises (78-016). Executing agency: World Bank.	12/78	252,212	59,259
Regional	Seminar on statistics of small-scale and household industries (78-012). Executing agency: Economic and Social Commission for Asia and the Pacific (ESCAP).	8/78	9,389	
Regional	Workshops at selected sites on small-and medium-scale industry in China (78-021). Executing agency: Economic and Social Commission for Asia and the Pacific (ESCAP).	10/78	93,280	

Table 18: Small-scale enterprise projects of the United Nations Development Programme (Cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent)	
			UNDP Contribution	Government Counterpart Contribution
LATIN AMERICA AND CARIBBEAN				
Panama	Assistance to small enterprises (79-008). Executing agency: World Bank.	10/79	6,262	1,500
Paraguay	Small farm development (74-002). Executing agency: World Bank.	8/74	593,141	804,444
NORTH AFRICA				
Tunisia	Stage de formation de cadres destines a l'assistance a la petite et Moyenne entreprise (78-006).	1/79	15,600	3,292

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme[1]

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA				
Benin	Assistance to the establishment of industrial estates (77-807)	7/79	$12,239	
	Direction des etudes et de la planification du Ministere de l'Industrie et de l'artisarat (79-803)	5/79	5,000	
Burundi	Petites et moyennes entreprises (73-015)	8/73	47,989	51,747
Comoros	Centre de recherche et perfectionnement pour les petites industries et artisants du bois (79-802)	8/79	9,000	
Congo	Art manufacturing and Congolese handicraft (75-805)	8/75	34,351	
Ethiopia	Handicraft and small-scale industries development (77-018)	4/78	1,231,409	1,800,924
	Assistance to Ethiopia in the development of small scale industries (77-802)	5/79	1,463	

[1] This listing includes UNDP-funded projects begun between 1976 and 1980 that are either completed or are still on-going as of June 30, 1980. It also lists those projects with an approval prior to 1976 that are still on-going as of 1980. This listing has been selected from the UNDP Compendium of Approved Projects, Nos. 7-11, June 30, 1976 to June 30, 1980. The projects are not identified as SSE projects in the Compendium and thus the authors have made a judgment as to which projects to include in this listing based on the brief description provided.

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA (cont.)				
Ghana	Assistance in the field of small-scale industry to the Ministry of Industry (74-005)	6/74	$ 27,469	
	Assistance in the field of small-scale industry to the Ministry of Industry (74-805)	7/74	158	
	Small-scale industry development (76-007)	10/76	26,116	1,609
Guinea-Bissau	Assistance in establishment and running of a small bricks and tiles factory (75-043)	8/75	66,768	
	Assistance in establishment and running of small bricks and tile factory (75-843)	8/75	8,837	
Ivory Coast	Training expert for chiefs of small and medium-scale industrial enterprises (78-801)	6/78	13,950	
Kenya	Short-term assistance in small-scale industry programme (75-816)	10/75	20,750	
	Assistance to small-scale industry, Kenya industrial estates limited (77-006)	10/77	733,789	188,480

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA (cont.)				
Lesotho	Equipment for small industries development (72-047)	12/72	$ 20,859	
Liberia	Rural industrial services (77-006)	9/78	49,557	
	Consultant in rural industrialization (78-801)	11/78	11,990	
Madagascar	Creation d'agro-industries a Madagascar (75-004)	10/75	46,288	
	Agro-industries development (75-804)	12/77	100	
Malawi	Small-scale manufacture of glass containers (78-801)	5/78	19,800	
	Small-scale industry development (79-020)	6/80	183,100	
Mali	Study of ten small-scale industrial projects (75-016)	1/78	32,672	
	Study of ten small-scale industrial projects (75-816)	9/75	9,738	
Mauritius	Assistance to the development of small-scale industries (79-001)	1/79	3,490	

Table 19 : Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA (cont.)				
Niger	Advisory mission on development of small and medium-scale industrial enterprises (74-014)	12/75	1,500	
	Assistance a l'office de Promotion de l'Entreprise Nigerienne (78-003)	5/79	1,692,064	1,293,619
	Assistance to the establishment of the Office of the Promotion of Enterprise (78-801)	9/78	7,215	
Nigeria	Small-scale industries division (72-004)	7/72	235,313	42,230
	Small-scale industries services (East Central State) (75-075)	6/75	162,328	567,364
Senegal	Creation of an industrial state at Kaolack (77-020)	5/79	23,830	
Swaziland	Development strategies for entrepreneurial development and small-scale industrial growth (78-801)	4/78	1,900	
	Survey of small-scale industrial investment opportunities (75-004)	5/75	21,660	3,703
Tanzania	Development of small-scale and village industry (73-002)	4/73	281,824	15,734

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA (cont.)				
Tanzania	Training of engineers for small-scale industries (74-034)	4/75	$ 168,450	$ 69,659
Togo	Small-scale industries and establishment of an industrial estate near Lome (71-519)	1/71	222,957	
	Promotion of small-scale and medium-scale industries (73-003)	3/74	252,487	
	Assistance au centre national de promotion des petites et moyennes entreprises (CNPPME) (75-005)	9/75	134,369	404,761
	Assistance au centre national de promotion des petites et moyennes entreprises (CNPMME) (76-008)	5/78	466,811	2,619
Uganda	Small industry development programme and establishment of an industrial estate, Kampala (66-507)	1/66	294,941	
	Establishment of small-scale brick plants in Masaka and Mbarara (preparatory mission) (80-801)	2/80	17,000	
Upper Volta	Promotion of Voltaic enterprises (72-004)	12/74	325,840	

Table 19: Small-scale enterprise projects of the United Nations ustrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA (cont.)				
Upper Volta	Small-scale manufacture of glass containers (78-804)	7/78	$ 39,748	
Zaire	Assistance aux entreprises (71-008)	11/72	1,089,665	50,268
Zambia	Development of small-scale industries (69-605)	6/69	680,087	
	Development of small-scale industries, Phase II (74-005)	8/74	525,153	
	Assistance to small-scale industry (79-802)	7/79	46,350	
ASIA				
Bangladesh	Assistance to small-scale industries industries (73-056)	5/74	63,965	8,363
Cook Islands	Small-scale processing for pineapple; feasibility study (78-802)	5/78	4,200	
	Evaluation study for the setting up of suitable decentralized small- or medium-capacity coconut processing plants (78-803)	6/78	7,675	

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
ASIA (cont.)				
Democratic Kampuchea	Small-scale industries and planning of industrial zones and estates (72-020)	8/72	$ 15,550	
Fiji	Rural and urban industrial estates support services (73-008)	9/73	771,299	
	Assistance to traditional rural artisan industries (80-010)	5/80	48,000	64,410
India	Assistance in leather footwear manufacturing and designing through the small-scale industries development organization (73-025)	4/73	63,848	
	Finishing and testing centre for handicrafts, Moradabad (79-025)	5/80	7,500	
Indonesia	Assistance in promotion of ceramic artware, Banding (75-802)	1/75	25,650	
	Assistance to the development of small-scale industry (77-004)	1/78	535,730	277,540
	Operational consultancy to the small- and medium-scale public sector manufacturing enterprises (78-004)	9/78	103,226	

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (Cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
ASIA (cont.)				
Pakistan	Assistance in design for small industry textile products and cottage crafts (74-015)	9/74	$ 41,549	
	Small-scale smelters scheme for NWFP (74-835)	7/75	6,425	
	Assistance in design for small-scale industry textile products (75-007)	7/76	231,285	19,717
	Small-scale industries project, Phase II (79-014)	9/79	207,200	12,929
Papua New Guinea	Assistance in small-scale ceramics manufacture, exploratory mission (79-804)	2/79	3,500	
	Consultant for the development of industrial estates programmes (79-805)	3/79	29,700	
	Development of small-scale ceramics manufacture in Rabaul (80-001)	3/80	41,500	11,008
Philippines	Assistance to the Commission of small- and medium-scale industries (79-801)	4/79	29,100	

Table 19 : Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
ASIA (cont.)				
Sri Lanka	Adviser on the development of small-scale industries(agro-based and rural industries) (74-076)	2/75	$ 33,660	
	Fellowship in small industries (77-005)	10/77	3,800	79
Thailand	Assistance to the industrial estates authority of Thailand (77-009)	1/78	266,712	12,750
Tonga	Handicraft study tour to the Philippines (79-801)	8/79	12,030	
Trust Terr. of the Pacific Islands	Assistance in wood craft development and production (79-002)	12/79	18,100	4,000
LATIN AMERICA AND CARIBBEAN				
Argentina	Asistencia tecnologica a la pequeña y mediana industria y parques industriales para la pequeña y mediana, Sante Fe (74-017)	8/75	633,160	658,024

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
LATIN AMERICA AND CARIBBEAN (cont.)				
Argentina	Asistencia tecnológica para el mejoramiento y desarrollo de la pequeña y mediana industria de la provincia de Sante Fe (78-004)	8/78	$1,313,948	346,346
Bolivia	Consultant in small-scale rural industries (78-801)	5/78	9,630	
Chile	Advice and assistance to the corporation of medium- and small-scale metallurgical industries - Cormetal (77-801)	5/79	43,825	
Colombia	Asistencia técnica integral para la pequeña y mediana industria (76-020)	7/78	289,202	
Costa Rica	Adviser in regional and urban small-scale industry (75-801)	2/75	602	
	Technical assistance mission for the step-up of the office for technical assistance to the small industry (76-807)	11/76	3,750	
	Desarrollo de la pequeña industria y artesanía (77-005)	4/78	96,624	1,460,346
Ecuador	Asistencia al sector industrial y do artesanías (78-001)	4/78	2,100,000	50,603

Table 19: Small-scale enterprise projects of the United Nations Idustrial Development Organization funded by United Nations Development Programme (cont.)

Recipient Country	Project Code and Title	Date Approved	Estimated Project Cost (US$ Equivalent): UNDP Contribution	Government Counterpart Contribution
LATIN AMERICA AND CARIBBEAN (cont.)				
Guyana	Assistance to small industries corporation (75-809)	7/76	$ 32,847	
Honduras	Improvement of technology in small and medium sawmills (75-012)	12/74	42,000	
	Preparación de un programa de asistencia a la pequeña y mediana industria (77-801)	8/77	5,950	
	Asistencia técnica a la pequeña y mediana industria (78-003)	5/79	207,446	575,000
	Technical assistance to the Asociación Nacional de Pequenas Industries (ANPI) (79-801)	5/79	30,000	
New Hebrides	Small- and medium-scale enterprises promotion and development (79-001)	10/79	376,000	123,897
Nicaragua	Rehabilitación de la pequeña industria y artesanía (73-016)	11/74	216,641	126,240
Peru	Small- and medium-scale industry (72-032)	4/74	108,720	18,248

Table 19: Small-scale enterprise projects of the United Nations Industrial Organization funded by United Nations Development Programme (cont.)

Project [illegible]	Project [illegible] and [illegible]	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
LATIN AMERICAN AND CARIBBEAN (cont.)				
Venezuela	Advice on the industrial estate programme in Trujillo (75-811)	9/75	$ 2,075	
MIDDLE EAST AND NORTH AFRICA				
Bahrain	Adviser in small-scale industry and industrial estates (73-012)	11/74	133,873	5,400
Iran	Establishment of an industrial estate (63-511)	6/63	1,346,813	3,413,420
Iran	Development of small-scale industries (73-009)	12/73	236,482	52,904
Iraq	Exploratory mission to Iraq to formulate a project document on industrial estates (79-801)	4/79	2,100	
EUROPE				
Portugal	Assistance a l'institute d'appui aux petites et moyennes industries (IAPMEI) (77-019)	10/77	74,451	9,120

Table 19: Small-scale enterprise projects of the United Nations Industrial Development Organization funded by United Nations Development Programme (cont.)

[illegible]	Project [illegible] and Number	Date Approved	Estimated Project Cost (US$ Equivalent)	
			UNDP Contribution	Government Counterpart Contribution
REGIONAL				
Regional-Africa	Centre regional de promotion des entreprises Africaines des pays membres du conseil de l'entente (76-023)	2/78	$ 179,326	38,532
Regional-Arab States	Centre of industrial studies for the Maghreb (66-072)	1/66	1,252,708	2,082,254

Table 20: Small-scale enterprise projects of the International Labor Organization funded by United Nations Development Programme[1]

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
AFRICA				
Cameroon	Perfectionnement des cadres du centre national d'assistance aux petites et moyennes entreprises (CAPME) (79-013)	4/80	164,900	180,238
Gabon	Artisanat (71-006)	1/72	1,305,200	151,380
Gambia	Indigenous enterprises advisory scheme (74-013)	3/75	454,609	21,581
Ivory Coast	Centre national de promotion des enterprises cooperatives (72-002)	12/72	693,818	504,347
	Centre national de promotion des entreprises cooperatives, Phase III (74-003)	5/75	1,270,626	4,090,461
Kenya	Review mission on [illegible]ining for the small-scale busi[illegible]s sector (76-006)	12/77	29,318	
Madagascar	Developpement de l'a[illegible]tisanat (76-00[illegible])	2/77	1,392,425	
Malawi	Establishment of a training institute for small enterprise development entrepreneurship and service trades (77-006)	6/78	2,334,214	1,000,576
Swaziland	Small enterprises and handicrafts development (71-505)	1/71	1,754,635	614,004
Upper Volta	National training centre in rural handicrafts Ouagadougou (71-514)	1/72	1,272,276	522,063
	Technologies appropriees dans l'artisanat (77-003)	8/79	554,530	2,380

[1]This listing includes UNDP-funded projects begun between 1976 and 1980 that are either completed or are still on-going as of June 30, 1980. It also lists those projects with an approval prior to 1976 that are still on-going as of 1980. This listing has been selected from the UNDP Compendium of Approved Projects, Nos. 7-11, June 30, 1976 to June 30, 1980. The projects are not identified as SSE projects in the Compendium and thus the authors have made a judgment as to which projects to include in this listing based on the brief description provided.

Table 20: Small-scale enterprise projects of the International Labor Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
Upper Volta	Consultant en formation et organization des entreprises (78-206)	12/78	4,350	380
ASIA				
Bangladesh	Handicrafts and cottage industry development (74-026)	6/76	69,671	6,918
	Assistance to cottage industries (79-007)	7/79	950,758	418,144
Democratic Kampuchea	Promotion de l'artisanat (73-007)	2/75	18,981	
Fiji	Study tour in handicrafts (78-007)	8/78	1,742	
India	Small-scale industry project for the central institute of tool design, Hyderabad (74-022)	4/74	509,580	186,455
Malaysia	Medium- and small-scale industries consultancy services (70-015)	2/71	1,340,244	
Papua New Guinea	Development of co-operatives business management and small-scale industries (73-017)	6/74	938,080	2,014,428
Solomon Islands	Handicraft Training-New Secondary Schools (78-001)	4/78	168,400	30,227
LATIN AMERICA and CARIBBEAN				
Bahamas	Handicrafts development (75-003)	3/75	1,500	
Netherlands Antilles	Arts and crafts centre (72-002)	4/72	1,401,250	
MIDDLE EAST and NORTH AFRICA				
Bhutan	Handicrafts development, design and marketing (77-005)	7/78	31,171	114,250
Iran	Rural non-farm activities development (72-009)	6/72	420,731	100,284

Table 20: Small-scale enterprise projects of the International Labor Organization funded by United Nations Development Programme (cont.)

Region and Country	Project Name and Number	Date Approved	Estimated Project Cost (US$ Equivalent) UNDP Contribution	Government Counterpart Contribution
United Arab Emirates	Women's Handicraft Centre (78-004)	3/78	42,279	
EUROPE				
Cyprus	Handicrafts Promotion (76-007)	3/77	445,684	327,397
Greece	Jannina Handicrafts Centre (77-021)	4/78	70,355	35,675
INTER-REGIONAL GLOBAL				
Inter-Regional	Interregional seminar on the organization and development of work cooperatives in the field of folk and artistic handicrafts (76-014)	5/77	51,637	400,000
Global	The role of self-help groups in rural development projects (77-004)	10/77	25,494	

3. United Nations Industrial Development Organization (UNIDO)

UNIDO's SSE projects are undertaken primarily at the specific request of a developing country government. According to Table 19, which lists UNIDO's SSE projects funded by UNDP since 1976 (and older projects that are still ongoing in 1980), most of UNIDO's SSE activity has been concentrated in Africa with 47 projects in 27 countries. Asia has the next concentration of projects with 24 projects in 13 countries and two regional projects. Other SSE programs are in the Middle East and North Africa (four projects) and one in Portugal.

UNIDO has taken the classical approach to promoting small-scale industry by supporting infrastructure development and technical assistance in a number of developing countries. The establishment of industrial estates/parks for small industries is a common activity. Such projects usually involve assisting other local institutions in planning, building, and operating these estates. For example, UNIDO has been assisting the Office for the Promotion of Upper Volta Enterprises (OPEV) in its efforts to establish the first industrial estate for small industries of 10-50 workers in the food industries, metalworking and mechanical workshops. Technical assistance also has been provided in a variety of forms including consulting services related to appropriate technology and marketing, preparation of national program designs for entrepreneurial development, extension services, research and surveys, feasibility study preparations, the provision of raw material and equipment and training.

One example of a survey project is one that was conducted in Pakistan in 1980 to develop profiles that would facilitate the provision of World Bank loans to entrepreneurs in selected sub-sectors.

UNIDO used to have a whole section devoted to SSE development. During its reorganization several years ago, this section was downgraded when it was placed under the administration of the Industrial Infrastructure Division. Since then, it is felt by some, UNIDO's efforts in SSE assistance have stagnated, though there are recent indications of possible change.

4. International Labor Organization (ILO)

ILO's basic approach to SSE assistance to urban areas includes financial and technical assistance (e.g. market research), training, and infrastructure development, such as the construction of market places, serviced sites and structures. The importance of changing the negative attitude most governments have toward the SSE sector is also emphasized.

According to Table 20, which lists ILO's UNDP-funded SSE projects since 1976 (and older projects still on-going in 1980), ILO's main SSE activity has been in Africa, with 12 projects in nine countries, and in Asia with eight projects in seven countries. There are only two projects listed for Latin America and the Caribbean and five altogether for Europe, the Middle East and North Africa. Another two have an inter-regional and global focus.

The ILO has developed certain strategies for SSE development in each region. In Asia, for example, the plan involves encouraging SSEs to become involved in the tourism and export markets, developing the forward linkages between the informal and formal sectors, identifying markets for SSEs' products and services, providing needed SSE inputs and developing organizational frameworks. For the African region, the strategy includes incorporating SSEs in employment promotion, income generation and human resources development activities, developing technical and managerial skills within the sector, improving the existing apprenticeship system, encouraging the flow of appropriate technology from the formal sector to the SSE sector, and increasing the accessibility of SSEs to credit, machinery, equipment, raw materials, and infrastructure facilities. The program for Latin America encourages the organization of small producers into co-operatives and worker's enterprises associations, the provision of infrastructure, credit, technological information and training, the establishment of new marketing channels for SSE products and the development of subcontracting and procurement activities for the governments to increase the demand for SSE products.

VI. COMPARISON AND ASSESSMENT OF APPROACHES TO SSE DEVELOPMENT BY USAID AND OTHER SELECTED SSE FUNDING AGENCIES

A. Introduction

The above descriptions of SSE projects and approaches used by AID and other funding agencies over the last 25 years provide at least a partial picture of the efforts undertaken to promote smaller scale enterprises of one sort or another in developing countries. Table 21, which lists selected SSE projects undertaken by AID, World Bank and some UN agencies, and examined in this study indicates that, since 1974, SSE development efforts have been concentrated in 19 countries in Asia, Africa, Latin America and the Near East. The countries include Colombia, El Salvador, Honduras, Nicaragua, Panama and "other" West Indies/Eastern Caribbean in Latin America; Egypt and Tunisia in the Near East; the Ivory Coast, Kenya, Ghana and Upper Volta in Africa; Bangladesh, India, Indonesia, South Korea, Pakistan, Philippines and Sri Lanka in Asia. These 19 countries (20 percent of all countries in Table 21) accounted for 44 percent of all SSE projects. On the average, each had over three times as many SSE projects as the other 77 countries listed in the Table.

A brief analysis and comparison of the success or failure of approaches undertaken by the different agencies follow in the paragraphs below.

Table 21: SSE projects undertaken by AID, IBRD, UNDP, ILO and UNIDO 1974 to present, by number per country within four developing regions[1]

Region/ Country	Funding Agencies					Totals
	AID	World Bank	UNDP	ILO	UNIDO	
Latin America/ Caribbean						
Argentina					2	2
Bahamas				1		1
Bolivia	3	1			1	5
Brazil	1	4				5
Chile	1				1	2
Colombia	4	5			1	10
Costa Rica	1				3	4
Dominican Republic	2					2
Ecuador		3			1	4
El Salvador	6	2				8
Guatemala	2	1				3
Guyana					1	1
Haiti	2	1				3
Honduras	4	1			4	9
Jamaica		2				2
Mexico		6				6
Netherlands Antilles				1		1
New Hebrides					1	1
Nicaragua	6	2			1	9
Panama	4	3	1			8

[1]The data in this table has been derived from other tables in the text. It is important to note that the projects that have been counted here have slightly different beginning dates in the seventies. The dates are as follows: AID - 1974 to present; World Bank 1973 to present; UNDP, ILO and UNIDO 1976 to present or projects, begun before 1976 but still continuing as of 1980. While there is not an exact coincidence of start dates, the table provides an indication of where different agencies have placed their emphasis.

Table 21: SSE projects undertaken by AID, IBRD, UNDP, ILO and UNIDO 1974 to present, by number per country within four developing regions (cont.)

Region/ Country	Funding Agencies					Totals
	AID	World Bank	UNDP	ILO	UNIDO	
Latin America/ Caribbean						
Paraguay	1		1			2
Peru	3	1			1	5
Uruguay	1					1
Venezuela					1	1
Other West Indies/ Eastern Caribbean	7					7
ROCAP	2					2
L.A. Regional	1					1
Africa						
Benin		1			2	3
Botswana	2	1				3
Burundi		1			1	2
Cameroon	2	1	1	1		5
Comoros					1	1
Congo					1	1
Djibuti	1					1
Ethiopia	1				2	3
Gabon				1		1
Gambia		1		1		2
Ghana	2		1		3	6
Guina-Bissau					2	2
Ivory Coast	4	3		2	1	10
Kenya	2	4		1	2	9
Lesotho	1	2			1	4

Table 21: SSE projects undertaken by AID, IBRD, UNDP, ILO and UNIDO 1974 to present, by number per country within four developing regions (cont.)

Region/ Country	Funding Agencies					Totals
	AID	World Bank	UNDP	ILO	UNIDO	
Africa						
Liberia	2	1			2	5
Madagascar		1		1	2	4
Malawi				1	2	3
Mali	1	2			2	5
Mauritania		1				1
Mauritius		2			1	3
Niger		1			3	4
Nigeria		1			2	3
Rwanda		1				1
Senegal	1	1			1	3
Seychelles			1			1
Somalia		1				1
Sudan			1			1
Swaziland		1		1	2	4
Tanzania	1	2			2	5
Togo					4	4
Uganda					2	2
Upper Volta	3	2		3	2	10
Zaire					1	1
Zambia		1			3	4
Central/West Africa	1				3	4
Regional	1					1
Africa Regional	1				1	2
Middle East & Near East						
Bahrain					1	1
Bhutan				1		1
Cyprus	1	2				3
Egypt	5	1				6
Iran				1	2	3

Table 21: SSE projects undertaken by AID, IBRD, UNDP, ILO and UNIDO 1974 to present, by number per country within four developing regions (cont.)

Region/ Country	Funding Agencies					Totals
	AID	World Bank	UNDP	ILO	UNIDO	
Iraq					1	1
Jordan	1	2				3
Morocco		2				2
Tunisia	1	3	1			5
Turkey		2				2
United Arab Emirates				1		1
Yemen Arab Republic		1				1
Regional Arab States					1	1
Asia						
Bangladesh	2	2		2	1	7
Cook Islands					2	2
Fiji				1	2	3
India		3		1	2	6
Indonesia	1	2			3	6
Kampuchea				1	1	2
Korea		8				8
Malaysia				1		1
Nepal	1					1
Pakistan		2			4	6
Papua New Guinea			1	1	3	5
Philippines	1	7			1	9
Solomon Islands				1		1
Sri Lanka		3	1		2	6
Thailand	1	2			1	4
Tonga					1	1
Trust Territory of the Pacific Islands					1	1
Asia Regional			2			2

B. Comparison of Approaches to SSE Development by AID and Other Funding Agencies in Developing Country Regions

AID and other major SSE funding agencies, including the World Bank, PVOs and some UN agencies, have generally utilized the same approaches. The different agencies, however, sometimes have applied these approaches in different ways in the various developing country regions. These approaches include financial assistance, technical assistance, institutional development, infrastructure development and procurement. While AID had done a number of SSE projects before 1973-74, the efforts of both AID and the World Bank (the two primary foci of this study) to promote and develop SSEs during the fifties and sixties were also characterized by an emphasis on larger-scale industrial projects that either had a small-scale enterprise component or had no particular focus on SSE but indirectly benefitted SSEs in one way or another. Since the early seventies both AID and the World Bank have focused more specifically on SSEs. Likewise, PVOs and some UN agencies other than the World Bank have paid increasing attention to the particular needs of SSE.

In the Latin American region, a primary focus of SSE development activities by AID and the World Bank has been financial assistance through various types of credit institutions. The magnitude of this assistance varies, though World Bank loans tend to be much larger than those provided by any other agency. AID, PVOs and some UN agencies have been the primary providers of technical assistance and institutional development programs. These TA efforts very often have been

aimed directly at the smallest enterprises, especially in the case of work done by PVOs. The World Bank has provided some assistance for infrastructure development, including development of industrial estates.

In Africa, most SSE development efforts have provided technical assistance which has been concentrated on much smaller-scale enterprises than in Latin America. This assistance often has taken the form of training programs, marketing assistance and management seminars. Institutional development (e.g., help in forming cooperatives) also has been important. Direct financial assistance through credit institutions has played a more minor role. PVOs and UN agencies such as UNIDO and the ILO have played especially significant roles in small industry and handicraft development, primarily via provision of technical assistance resources. AID, working directly with host governments and through PVOs also has provided both technical and financial assistance. The World Bank effort in this region is focused more on technical assistance than in other regions. It also emphasizes provision of infrastructure, e.g., site and services for worksites.

Both financial and technical assistance have been provided for SSE development in the Near East. In the case of AID, earlier projects provided loans or grants to development banks while later projects provided more technical assistance directed at smaller enterprises, especially in Egypt. The World Bank has provided mainly financial assistance in fairly large doses to several countries in this region.

UN agencies such as UNIDO have supported such projects as industrial estates with technical assistance and institution building efforts.

Finally, in Asia, SSE development efforts have been characterized by a mix primarily of financial and technical assistance and institutional development. Both the World Bank and AID have provided substantial financial assistance to countries in the region.

C. Assessment of Approaches to SSE Development

This section considers the success or failure as well as the strengths and weaknesses of various approaches to SSE development. It also briefly deals with the state of the art regarding methodologies for evaluation of SSE project results and the application of those methodologies.

1. Assessment of success or failure of approaches

As noted at several earlier points in this study, the empirical evidence available to support definitive judgments as to which approaches to SSE development are better than others does not exist. An adequate number of quality evaluations of each approach in varied contexts has not yet been completed, thus the information required to evaluate various approaches is quite sketchy.

The comments in this section draw exclusively upon the data gathered for this study. The conclusions rendered and judgments made then, are no more complete than this limited data allows. Consequently,

the discussion here must be viewed as directional only, not definitive. The evaluative information obtained in support of this assignment has been stretched to its limit in reaching the conclusions presented here. Further efforts to carry out SSE evaluations and to cumulate those done by others could lead to a more definitive set of judgments about what approaches to SSE development are most successfuly in various contexts and why. To treat what follows as that definitive set of judgments, however, would place more weight on the information available for this analysis than it warrants or than would be prudent.

Annexes 3,4, and 5 and numerous tables in the text above provide SSE project information for various funding agencies. All three Annexes provide some summary data on evaluations of specific SSE projects. Various secondary sources about SSE project evaluations or approaches also were available from several funding agencies. These sources were used to garner whatever information was relevant to this report and, in particular, to this section on the success or failure of various approaches to SSE development.

Table 22 lists 33 of AID's SSE projects for which some type of evalution was available. Very brief indications of the evaluative comments also are included in the Table. More detailed descriptions

Table 22: Summary of AID SSE Projects with Evaluations

Project	Type of Approach	Evaluation Comments
Afghanistan-Industrial Development	TA*, FA*, ID*	High cost-benefit ratio
Africa-African Women in Development	TA	Difficulties in administration procurement
Africa-Entente Fund	FA, TA	Too much emphasis on FA as compared to TA; larger enterprises benefitted most
Bolivia-Credit Unions	FA, TA	Success in attracting support and membership
Bolivia-Small Farmer Organizations	FA, TA, ID	Poor project planning and implementation at project level
Botswana-Rural Sector Grant	FA, TA	Serious delays in supplying TA; criteria for FA not tight enought
Chile-Small Scale Regional Development	ID, TA	Slow start, but good progress by mid-term. Good management was key in success. Small businesses still needed credit
Colombia-Small Industry Development	FA, TA	Poor design, too little funding
Ecuador-Small Enterprise Loan	FA, TA (Training)	Strengthened GOE's institutional funding mechanism; benefitted small enterprises and created new jobs

*TA = Technical Assistance, FA = Financial Assistance; ID = Institutional Development

Table 22: Summary of AID SSE Projects with Evaluations (Cont.)

Project	Type of Approach	Evaluation Comments
El Salvador-Credit Union Development	FA, TA, ID	Credit union growth well below targets due to lack of manpower to organize and improve them
Honduras-Rural Technologies	TA (Supply of approp. technology)	TA supply procedures too complicated for those being helped, but project ahead of target number of project SSEs to be assisted. Use of PVOs recommended to expand outreach.
Kenya-Increase Employment, Income, Production	TA	Positive impact of project unquestionable; problem of perception of TNS as foreign enterprise
Kenya-Rural Enterprise Extension Service	ID, TA	Achievement found difficult to measure due to lack of baseline data; project successful in terms of "paper" objectives
Nicaragua-Rural Women Market Cooperatives	ID, FA	Credit unions established on schedule but no data available as to assistance they provide to market women
Nigeria-Indigenous Industrial Development	FA, TA	Successful project because of combination of FA and TA. Careful technical, financial and management analysis of SSE's needs was critical to success as was extensive TA response to those needs. Project linked to other credit sources as well which required project study before granting loans
Botswana-Rural Enterprise Extension	ID, TA	Reasonable progress, but lack of ambition by local entrepreneurs a major problem, also lack of GOB support and poor trainers

Table 22: Summary of AID SSE Projects with Evaluations (Cont.)

Project	Type of Approach	Evaluation Comments
Ghana-Farmers Assoc. Agribusiness Development	FA, TA	Combination of credit, TA, and US and local PVO management led to success in forming and expanding SSEs, including many in remote and poor areas
Haiti-Haitian Development Foundation	ID, TA FA	Reasonable progress, with intensive TA made available to SSEs. Goals such as increased employment added as reason for TA and FA and overall project targets reduced because of lack of resources to meet them.
Lesotho-Cottage Mohair Industry	TA, FA	Training proceeding reasonably with three new coops formed. Substantial progress yet to be made.
Population and Humanitarian Assistance (IIDI)	TA	Project paper objectives met, but few tangible results seen from TA activities Staff stretched too thin.
Population and Humanitarian Assistance (Technoserve)	FA for TA	TA provided as planned, assisting targeted number of SSEs.
PDC-(Technoserve)	FA	Matching funds fell short; needed better and longer term administrative and TA efforts
Upper Volta-Rural Enterprise Development	TA,FA	Substantial success in meeting needs of SSEs
Paraguay-Productive Credit	FA, TA	Project was successful because of good design, good management and use of strict criteria for FA. Some problems with making technicians as effecitve as desired.

Table 22: Summary of AID SSE Projects with Evaluations (Cont.)

Project	Type of Approach	Evaluation Comments
Peru-Food Marketing	FA	Project aborted because of change of government resulting in expropriation of larger supermarkets that project was to help smaller stores compete against
Peru-Reconstruction and Development of Small Business	FA	Problems with repayment by sub-borrowers, possible misuse of funds (credit not "supervised")
Central America and Panama-Latin America Agribusiness Development	FA, TA	Successful in promoting agribusiness investment by proven agribusiness firms. TA is provided to SSEs financed by project.
Technical Assistance-Agribusiness Development and support	TA	TA provided to AID missions by RSSA with USDA without major probelms (no evaluation of impact of TA provided)
Technical Assistance-Employment Through Small Industry Stimulation	TA	Project targets in terms of number of field trips, publications, etc. met, but no indication of impact on SSEs
Technical Assistance-Small Industry Grants	TA	Economic conditions in country influenced results; some temporary improvement in capacity of local university to assist SSEs; failure to document what was learned hampered institutionalization of benefits for long term.

Table 22: Summary of AID SSE Projects with Evaluations (Cont.)

Project	Type of Approach	Evaluation Comments
Uruguay-Agric-Industry Development Loan	FA, TA	Progress made, but need to publicize credit, strengthen credit institution and improve TA
Peru-Rural Enterprises Development	TA, FA	Excessive paperwork requirements limited participation of small rural borrowers
Central America and Panama-Regional Rural Agribusiness Development	FA, TA	Project targets in terms of credit institutions financed fulfilled. Limited small farmer impact because only agribusiness had received funding by mid-point of project.

of the evaluations of these projects are included in Annexes 3, 4 and 5 with descriptions of these specific SSE projects and numerous others. Based on the data summarized in Table 22 and on the information drawn from other sources in developing this report, the following comments can be made regarding the success or failure and strengths and weaknesses of the various approaches to SSE development:

- Financial and technical assistance work the best when they are combined, as they often are. Both approaches can work alone, but the evidence available from evaluations to date suggests effective SSE development is much more likely where financial and technical assistance are provided in tandem, either as part of the same project or by linking closely the two types of assistance from different sources. SSE projects by AID in Peru, Uruguay, Chile, Nigeria, Ghana and PDC-Technoserve (see Table 22), as well as indications from World Bank efforts in Africa and Asia, support this view. The World Bank has found that even this "best approach" has been least successful in Africa where implementation has been ineffective, disbursements slow and SSE demand for funds low.

- Financial assistance works best when there are explicit standards for loans, etc. that are strictly adhered to by project managers. This has been suggested as a major reason for project success in AID projects in Paraguay and Nigeria and lack of strict standards as a major reason for project failure in Bostwana (see Table 22). Where loan or other financial assistance criteria have been too strict, however, only well-established firms may be helped. This has been the experience of the World Bank which now is seeking to relax its financial assistance standards for particular SSE projects. Likewise, where loan assistance standards are too "loose" or based on "personal" connections, SSE projects have ended up financing larger enterprises as well, as in the case of AID's Africa Entente Fund project (see Table 22). World Bank loans in all regions (except Africa) have been successful in terms of disbursement.

- Financial assistance tends to go to well-established SSEs and, when combined with technical assistance or other approaches, funnels these other resources to such SSEs as well. This may result in the project being both a success (in terms of output, employment, etc.) and a failure (in terms of reaching small

entrepreneurs, equity, democratization, etc.). Examples of such results for AID projects include Nigeria, Paraguay, Central America (LAAD) and Uruguay. Many World Bank SSE projects face this difficulty as well, with only a small proportion of its funds going to "small" enterprises. No matter the mechanisms used, the principal beneficiaries have been the largest and more sophisticated SSEs.

- The effectiveness of indigenous intermediary institutions is of importance to all approaches, but especially to the financial assistance approach. Country preference, funding agency desires and other factors influence the intermediary institutions used, but how well they perform is critical to project success. This is cited by the World Bank, as in the case of Colombia where its urban SSE loans have been successful, primarily because of the effectiveness of financial institutions in dealing with SSEs and effectively disbursing World Bank funds to them. It can be noted in AID evaluations for Ghana, Technical Assistance--Small Industry Grants and other projects (see Table 22).

- In general, there is too little technical assistance in SSE development projects, whether technical assistance comprises the entire project or a component of a project. This sets up "technical assistance" SSE projects to fail and curbs the effectiveness of combined approaches as well. Examples of AID projects where this was a major determinant of project failure or lack of complete success include the Africa Entente Fund, Botswana, Haiti, Population and Humanitarian Assistance (IIDI) and others (see Table 22). The World Bank emphasizes technical assistance much more in Africa and South Asia than in Latin America. Failed SSE efforts in Africa are cited as those that required more technical assistance.

- Technical assistance as an approach "fails" more often than other approaches because its rate of progress often goes more slowly than targeted, especially when the targets involve meaningful activities such as cooperative formation, training of SSE managers, etc. AID SSE projects where this has shown up include Honduras, Botswana, Lesotho, Haiti, Population and Humanitarian Assistance (IIDI) and others (see Table 22). This appears primarily to be because the tasks set out for accomplishment are difficult and because the resources and time frame provided to carry them out are inadequate. The World Bank, which has been emphasizing technical assistance along with credit for SSE projects, has not been as successful with this component as with financial assistance. In particular, implementation of the technical assistance component has been poorly

implemented and delayed in many cases, as illustrated in the evaluation of its El Salvador project in Annex 4. The high cost of effective technical assistance has proven to be a constraining factor also.

- Technical assistance approaches can, and often do, "succeed", but with no visible impact on SSE development. This is because SSE projects can be designed in which the impacts of technical assistance are hard or impossible to measure or in which there are few direct impacts to measure. Examples of AID projects in this category are Population and Humanitarian Assistance (IIDI), Technical Assistance--Agribusiness Development and Support, and Technical Assistance--Employment Through Small Industry Stimulation.

- PVOs are a good way to provide technical assistance to SSEs. PVOs tend to be effective in reaching SSEs, especially in poor and remote areas. Examples of AID's successful experience in this regard can be found in Honduras and Ghana; but see Popula- and Humanitarian Assistance (IIDI).

- Institutional development is a difficult approach to achieve success with when used alone, but a necessary component of all other approaches in most cases. Efforts to create or enhance institutional capacity which will then be supportive of SSE development as a solitary objective sometimes get bogged down in the problems of the institution(s) itself. It also is difficult to assure that the improved institutions actually will help SSEs or will have all the resources required to help SSEs effectively. On the other hand, all other SSE approaches use indigenous institutions to a large degree, and these institutions usually require or can use help to be more effective in assisting SSEs.

  The World Bank, depending primarily upon the financial assistance approach to help SSEs, nevertheless works via local financial intermediaries and provides substantial support of many kinds to them as part of its SSE projects. It has helped strengthen institutions to deal explicitly with SSE and to better reach SSEs with financial resources. Overall, its SSE assistance efforts fail most often because of inexperienced and poorly qualified staff in local institutions and lack of business skills by entrepreneurs, suggesting the importance of institutional development at all levels. AID's positive experience with institutional development on behalf of SSEs are noted in evaluations of projects in Chile, Nicaragua, Haiti, and Lesotho (see Table 22). On the other hand, the failures or difficulties experienced in using this approach, even in conjunction with other approaches, are

documented in evaluations of projects in Afghanistan, Bolivia, El Salvador, Botswana, and Lesotho-Cottage Mohair Industry (where spinning cooperative formation was slow) as noted in Table 22. Institutional development was always accompanied by another approach as a part of the same project in these AID efforts.

- Infrastructure and industrial estate approaches to SSE development are usually "site specific" and are therefore more risky than others because they are less flexible. The World Bank is the most prominent in the use of these approaches, but other funding agencies use them too. No evaluations are available to assess their success, failure, strengths or weaknesses. Conversations with knowledgeable sources, however, suggest these approaches are best adapted to areas where SSEs are concentrated already, but in need of certain inputs. Where industrial estates, for example, have been used to "attract" SSEs to a specific site, they apparently have not been successful always. Infrastructure and industrial estate approaches that focus explicitly on SSE often are combined with other approaches. When infrastructure development benefits SSE tangentially (e.g., in supplying electricity to a region), it often is used as a singular approach. The impact of such efforts on SSE per se are not well documented.

- Procurement on behalf of SSEs is used less often than other approaches to SSE development and generally in combination with financial assistance; no evaluations were available to enable an assessment of its success or failure in assisting SSEs effectively.

- In general, good project management, including adequate administrative and other resources to achieve project goals, is nearly as critical as the approach itself to the success of SSE projects. This is not to say that a poorly designed project will succeed with good management, but an exceptionally well designed one often will fail with poor management. All agencies suggest this aspect of any approach is of central importance. AID's evaluations bear this out, as noted for SSE projects such as Africa, African Women in Development (where management problems greatly diminished the success of the technical assistance effort), Bolivia, Botswana, Chile (where good management was cited as the key to the success of the institutional development and technical assistance approaches, (Colombia, El Salvador, Honduras, Nigeria, Ghana, PDC-Technoserve and others.

- Country environments can be particularly significant constraints on SSE development and on the effectiveness of all approaches or a specific approach to assist SSEs. SSEs usually operate in a market economy or the market segment of an economy. National politics, attitudes, policies, or a state of the economy that constrain SSE operations will also hinder the effectiveness of various approaches to assist SSEs. AID's SSE project evaluations indicate this in Ecuador, Nigeria, Botswana (where lack of ambition by local entrepreneurs and lack of Government support hindered project achievement), Peru (where a change in Government resulted in such a substantial change in philosophy and actions that it resulted in AID abandoning the project), Central America and Panama (LAAD), and Technical Assistance--Small Industry Grants. The World Bank's project evaluation for Peru (see Annex 4) also illustrates the validity of this point.

2. Methodologies

While the amount of literature is increasing that extols the potential of SSE development in terms of resolving or at least ameliorating some of the critical problems facing developing countries (i.e., rising unemployment, rural to urban migration, etc.), this literature still contains relatively little in the way of empirical evidence or evaluations of specific projects. Most evaluations that have been done tend to assess the competence and efficiency of local intermediaries, especially in disbursing funds. This is still a prime consideration in World Bank evaluations of SSE, which strictly adhere to the criteria in the project appraisal report.

More and more, however, other questions are being asked about the impact on the target groups that are to benefit from SSE development. These questions include, but are not limited to: How many jobs have been created by the project? Has this reduced unemployment? What

indirect benefits can be measured? For what groups? Has a project raised the income of rural or urban poor? What is the real cost of creating jobs through SSE projects? How have SSEs used funds made available to them for enterprise development and has there been any impact on the profitability or growth of these enterprises?

In response to these questions, methodologies have been developed or are evolving that attempt to answer some of the more difficult questions about the impact of SSE development. It is not the purpose of this paper to evaluate those methodologies, but rather to indicate some of the thinking done to date about evaluations and to relate these to the existing universe of SSE evaluations.

There are several efforts of note. For example, a draft World Bank paper written in 1978 provides some guidelines for estimating the potential economic benefits of certain types of SSE credit projects.[1] This paper presented a methodology for assessing the real costs of SSE credit projects and for estimating the benefits to the target groups. Another paper developed by AID outlines the criteria that should be used in evaluating agribusiness and rural enterprise projects.[2]

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[1] Dennis Anderson, "Estimating the Economic Benefits of Small-Scale Enterprise Credit Projects," First Draft, May 12, 1978.

[2] Samuel R. Daines, et.al., Agribusiness and Rural Enterprise Project Analysis Manual, Washington, D.C., Office of Agriculture, Agribusiness Division, AID, March, 1979.

More recently, a study by Development Alternatives, Inc. (DAI) reviewed the state-of-the-art of SSE project impact evaluation methodologies and alternatives, particularly those used to assess the effects of SSE projects on the income and employment of their target population.[1] The DAI study, which is on-going, will later examine the merits of alternative SSE evaluation methodologies in different field settings and ultimately come up with a set of pragmatic, operational guidelines to assist field missions in assessing the impacts of SSE projects. Also, a paper prepared by Robert Hunt as part of AID's Development Studies Program raises some important issues. He examines, for example, some of the underlying assumptions of different SSE projects and how these affect both their implementation and evaluation.[2] Finally, the PISCES Project, Phase II, (described in more detail in Chapter V, Section A) also has designed a methodology for evaluating SSE. Collectively, these efforts and the results of on-going SSE evaluation experiences should provide AID and other donors with increasingly appropriate guidelines for effectively evaluating the impact of SSE projects.

3. Application

As mentioned above, efforts to apply rigorous evaluation methodologies to on-going or completed SSE projects so as to assess their impact on target groups have been limited. Devres research indicates

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[1] Susan G. Goldmark and Jay Rosengard, Evaluating Small-Scale Enterprise Promotion: State-of-the-Art Methodologies and Future Alternatives prepared for the Office of Urban Development, AID, by Development Alternatives, Inc. Washington, D.C., May 1981.

[2] Robert W. Hunt, The Evaluation of Small Enterprise Programs and Projects: Issues in Business and Community Development, Washington, D.C., Development Studies Program, AID, April 1981.

that while some evaluations, especially those done by AID and the World Bank in Latin America, provide data on the effects--social, economic, political--of SSE projects, assessment of these effects or impacts has generally been of secondary importance in comparison to the more easily measurable criteria of "success" such as establishing institutions, training a certain number of people or disbursing a target amount of money within a given time frame. In the future, AID and other funding agencies need to pay more attention to a greater variety of standards of success (or failure) if the real impacts of SSE development and approaches thereto are to be known. In particular, the impact of various approaches on SSEs of various size and in different locations with respect to their output, input suppliers, markets, labor use and efficiency and profitability should be sought.

VII. CONCLUSIONS AND RECOMMENDATIONS

A. Conclusions

The conclusions that follow from this extensive survey of SSE development projects and approaches of AID and other funding agencies provide a sense of direction for follow-up efforts in the field. They do this in terms of both defining the universe of projects that have been undertaken and assessing the success or failure of various approaches to SSE development taken by different funding agencies in different regions. While some of Devres' conclusions are not new, they do confirm hypotheses that have been postulated in the past about the promotion of SSE development.

The conclusions presented below are of three types--descriptive, evaluative and procedural. The descriptive conclusions relate to the general involvement of development assistance agencies in SSE development. The evaluative conclusions relate to what is known about the various approaches to SSE development, their applications, effectiveness, etc. The procedural conclusions primarily relate to the data base that is available on approaches to SSE development. Conclusions in all three areas follow:

- Over the last ten years major development assistance donor agencies have placed increasing attention on the promotion and development of small-scale enterprise, particularly in response to growing unemployment in developing countries.

- There are five or six main approaches to SSE development used by major donor agencies, including technical assistance, financial assistance, institutional development assistance,

infrastructure development, procurement assistance and industrial estate development. In most cases, these main approaches overlap and have a number of more specific approaches subsumed under the main approach. More importantly, a combination of two or more of these approaches is used more often than a single approach.

- Different funding agencies emphasize different approaches and different styles in carrying out similar approaches in their work with SSE development.

- Certain political and economic environments are more conducive to the promotion of SSE. In fact, country environments can be significant constraints on SSE development and on the effectiveness of all approaches or a specific approach to assist SSEs. Thus, the environment in which an approach to SSE is tried seems to be as important as the approach itself.

- The combination of financial assistance plus a significant amount of technical assistance and/or institutional support that helps the entrepreneur apply the credit appears to be the most successful combination of approaches to SSE development.

- Financial assistance works best when there are explicit standards for loans, etc. that are strictly adhered to. It is important, however, that these standards include SSEs other than the best-established ones.

- Financial assistance tends to flow to established SSEs unless provision is made to direct it to SSEs more in need of help.

- The effectiveness of indigenous intermediary institutions is of importance to all approaches, but especially to the financial assistance approach in which intermediary credit institutions often are critical to project success.

- In general, there is too little technical assistance in SSE development projects, whether technical assistance comprises the entire project or a component of the project.

- Technical assistance for SSE tends to be labeled a "failure" more often than other approaches because its rate of progress often goes more slowly than is targeted.

- Technical assistance as an approach can, and often does, "succeed" but with no visible impact on SSE development. It is easy to design technical assistance efforts that never effectively help SSEs achieve their desired objectives.

- PVOs are a good way to provide technical assistance to SSEs, especially the smallest-scale firms, because of their knowledge and ability to work with indigenous people at the grass roots level.

- It is difficult to achieve success with institutional development when it is used alone, though it is a necessary component in most projects where other approaches to SSE development are used.

- Infrastructure and industrial estate approaches to SSE development are usually "site specific" and are therefore more risky than others because they are less flexible.

- Procurement on behalf of SSEs is used less often than other approaches to SSE development and generally in combination with at least financial assistance.

- In general, good project management, including adequate administrative and other resources to achieve project goals, is nearly as critical as the approach itself to the success of SSE projects.

- Little is known about the impact of SSE projects, the relative effectiveness of different approaches to SSE development, or the cost-effectiveness of either one. In particular, there is a paucity of information about the impact of SSE projects and approaches on employment, income and quality of life among target beneficiaries.

- Conclusions that have been reached regarding the impact of SSE projects and effectiveness of different approaches to SSE development lack detailed supporting documentation about the factors that determine such impacts and effectiveness.

- Most funding agencies engaged in SSE development activities do not maintain a central repository of information on SSE identification, design, implementation or evaluation.

B. Recommendations

The recommendations made below encompass both substantive and procedural aspects of SSE development by funding agencies. Given the sponsorship of this effort by AID, they aim primarily, but not exclusively, at that agency. The recommendations are based upon the work done in carrying out this study and therefore are limited by the data and conclusions developed in completing this assignment. They include the following:

- A systematic view of SSE development should be used in each individual context. At bottom, this means that a critical question for each SSE project design and implementation effort is whether it seeks to use the correct combination of approaches to SSE development. In most cases, a combination of approaches should be used.

- Technical assistance should be emphasized to the point of overemphasis in designing and implementing SSE projects. AID, in particular, should seek projects in which technical assistance is a critically needed component because it is better at using this approach (especially in combination with other approaches) than some other funding agencies.

- AID (and other funding agencies) should continue to be highly experimental in seeking ways to enhance SSE development. Systematic exploration of subsets of each of the "basic approaches" should be undertaken, for example, as well as other novel approaches. This is an appropriate role for AID because its available funds are relatively large and its flexibility potentially is greater than other agencies. PVOs should be used as a major channel for carrying out experimental and pilot approaches to SSE development.

- PVOs should be used widely to help enhance SSE development, especially in the areas of technical assistance and institutional development related thereto.

- AID, World Bank, UN and other funding agencies should work more closely together in seeking to enhance SSE development. This coordination should include a systematic sharing of key project documents, informal and formal discussions, and multi-donor projects as appropriate. A first step, of course, is for these agencies to coordinate effectively their own in-house SSE activities.

- The existing SSE data base within AID (and within other funding and implementing agencies) should be centralized. In the case of AID, while the DIU has substantial amounts of data on SSE, much descriptive and evaluative information on SSE projects remains scattered and largely inaccessible throughout Washington and mission offices.

- AID should undertake a fairly detailed, but cost-effective, effort to determine the impacts of SSE projects, the effectiveness of various approaches to SSE development and the reasons for both. While some elements of such an effort are underway, a complete program would include the following:

  --conduct of a rapid field examination of numerous projects in progress to determine in a more detailed way than possible in this "desk" study; 1) the success and failure of different approaches to SSE development; 2) the apparent impacts of SSE projects, and 3) a long-term agenda for in-depth evaluations of SSE projects (and approaches) to verify the above.

  --immediate completion of several carefully chosen SSE project evaluations as a beginning effort in completing the above "research" agenda.

  --completion, over time, of a set of evaluations planned to fully explore and fairly compare selected approaches to and impacts of SSE development, including a supporting analysis of the factors that determined the relative success of different approaches and impacts of various projects. To be effective the evaluations carried out should systematically compare approaches and impacts, using adequate baseline data, appropriate elapsed project times, and established methodologies and applications. To help in initiating the above activities, AID SSE projects with estimated completion dates of 1980, 1981, or 1982 are listed in Annex 8. Consideration also should be given to evaluating SSE projects that ended several years ago to determine the broader impact of such projects.

ANNEX 1

Scope of Work

ANNEX 1

Scope of Work

Contractor will prepare summary statements on the general approaches to small-scale enterprise development of the major funding agencies. Upon completion of summaries, contractor will prepare a draft report which outlines the major approaches and gives conclusions of how successful each approach was with emphasis on the reasons for success and failure.

Contractor will summarize selected projects and evaluation documents from funding agencies on short forms to be developed. These forms will be based on the logical framework used by the Agency.

Funding Agencies to be Covered and Extent of Project Universe

Devres' primary focus will be on AID projects, with secondary focus on the World Bank. The contractor will provide background on UN and PVO agencies. However, no extensive sampling will be taken.

All summaries will be prepared in a format to be aproved by PPC/E/S.

ANNEX 2

List of Persons Contacted

List of Persons Contacted

Agency for International Development

Robert Hunt - PM/TD

Nena Vreeland - PPC/E
Jan van der Veen - PPC/PB
Harold Lubell - PPC/PDPR
Edward Lijewski - PPC/PDPR
Marlee Anderson - PPC/UN
Dorothy Lovelace - PPC/IBRD

Thomas O'Keefe - DS/PO
Katherine Nevitte - DS/PO
David Donovan - DS/DIU
Robert Ashton - DS/DIU
Natalie Thompson - DS/DIU
Lee White - DS/DIU
Eugene Babb - DS/DAA/FN
William Rodgers - DS/AGR
Roger Moeller - DS/AGR
Hope Sukin-Klauber - DS/N
Cliff Barton - DS/RAD
Lou Faoro - DS/RAD
Michelle Rucker - DS/RAD
John Daly - DS/ST
Eric Chetwaynd - DS/UD
Micheal Farbman - DS/UD

David Liebson - PRE/H

Ross Bigelow - PDC/PVC
Dennis Baker - PDC/PVC

John Hicks - AFR/DP
Douglas Kline - AFR/DR
Patricia Rader - AFR/DR
Warren Wolff - AFR/DR
Bernard Lane - AFR/CWA
Jack Warner - AFR/EA
Susan Owens - AFR/RA

Agency for International Development (cont.)

Barbara Pillsbury - ASIA/DP
Gail Heston - ASIA/DP
James Manley - ASIA/BI
Carl Pindorf - ASIA/PTB
Bobby Nofflet - ASIA/ISPA
Jay Nussbaum - ASIA/PD
Peter Thormann - ASIA/TR
Edward Ploch - ASIA/PTB
Howard Thomas - ASIA/PNS

Bernice Goldstein - LAC/DP

Richard Rhoda - NE/DP
Emily Baldwin - NE/DP
Peter Benedict - NE/TECH
John Lewis - NE/TECH

Private and Voluntary Organizations

ACCION International/AITEC

Jeffrey Ashe, Executive Director

Church World Service

Nancy Nicalo, Assistant to the Executive Director for Development

International Human Assistance Program

Suk Tae Timb, Director for Overseas Program Research
J.M. Lopez, Director of Program Department

Foundation for the Peoples of the South Pacific, Inc.

Mary McMurtry, Director of Program Development

Institute for International Development, Inc.

Al Whittaker, Chairman

International Executive Service Corps

Everett Elting, Vice-President
Charles Neiswander, Vice-President

Lutheran World Relief

Gene Thiemann, Director for Interpretation
Joseph Sprunger, Director for Grant Relations

United Nation Agencies (cont.)

UNDP

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World Bank

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ANNEX 3

Summaries of Selected AID SSE Projects

List of AID SSE Project Summaries[1]

*[2]Afghanistan--Industrial Development (306-0116)

*Africa--African Women in Development (698-0388)

*Africa--Entente Fund: African Enterprise Program (625-H-006, 625-0713, 625-0717)

Asia--Extension of Small-Scale Agricultural Equipment (498-0265)

Bolivia--Credit Unions (511-0049)

*Bolivia--Rural Enterprises and Agribusiness/Agribusiness and Artisanry (511-0472)

*Bolivia--Small Farmer Organizations (511-0452)

*Botswana--Rural Sector Grant (633-0077)

Brazil--Northeast Small/Medium Industry (512-0318)

Chad--Training Farmer Women for Agricultural Production (698-0388)

*Chile--Small-Scale Regional Development (513-0282)

*Colombia--Small Industry Development (514-0181)

Costa Rica--Urban Employment and Community Improvement (515-0130)

Development Support--Integrated Improvement Program for the Urban Poor (912-0007)

Development Support--Small Enterprise Approaches to Employment (931-1090)

Dominican Republic--Training Rural Management (517-0122)

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[1]Projects are listed alphabetically by country, region, or bureau according to source of funding.

[2]Asterisks indicate those projects with evaluative materials included.

*Ecuador--Small Enterprise Loan (518-0098)

Egypt--Development Industrial Bank (263-0045)

Egypt--Small-Scale Agricultural Activities (263-0096)

*El Salvador--Credit Union Development (FEDECACES) (519-0094)

El Salvador--Small Enterprises Development (519-0229)

Guatemala--Rural Enterprises Development (520-0245)

*Honduras--Rural Technologies (522-0157)

India--Rural Electric Cooperatives Development (386-11-220-342)

Indonesia--Provincial Area Development Program I (497-0264)

Indonesia--Provincial Area Development Program II (497-0276)

Korea--Industrial Development (489-0606)

Latin America and the Caribbean--Agribusiness Expansion (598-0614)

Lebanon--Credit System to Rehabilitate Small-Scale Farmers and Enterprises

Nepal--Rural Area Development Rapati Zone Project (367-0129)

*Nicaragua--Rural Market Women's Cooperatives (524-0108)

Nicaragua--Rural Small Merchant Credit Unions (524-0141)

*Nigeria--Indigenous Industrial Development (620-0714)

Other West Indies-Eastern Caribbean--Agribusiness Expansion (538-0057)

Other West Indies-Eastern Caribbean Region--Caribbean Productive Employment Generation (538-0025)

Other West Indies-Eastern Caribbean Region--Employment/Investment Promotion Project (538-0013)

Other West Indies-Eastern Caribbean--Employment/Investment Promotion II (538-0018)

Other West Indies-Eastern Caribbean--Regional Agribusiness Development (538-0010)

Other West Indies-Eastern Caribbean--LAAD: Regional Agribusiness Development (538-0011)

Panama--Credit Union Operations (525-0153)

Panama--Private Enterprise Development (525-0069)

Panama--Rural Growth and Service Centers (525-0185)

*Paraguay--Productive Credit Guaranty Program

Paraguay--Rural Enterprises (526-0106)

Peru--Appropriate Rural Technology (527-0162)

*Peru--Food Marketing (527-0135)

*Peru--Reconstruction and Development of Small Business (527-0140)

Peru--Rural Development Agribusiness Fund (527-0159)

*Peru--Rural Enterprises Development (527-0057)

*Regional Office of Central America and Panama (ROCAP)--Latin American Agribusiness Development (LAAD) (596-0039)

*Regional Office of Central America and Panama (ROCAP)--Regional Rural Agribusiness Development (596-0069)

Regional Office of Central America and Panama (ROCAP)--Transfer of Technology (596-0066)

Tanzania--Arusha Planning and Village Development (631-0143)

*Technical Assistance--Agribusiness Development and Support (931-1398)

*Technical Assistance--Employment through Small Industry Stimulation (931-0149)

*Technical Assistance--Small Industry Grants (931-0990)

Upper Volta--Oncho Areas Village Development Fund (686-0212)

Upper Volta--Women's Roles in Development (686-0211)

*Uruguay--Agri-Industry Development Loan (528-0103)

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Afghanistan-Industrial Development (306-0116).

TIME FRAME: FY 1970-FY 1973.

PROJECT GOAL: To promote economic development.

PROJECT PURPOSE: To increase development of private industry.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance; TA to promote development of private industries; institutional development.

PROJECT BENEFICIARIES: Government officials and businessmen.

DEFINITION OF SSE: Private small industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Ministry of Commerce.

TOTAL FINANCIAL COMMITMENT: US$888,000
Source: AID: $888,000; Other donors: Germany, U.K., and France, (contribution breakdowns not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This project provided assistance to improve staff capabilities of two Ministry of Commerce institutions specifically concerned with industrial investment, the Ministry's Investment Committee and the Investment Advisory Center (IAC), associated with the Chamber of Commerce. The Committee was to be assisted in developing criteria for the approval of investment proposals. It was encouraged to decrease bureaucratic regulation of private enterprise. A series of studies was to be produced on obstacles to private development. The IASC was assisted in providing consultant services to small private investors. A small industry library was planned to be established.

A 1972 evaluation notes that the project's cost-benefit ratio had been quite high. It created an industrial output of $7 million/year with a corresponding 30% increase in industrial employment. About 6,000 new jobs were created.

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Summary of AID Project with SSE Components

REGION AND NAME (PROJECT NUMBER): Africa-African Women in Development (698-0388)

TIME FRAME: FY 1976-FY 1982.

PROJECT GOAL: To improve the welfare of rural women in selected African countries.

PROJECT PURPOSE: To train West African women in skills which will increase their economic and social effectiveness in national development efforts.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance; grant to fund analysis and skill training.

PROJECT BENEFICIARIES: Rural women in West Africa.

DEFINITION OF SSE: Household and retail trade plus textile manufacturers and handicrafts.

INTERMEDIARY INSTITUTIONS/OTHER PARTICIPATING ORGANIZATIONS: Local women's groups and host country government.

TOTAL FINANCIAL COMMITMENT: US $3,205,000 and host country contribution of 25% of cost. Source: AID $3,205,000; Host country: 25% of cost.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The outputs of the project were defined as the initiation of interdisciplinary subprojects developed in health, nutrition, family planning, farm production and marketing and activities for skills training.

No overall evaluation is available. Only one subproject evaluation is available, namely for Kassack Nord, Senegal. That evaluation found that progress was slow in the first year toward cooperative development of farm production and village economic activities designed to benefit 300 women. Difficulties of administration, procurement and communication were problems, complicated by the fact that women must spend five months in the rice fields far from the village.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Africa--Entente Fund: African Enterprise Program (625H006, 6250713, 6250717).

TIME FRAME: FY 1973 -FY 1978.

PROJECT GOAL: To foster the development of private entrepreneurial activity and an entrepreneurial class among the five francophone Entente Council countries.

PROJECT PURPOSE: To promote Africanization of existing enterprises, promote new African enterprises, development of African enterprises and development of a modern African entrepreneurial class.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: extend loans to small and medium-sized African enterprises through development banks in Entente Fund countries on favorable terms; TA: advisors in specialized fields to assist borrower clients in the development and operational efficiency of enterprises; training of Project Officer staff with advisory responsibilities.

PROJECT BENEFICIARIES: Business firms and enterpreneurs of small to medium size in five Entente countries; workers, consumers.

DEFINITION OF SSE: Not rigorously defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Six development banks in the five Entente countries.

TOTAL FINANCIAL COMMITMENT: US$ 19,000,000 and other donors and host country.
Source: AID $17.5 million loan; $1.5 million grant.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project has operated since 1974 under the Conseil de l'Entente (the Entente Council) to extend loans to small and medium size entrepreneurs and extend technical assistance through a Projects Office. Two separate loans of $7.5 million and $10.0 million had been extended and fully used by 1979.

Three evaluation reports (at least) have been prepared. One of the most comprehensive prepared in 1979 includes a wide-ranging set of conclusions and recommendations.

Basically, it concludes:

- overall the project (1974-78) had been successful;
- too large a proportion of loans had, however, gone to:
  - o larger enterprises
  - o Ivory Coast borrowers in the richest country of the five (over 50%) with the balance in the four poorest countries
- too much reliance had been placed on financial assistance (loans) as opposed to TA (advice and training)
- the Project Office is too "remote" from the clients
- greater emphasis on outreach and publicity is required to prevent too much use of funds by friends of "insiders"
- more stress should be given to contact in the four poorer countries.

A later analysis again recommends proceeding with the program by a further loan and continuing to work through the Entente Fund on broader fronts.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Asia-Extension of Small-Scale Agricultural Equipment (498-0265).

TIME FRAME: FY 1980-FY 1985.

PROJECT GOAL: To obtain the benefits of an equipment industry for small farms.

PROJECT PURPOSE: To develop the small farm equipment industry in the Philippines, Thailand, India, and Indonesia through the efforts of the International Rice Research Institute (IIRI).

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: appropriate technology, research, testing, extension training, product development, production, and marketing development.

PROJECT BENEFICIARIES: Small fabricators of farm equipment.

DEFINITION OF SSE: Village shop of ten workers or less.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: IIRI.

TOTAL FINANCIAL COMMITMENT: US$8,850,000
Source: AID: $4,350,000

Host countries: $4,500,000 (dollar breakdown among countries not available)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Benefits the project attempts to obtain include:

- the capability to design, adapt, and produce mechanical technology for small farms;
- greater small-farm productivity through more efficient use of man-hours, land, fuel, fertilizer, water and other resources;
- greater small-farm income through greater productivity and more time for off-farm employment;
- manufacturing employment in rural areas; and
- foreign exchange savings.

Targets include extension of prototypes to fabricators, manufacturing assistance, design improvements, demonstrations, training, and changes in job descriptions and agency structure.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Bolivia-Credit Unions (511-0049)

TIME FRAME: FY 1966 - FY 1977.

PROJECT GOAL: To allow rural low-income consumers (particularly farmers) and small businesses to be better able to obtain short-term loans.

PROJECT PURPOSE: To increase the capacity of the Federacion Nacional de Cooerativas de Ahorro y Credito de Bolivia, Cochamamba (FNCACB) and its rural credit union members to administer consumer and small production credits.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: training courses. Financial assistance: increased loan capital made available.

PROJECT BENEFICIARIES: Cooperatives and members.

DEFINITION OF SSE: Small businesses, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Federacion Nacional de Cooperativas de Boliva, Cochabamba (FNCACB).

TOTAL FINANCIAL COMMITMENT: US$16,735,000 dollar breakdown for component unavailable).
Source: AID: $16,735,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The program involves three activities: 1) providing budgetary support for Cooperative Federation personnel; 2) provide training for officers and managers of member credit unions, including 8 courses at national level, 10 at regional level and 100 at local level; and, 3) additional seed loan capital provided to be used for short-term loans for low-income families and small businesses used for home improvement, medical services, working capital, and production machinery, etc.

Evaluation in 1969 called the project a success in attracting support and additional membership. No specific information on SSE component available.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Bolivia--Small Farmer Organizations (511-0452)

TIME FRAME: FY 1976-FY 1981.

PROJECT GOAL: To increase per capita income of rural poor.

PROJECT PURPOSE: To develop viable zonal cooperative small farmer organizations and rural community groups that establish small enterprises in rural areas.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; credit facilities; TA.

PROJECT BENEFICIARIES: Small farmer organizations and small farmers.

DEFINITION OF SSE: Not defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: (In first years) National Community Development Service (NCDS), government organization, (now) private sector National Office of Integrated Cooperatives (NOIC) within National Federation of Savings and Credit Cooperative (FENACRE) ...all assistance, except credit. Bolivian Agricultural Bank handles all credit.

TOTAL FINANCIAL COMMITMENT: US$ 4,147,000 (SSE component not available)
Source: AID: $4,147,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project package is designed to provide: 1) a revolving credit fund for seed capital and other economic assistance to small farmers organizations; 2) a grant fund to subsidize hiring of professional cooperative management; 3) the strengthening of the National Community Service's training capability; and 4) training of participants in business management, accounting and finance.

There were 14 training courses for NCDS staff and 101 training courses for coop and community leaders planned. Ten to fourteen integral cooperatives were to be established. This was later changed to four.

A 1979 evaluation indicated that the four integral coops (ICs) were established and became effective channels of service to small farmers. Membership

in the three IC's operative during 1978-79 doubled projections and each showed financial returns better than expected. Five thousand, two-hundred and seventy-three of Bolivia's poorest farmers had received loans.

A redesign of the project implementation strategy involved the following actions:

- o transfer of implementation responsibility to the Bolivian federation of savings and credit cooperatives;
- o transfer management of sub-loan funds to the Bolivian Agricultural Bank;
- o restructuring of the technical assistance team;
- o implementation of an intensive membership training program; and
- o limitation of the GOB role in cooperative development to a support function.

A 1981 evaluation showed that the project had moved two ICs substantially toward financial self-sufficiency and created a new project implementation structure. Project deficiencies include an overall failure to reach financial self-sufficiency; an insufficient number of ICs; an insufficient membership; and inadequate functioning of coop participatory structures.

Major problems encountered are poor credit system design and implementation at coop level, and poor project planning and implementation at coop level.

Summary of AID SSE Project

COUNTRY AND NAME: Bolivia-Rural Enterprises and Agribusiness/Agribusiness and Artisanry (511-0472).

TIME FRAME: U.S. FY 1978-U.S. FY 1982.

PROJECT GOAL: To increase income and standard of living of small farmers and rural and urban poor.

PROJECT PURPOSE: To establish a system of promotion and financing for agribusinesses and artisanry activities which benefit the rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: market expansion, employment generation, procurement of agriculture-related goods and services, Institutional development, Financial assistance.

PROJECT BENEFICIARIES: Small farmers and rural and urban poor.

DEFINITION OF SSE: Artisanry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central Bank of Bolivia (BCB), other intermediary credit institutions.

TOTAL FINANCIAL COMMITMENT: US$9,000,000
Source: AID: $6,000,000; BCB: $3,000,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project will provide an integrated package of financing and TA for agribusiness and artisanry subloans in Bolivia. The project will establish a refinancing fund in the BCB which will consist of an initial capitalization of $9,000,000. The AID loan will include up to $150,000 for mechanization of the BCB division which will manage the project and $50,000 in short-term TA. In addition, a technical assistance fund will be established and managed by the BCB to provide pre-investment and implementation assistance to subborrowers, to upgrade the technical assistance capacity of the participating intermediate credit institutions (ICIs), and to fund selected project promotion activities. Loan funds will be channelled through the Bolivian banking system and other financial institutions accepted by the BCB as eligible ICIs. The interest rate to the sub-borrower in all loan categories will be 13 percent.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Botswana-Rural Sector Grant (633-0077)

TIME FRAME: FY 1980-FY 1985.

PROJECT GOAL: To stimulate rural development and a more equitable distribution of income in Botswana.

PROJECT PURPOSE: To develop strategies to provide the rural population with increased access to productive employment opportunities with with a sub-purpose to provide non-farm employment opportunities. Finan-

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: funding for locally-devised programs based on developing forward and backward linkages to arable agriculture to produce tools and implements and process products such as grains and hides/skins including wildlife-based activities in remote areas. TA: advice from Rural Industry Officers.

PROJECT BENEFICIARIES: Rural poor farm and non-farm families and remote hunter-gatherer groups.

DEFINITION OF SSE: Largely informal and small or very small formal enterprises.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Ministry of Commerce & Industry; Ministry of Local Government and Lands. Ministry of Finance and Planning.

TOTAL FINANCIAL COMMITMENT: US$ 5,686,000
Source: AID: $3,780,000; GOB: $1,906,000 (dollar breakdown for SSE component not available)

SUMMARY OF PROJECT DESIGN, STATUS AND EVALUATION DOCUMENTS: Project at mid-point in mid 1981. It supports the goal of stimulating rural development and a more equitable distribution of income in Botswana. Regarding SSE the project seeks to create: 1) a support system at the district level, backstopped by the Ministry of Commerce and Industry (MCI) to service rural enterprises through the cadre of Rural Industry Officers; 2) a comprehensive data base on resource availability, market potential and investment needs for enterprises in rural areas providing the framework for MCI programs during the mid-eighties; 3) at least one new wildlife utilization project involving remote area populations will be designed and in process of implementation by the Department of Wildlife within MCI.

Seven of the Regional Industry Officer (RIOs - expatriate advisor) positions were filled as planned by March 1981 but serious delays occurred in supplying MCI counterpart personnel with serious implications for the future sustainability of the project.

The planned Wildlife Development project was not implemented as planned due to difficulties in recruiting a natural resource economist.

Evaluation judged sub-projects to be well-selected to achieve project objectives and the flexibility of the project in being able to initiate new activities over time one of its most salient and useful features. RIOs have carried out useful surveys of industries operating and of available resources and provided help on management and loan applications for existing business. Tighter criteria need to be prepared for use of the Small Projects Fund.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Brazil-Northeast Small/Medium Industry (512-0318)

TIME FRAME: FY 1973-FY 1978

PROJECT PURPOSE: To promote the development of small and medium industries.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development: creation of Regional Training and Research Center for Small and Medium Industry (TRC/SMI); TA: managerial training, research services.

PROJECT BENEFICIARIES: 3,240 managers of small and medium industries

DEFINITION OF SSE: Small and medium industries, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOB TRC/SMI

TOTAL FINANCIAL COMMITMENT: US$ 10,000,000
Source: AID: $10,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Established on a permanent basis the TRC/SMI in Northeast Brazil to develop the cadre of highly skilled professional manpower essential for continued implementation of the SMI program in the Northeast. This required:

- o developing and structuring a research program for the SMI sector in the Northeast
- o developing and structuring a training program for industrial consultants and industrial research specialists on small and medium industry
- o training a high level group of thirty Brazilian professors, research specialists and technicians to administer, coordinate and operate the Center when USAID assistance is completed.

Summary of AID Project with SSE Component

COUNTRY AND NAME: (PROJECT NUMBER): Chad--Training Farmer Women for Agricultural Production Subproject, (698-0388).

TIME FRAME: Two years (dates not given) between 1976-1982.

PROJECT GOAL: To improve social and economic conditions of small agricultural producers.

PROJECT PURPOSE: To establish special female training branches for five existing centers for farmer training in agricultural techniques plus instruction in nutrition, hygiene, sewing and basic education, cooperative management, decision-making, etc.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: training.

PROJECT BENEFICIARIES: Rural/farm women.

DEFINITION OF SSE: Household/farming/cooperative.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: CFA's (farmer training centers).

TOTAL FINANCIAL COMMITMENT: US$233,000 (sub-project) plus host country support.
Source: AID: $233,000; host country unspecified (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project attempts to assist farm women to be more productive farmers and to help with other areas in which they have responsibilities so that they can take a more effective role in meeting their own needs. The outputs include: 1) roughly 1,000 women farmers employ improved and more efficient methods, employ better home sanitation methods, have better nutrition and attain functional literacy; 2) number of women's cooperatives increased; 3) women's role in and understanding of national development enhanced.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Chile---Small-Scale Regional Development (513-0282).

TIME FRAME: FY 1976.

PROJECT GOAL: To provide income producing development opportunities to Chile's poorest persons.

PROJECT PURPOSE: To support the growth of Chilean regional PVO's which help poor persons establish small scale enterprises using untapped natural resources and industrial by-products.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; creation of small enterprises; TA.

PROJECT BENEFICIARIES: 10 - 15,000 poor people.

DEFINITION OF SSE: Small scale enterprises using untapped natural resources and industrial by-products.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: CIDERE (Industrial Corporation for Regional Development).

TOTAL FINANCIAL COMMITMENT: US$110,000
Source: AID: $110,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project aimed to expand the CIDERE program which creates jobs for the disadvantaged and stresses use of indegenous resources of industrial by-products with high benefit/cost ratios and technology appropriate for untrained labour. The goal of this project was to create 9,000 man-years of employment over two years in coops, businesses, and export activities and thereby stimulate the creation of CIDEREs in other regions of Chile. Funds cover identification of projects, prototypes and studies.

A mid-term evaluation in early 1977 found that the CIDEREs were having trouble identifying markets for their products. A terminal evaluation, however, found that four CIDEREs had become self-sustaining with the assistance of the project. Overcoming start-up problems had been more time-consuming than originally envisioned but it was found that birth pains were over. The four CIDEREs were functioning well and stimulating employment. Employment was created for 9,000 people as a result of the project. No major changes were recommended for Project completion. Since each CIDERE is basically an indigenous local group, a particular pattern cannot be forced on them. The evaluators believe that CIDEREs could become self-financing if they take a more active part in the establishment of SSE's assisting them to obtain financing and management skills to get over the early problems that small businesses encounter. The key element to success of the CIDERE's was good management.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Colombia--Small Industry Development (514-0181)

TIME FRAME: Began FY 1975, term of project not specified

PROJECT GOAL: To generate employment opportunities and stimulate increased industrial productivity in small and medium-sized industrial enterprises.

PROJECT PURPOSE: To provide equity capitalization of the Colombian credit agencies implementing loans to small and medium-sized industrial enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance and TA for credit institutions and for small industries.

PROJECT BENEFICIARIES: Credit institutions (primary) small and medium enterprises; recipients of 5-6,000 new jobs.

DEFINITION OF SSE: Firms with less than $800,000 capitalization and less than 20 workers.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Popular Finance Corporation (CFP)

TOTAL FINANCIAL COMMITMENT: US$ 10,760,000
Source: AID: $5,000,000 GOC: $5,760,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This project complements earlier loans supporting innovative organizations having dynamic effects on employment with high social payoff in income distribution terms. Funds will go to small manufacturing, mining and agro-industry activities, especially those that are labor-intensive, geographically isolated, are cooperatives or new industries. TA of lending agency is intended to overcome such small industry development obstacles as institutional credit and raw material shortages.

The evaluation noted that poor project design hindered the activities of the project. It was, however, able to provide large numbers of small businessmen with credit unavailable elsewhere. The low amount of funding makes it doubtful that a strong, positive impact on the problem was made.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Costa Rica-Urban Employment and Community Improvement (515-0130).

TIME FRAME: FY 1978-FY 1981.

PROJECT GOAL: To increase income and quality of life of urban poor.

PROJECT PURPOSE: To improve living conditions of the urban poor by providing shelter and community improvements, increasing employment opportunities, and by investments in small businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: managerial training; Financial assistance: credit.

PROJECT BENEFICIARIES: Eight thousand un- and underemployed and 1970 small businesses in urban San José.

DEFINITION OF SSE: Small business, not otherwise defined.

INTERMEDIARY INSTITUTION AND OTHER PARTICIPATING ORGANIZATIONS: GOCR Social Assistance Institute

TOTAL FINANCIAL COMMITMENT: US$11.26 million
Source: AID: 4.46 million; GOCR: 6.8 million (exact dollar breakdown for SSE component not available)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project will place 2,000 un- and underemployed persons in existing job vacancies, and 6,000 will be offered basic and occupational skills training (both on-the-job and classroom/shop training.)

The Ministry of Economy's (MEIC) Small Industry Office (DGATPIA) will offer technical assistance and training to small industrialists to improve their basic business skills and practices, and will assist them in the preparation of credit applications.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Development Support-Integrated Improvement Program for the Urban Poor (IIPUP)(912-0007).

TIME FRAME: FY1978-FY1983.

PROJECT GOAL: To improve the quality of life of the urban poor and test new policy and integrated operational service delivery modes.

PROJECT PURPOSE: Multiple: a) demonstrate superiority of integrated delivery of urban services; b) determine and demonstrate more equitable and efficient human service delivery systems; c) demonstrate feasibility of recovering IIPUP-type program costs by taxes; d) show that IIPUP-type programs will not require exorbitant investment.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans (from expanded Housing Investment Guaranty loans) to entrepreneurs and small enterprises; TA: apprenticeship and management training plus advisory/training assistance in purchasing, production and marketing.

PROJECT BENFFICIARIES: Urban poor in selected countries especially entrepreneurs in sub-projects with SSE emphasis.

DEFINITION OF SSE: Small enterprises, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: To be selected according to particular sub-project settings. Community residents to play important role in decision-making and implementation.

TOTAL FINANCIAL COMMITMENT: US$9,030,000 plus local currency $2 million= $11,030,000.
Source: AID: $11,030,000; Private Bank for Housing Investment Guaranty loans (overall total $160,000,000) (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: IIPUP has moved forward with several integrated service projects. By mid-1981 there was, however, only one with a primary focus on enterprise development and employment creation, namely in a 100,000 plus population of slum dwellers in Panama City. An evaluation is to be conducted in 1981 but as of this writing it has not yet been carried out. The sub-project in Tamale, Ghana, has some concern (but only marginally) with employment/enterprise development objectives. It has also not yet been evaluated. This project will, however, be valuable as a source of information on the integrated urban services approach to urban small-scale enterprise at a later stage.

Summary of AID SSE Project

BUREAU AND NAME (PROJECT NUMBER): Development Support-Small Enterprise Approaches to Employment (931-1090).

TIME FRAME: FY 1978-FY 1981

PROJECT GOAL: To provide useful background knowledge and employment generation strategies.

PROJECT PURPOSE: To develop a basis for identifying approaches and for designing generally applicable programs which improve employment opportunities, productivity, and enterprise viability in the SSE sectors of the urban economy.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Micro-enterprise approach: development and assistance to small informal enterprises.

PROJECT BENEFICIARIES: Micro-enterprises and employees.

DEFINITION OF SSE: Level I (marginal): poorest people working long hours at low productivity occupations, just barely able to subsist. Level II (very small): tiny businesses which provide sufficient income to meet the most basic survival needs of families. Level III (small): fairly well-established businesses, such as long-term stall-holders in permanent urban markets or skilled shoemakers, etc.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Three PVOs: ACCION/AITEC, Partnership for Productivity, and the Development Group for Alternative Policies.

TOTAL FINANCIAL COMMITMENT: US$1,350,000
Source: AID: $1,350,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS:

The project consists of three components: 1) evaluative 2) urban housing and 3) PISCES. The first component will evaluate a selection of credit/technical assistance programs in order to determine their impact in terms of creating jobs, improve productivity, increasing incomes, and redistributing income in favor of the urban poor target population. The second component will examine the impact on incomes and employment opportunities of its Housing Guaranty program which sponsors shelter and related projects in urban locations.

The third component is the Program for Investment in the Small Capital

Enterprise Sector (PISCES). It is an effort to organize information on how to assist the smallest economic activities of the urban poor. Phase I began in 1979 and involved identifying and describing projects which are working effectively at the bottom of the economic scale. This is the informal sector of LDC economies, usually at least 20% of employment and sometimes in excess of 50% in urban areas. Case studies of projects were done in Kenya, Swaziland, Tanzania, Upper Volta, the Gambia, Cameroon, El Salvador, Colombia, Ecuador, Honduras, India, and the Philippines. Phase I identified the characteristics of businesses in the informal sector of these countries and underlined the constraints faced by the urban poor, including government policies favoring large businesses; capital needs; raw material and equipment needs, and marketing problems.

A final workshop report surveying the results of Phase I activities found a number of features shared by the most effective programs serving micro-enterprise development: These programs build upon the needs and skills within the communities; use volunteer staff; stress "learning by doing"; facilitate grouping together people who are socially cohesive and trust each other; actively involve community leadership in program planning and implementation, are highly decentralized and maintain an evolutionary flexible posture; use generalists on their staff who do not and often cannot engage in highly technical activities; have small staffs allowing a good deal of intensive interaction between staff; and rely heavily upon strong charismatic leadership.

Phase II will attempt to replicate these findings in several demonstration projects, which will be closely monitored, evaluated, assisted with technical expertise, and fine-tuned.

During this phase, a methodology will be designed for evaluation purposes. The results of demonstration projects will be disseminated and workshops will be held for both donors and practitioners to facilitate this process. Finally, a centralized monitoring system for supporting the field components of PISCES will be designed and maintained on a continuing basis as an institutional memory.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Dominican Republic-Training Rural Management (517-0122).

TIME FRAME: FY 1977 to FY 1979.

PROJECT GOAL: To improve workers' productivity and incomes

PROJECT PURPOSE: To transfer small business management skills to agriculture and artisan group leaders.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: Small business management.

PROJECT BENEFICIARIES: Thousands of small farmers and artisans.

DEFINITION OF SSE: Artisans, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Dominican Development Foundation (DDF).

TOTAL FINANCIAL COMMITMENT: US$160,000.
Source: AID: $160,000 (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project will provide business management instruction to small farmers and artisans, so they can improve their economic position. Output should include: (1) in-country training for 30 DDF personnel; (2) increase in number of small farm groups from the present 107 to a target of 207 groups; (3) increase in artisan groups from 13 to 15; (4) attracting 2,300 new small farm members and 55 new artisan members; (5) 19 courses in management for directors of small farmer and artisan groups with 30 participants in each course; (6) 5 courses for directors and delegates of commissions of small farmer and artisan groups with 20 participants in each group.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Ecuador--Small Enterprise Loan (518-0098).

TIME FRAME: Began FY 1971, term of project not specified

PROJECT GOAL: To relieve the credit shortage for small manufacturing enterprises, develop a strong group of medium-sized entrepreneurs and permanently strengthen ability of financial institutions to deal with small industry sector. To help small entrepreneurs participate more fully in political and social life of the country.

PROJECT PURPOSE: To provide capital to produce rapid results in stimulating new production and employment and increased use of raw materials.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: small industry loans; TA.

PROJECT BENEFICIARIES: Small businessmen, bank officials.

DEFINITION OF SSE: Small industrial enterprises, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOE.

TOTAL FINANCIAL COMMITMENT: US$25,450,000.
Source: AID: $4,450,000; GOE: $21,000,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The program consists of a combination of extension of increased credit to small industry and the training of both recipients and distributors of the credit. Training programs are established concerning credit utilization, industrial techniques, business management, and decision-making for bank officials and small businessmen. Outputs anticipated were: 1) rural industry would be developed; 2) new markets would be provided for agricultural products; 3) medium and large industry would benefit through the provision of a stable supply of intermediary products; and 4) a larger share of the population would be drawn into the process of economic development.

The final evaluation found that 295 sub-loans to small enterprises were made under the loan with particular benefit accruing to makers or processors of metal, plastic products, small appliances, furniture, clothing, and wood products. The loans' major accomplishment, in conjunction with other complementary projects, was the strengthening of the GOE's institutional funding mechanism and the opening of new channels for the movement of vital resources to developing sectors. Many new jobs were created. A sample of 32 sub-loans in 1975 showed 165 new jobs resulted.

Devres

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Egypt-Development Industrial Bank (DIB) (263-0045).

TIME FRAME: FY 1978-FY 1979.

PROJECT GOAL: To increase the capacity of the private sector by providing medium-term foreign exchange loans.

PROJECT PURPOSE: To improve the institutional capability of the DIB.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Grant.

PROJECT BENEFICIARIES: Egypt's small-scale private industry.

DEFINITION OF SSE: Small-scale, private industrial firms.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: DIB.

TOTAL FINANCIAL COMMITMENT: US$2,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The grant is for the improvement of DIB's operations, and thereby its capability for providing financing to Egypt's small-scale, private industry sector.

Inputs will include: a full-time advisor to provide advice and guidance to the BID's chairman; a review, by a management consulting firm, of all BID management systems and procedures, with recommended improvements; on-the-job training for selected employees, at U.S. banking or development finance companies; a new mini-computer with related software; and electronic calculators.

Outputs include: a trained DIB management and staff; and organizational and operational improvements.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Egypt - Small-Scale Agricultural Activities (263-0096)

TIME FRAME: FY 1979-FY 1982.

PROJECT GOAL: To improve the quality of life for small farmers and other rural families, and to increase the participation of small entrepreneurs in national economic development.

PROJECT PURPOSE: To introduce and/or adapt technologies appropriate to small farmer and rural resident needs; begin process of developing an institutional capability in appropriate technology; increase rural employment opportunities by expanding small, rural-based, agri-business enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: Long-term and short-term project advisors; Institutional development: On-the-job and foreign participant training, establishment of training and extension programs for farmers and local manufacturers.

PROJECT BENEFICIARIES: 5,000 small farmers and 20 small, rural-based agri-business enterprises.

DEFINITION OF SSE: Small farmers, small, rural-based agri-business enterprises.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOE Ministry of Agriculture, through its Appropriate Technology Task Force (ATTF).

TOTAL FINANCIAL COMMITMENT: US$ 1,700,000
Source: AID: $1.7 million; GOE: Unstated amount of financial and institutional support.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project inputs include grant, technical assistance and commodities aimed at the introduction of ten separate technology systems appropriate to small farmers and rural residents. ATTF personnel will receive on-the-job training and foreign participant training in transfer of appropriate technology.

The newly-trained ATTF personnel will establish training and extension programs for small farmers and local manufacturers of agricultural equipment (for seeding, irrigation, threshing, crating, etc.) Each program will be centered around one technology system, and will reach 500 farmers and a minimum of two manufacturers.

Devres

Outputs include: appropriate systems of technology in use in rural areas; counterpart agency personnel trained and in place; training and extension programs operating; instructional materials prepared.

An evaluation is scheduled for summer 1981, according to NE/DP.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): El Salvador-Credit Union Development (FEDECACES) (519-0094).

TIME FRAME: FY 1967-FY 1973.

PROJECT GOAL: To establish credit unions providing production and personal loans to urban and rural low-income families.

PROJECT PURPOSE: To make the credit union federation (FEDECACES) self-sustaining by 1975.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance for sub-lending; TA for credit union personnel; Institutional development.

PROJECT BENEFICIARIES: 30,000 low-income families who are members of the credit union.

DEFINITION OF SSE: The very small entrepreneur, artisans, cottage industries, small industries, and small commercial enterprise, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Credit Union National Association (CUNA); El Salvador Credit Union Federation (FEDECACES).

TOTAL FINANCIAL COMMITMENT: US$1,346,000

Source: AID: $1,346,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: With a goal of increasing credit union membership from 10,000 to 30,000 low-income families by the end of 1973, and raising family income from $712 to $863 per year, the Project sought to provide low-interest loans to small farmers, small entrepreneurs, and the regular employer. Outputs were to include: 1) FEDECACES member credit unions would increase from 78 to 137; 2) its loan portfolio would increase from $250,000 to $3,438,000; 3) its share capital would increase from $4,700 to $350,000; 4) TA provided to member unions; 5) administrative ability of FEDECACES would be improved; 6) FEDECACES personnel would receive training in credit management.

The evaluation of 1969 indicates that the credit union growth rate had not matched objectives. FEDECACES did not have the manpower necessary to organize at the projected rate or to improve existing unions. Nevertheless, 93 unions had been formed with over 9,000 members and over $400,000 in savings. It was recommended that targets be set at lower levels in order to permit FEDECACES to help existing unions become self-sufficient.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): El Salvador--Small Enterprises Development (519-0229)

TIME FRAME: FY 1980-FY 1981.

PROJECT GOAL: To increase income and improve socio-economic conditions for the poor; to increase economic opportunity and employment for the poor.

PROJECT PURPOSE: To develop and expand cooperative and small-scale producer enterprises with emphasis on extension of appropriate technology and credit services and local participation. Improvement and expansion of FEDECACES and FEDECCREDITO systems.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance to provide capital funding; TA.

PROJECT BENEFICIARIES: SSE's owned by poor.

DEFINITION OF SSE: SSE, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Ministry of Planning, Federations of Cooperative Associations of Savings and Credit (FEDECACES) and Federations of Credit Banks (FEDECCREDITO).

TOTAL FINANCIAL COMMITMENT: US$ 9,750,000
Source: AID $9,750,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project will attempt to end technical, economic, financial and other constraints opposing development of SSE's owned and operated by the poor. Institutional planning and research of Federations of credit banks and savings banks will be improved through training and augmented personnel. Sub-loans will be increased for production, marketing, and commercial projects in the medium and small industrial sector and technical assistance will be provided for these projects. The output will be: 1) expanded and improved lending; 2) increased system capitalization and viability and 3) improved training, planning, R & D, promotion and specialized service capacities in the Federation systems.

Summary of AID SSE Project

COUNTRY AND NAME: (PROJECT NUMBER): Guatemala--Rural Enterprises Development (520-0245)

TIME FRAME: FY 1979-FY 1981

PROJECT GOAL: To improve the income of the rural poor in the highlands by increasing their employment and productivity.

PROJECT PURPOSE: To develop and expand artisan and small rural enterprises by improving the access of such firms to credit, appropriate technology and related technical assistance.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: for provision of training and studies, etc. Financial assistance: for equipment for service institution.

PROJECT BENEFICIARIES: Rural poor.

DEFINITION OF SSE: Enterprises with less than 19 workers.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Corporacion Financiera Nacional (CORFINA); National Center for Export Promotion (GUATEXPO)

TOTAL FINANCIAL COMMITMENT: US$8,170,000
Source: AID: $8,170,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project is intended to assist expansion of small rural industry and artisan enterprises. A credit fund, administered by CORDINA, of $9.2 million will be established to finance the fixed and working capital needs of small enterprises. Technology Fund activity will provide for the development and dissemination of appropriate technology for small rural enterprises which can be used (looms, pottery wheels, metal-working tools, etc.) and produced (farm tools, improved stoves, solar heaters, etc.). CORFINA will lend to eligible enterprises which can make sub-loans. TA re: product design and development directed toward export market requirements will be provided. Desired outputs: 1) 5,500 loans to enterprises; 2) 30 credit agents trained; 3) 2,000 entrepreneurs receive management training; 4) 1,500 entrepreneurs receive special assistance; 5) 100 promotion seminars; 6) 12 appropriate technology prototypes developed and demonstrated; 7) 5 policy studies; 8) data bank created; 9) 15 newsletters published; and 10) ten appropriate technology conferences held.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Honduras--Rural Technologies (522-0157)

TIME FRAME: FY 1979-FY 1982.

PROJECT GOAL: To improve the incomes of small farmers and rural small businessmen; improve the quality of rural living.

PROJECT PURPOSE: To increase small farm utilization of labor/land through use of improved light farm implements and structures; to increase small-scale rural industrial productivity and employment through introduction of improved productivity and management systems for existing small enterprises and through establishment of new pilot enterprises; and to increase utilization by rural poor of low-cost appropriate technology.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: supply of appropriate technology.

PROJECT BENEFICIARIES: The rural poor, i.e., 93% of the population.

DEFINITION OF SSE: Rural entrepreneurs, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOH

TOTAL FINANCIAL COMMITMENT: US$ 2,750,000 (dollar breakdown for SSE component not available)
Source: AID $2,750,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project is designed to create the necessary institutional systems for the development, testing, demonstration, and delivery of light capital technologies and related technological assistance for small farmers, small rural enterprises, and rural poor families. Anticipated outputs include: 1) a delivery system for management and technical advisory service for SSEs; 2) a system for delivering training to small farmers and rural enterprises; 3) an operational small enterprise development fund; 4) a fund for the development, adaptation and dissemination of small farm appropriate technology; 5) improvements in the long-term educational capacity of post-secondary institutions in appropriate technology development and industrial training; 6) the establishment of a small enterprise investment advisory service in the Ministry of Economy; 7) the establishment of an evaluation/planning capacity in the Industrial Development Center; 8) expanded GOH capacity to evaluate the effects on rural industrialization and employment of GOH policies; and 9) the establishment of an office for project coordination, management and administration.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): India-Rural Electric Cooperatives Development (386-11-220-342).

TIME FRAME: FY 1969-FY 1974.

PROJECT PURPOSE: To furnish electricity to rural cooperative members in order to increase agricultural production and to stimulate small agro-industry.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development electrification.

PROJECT BENEFICIARIES: Five rural electric cooperatives, rural farmers and other rural poor.

DEFINITION OF SSE: Small agro-industry, otherwise not defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: State Electricity Boards, National Rural Electric Cooperative Association.

TOTAL FINANCIAL COMMITMENT: US$1,693,000
Source: AID: $1,099,000; GOI: $540,000 (Rs. 4,104,000) (dollar breakdown for SSE component not available)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provided for the organization, construction and operation of pilot cooperative electric distribution systems in selected areas in five states to serve as demonstrations of the system. In the initial stage, these cooperatives provided electricity to some 93,000 members in 1,200 villages, embracing a population of 1 ½ million people. If successfully adapted to conditions in India, it was expected that other areas would be developed by use of personnel trained in the five original pilot projects. Three basic tenets of the projects included:

- furnishing electricity to the rural cooperative members at reasonable rates to increase agricultural production; stimulate small agro-industry; and, improve the standard of living for the rural population.

- establishing local organizations for the financing, procurement, installation, repair and proper use of electrical appliances and equipment; and

- providing training for personnel involved in rural electric cooperative activities.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Indonesia-Provincial Area Development Program I (PDP I) (497-0264).

TIME FRAME: Fy 1977-FY 1981.

PROJECT GOAL: To improve the well-being of the rural poor.

PROJECT PURPOSE: To improve the capabilities of local government to undertake rural development activities which impact on the productive capacity of the rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; TA: appropriate technology, market research; Financial assistance: credit; Procurement of raw materials.

PROJECT BENEFICIARIES: Rural poor.

DEFINITION OF SSE: Family handicraft industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Local government.

TOTAL FINANCIAL COMMITMENT: US$12,300,000
Source: AID: $8,000,000; GOI: $4,300,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: PDP I is a local government program which seeks to upgrade a number of key rural development program/activities/functions which are felt to have the potential of increasing incomes of the rural poor. The capacity of key central government agencies to work effectively with local government is expected to be upgraded. PDP I has begun pilot programs in two provinces; programs will be implemented in other provinces should these prove to be viable.

The small industry component of PDP I is small. It provides limited TA to "a few" rural families. In some cases, the introduction of inexpensive tools and equipment and use of new techniques, materials, and designs is expected to make a significant contribution to quality, productivity and profitability.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Indonesia-Provincial Area Development Program II (PDP II) (497-0276).

TIME FRAME: FY 1978-FY 1982.

PROJECT GOAL: To improve the well-being of the rural poor.

PROJECT PURPOSE: To increase the capability of local government to undertake (and central government to support) rural development activities which increase the incomes of the rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; TA: through government to increase incomes by expanding industry and agriculture.

PROJECT BENEFICIARIES: Poor rural households as farm and enterprise units.

DEFINITION OF SSE: Integrated agricultural/industrial household enterprise.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Local government, universities, cooperatives.

TOTAL FINANCIAL COMMITMENT: US$41,000,000
Source: AID: $24,000,000, GOI: $17,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The PDP is a local government program which seeks to upgrade a limited number of key rural development programs/activities/functions which have the potential of increasing incomes of the rural poor, directly and immediately. The program strives to improve the capabilities of local government to undertake rural development activities which impact on the productive capacity of the rural poor; to improve the capabilities of key central agencies to support local government rural development activities which impact on the income of the rural poor; and to increase the incomes of the rural poor within the project areas.

PDP II's predecessor, PDP I, operated in two provinces. PDP II is expanding into six more. It is expected to test a sufficient number of socio-economic-administrative-geographic conditions to determine the feasibility of, and provide the momentum for, a nationally-financed and executed program to meet the above-mentioned objectives.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Korea-Industrial Development (489-0606).

TIME FRAME: FY 1964-FY 1971.

PROJECT GOAL: To continue Korea's economic growth.

PROJECT PURPOSE: To develop the industrial economy and increase exports.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; Financial assistance; TA: training, managerial advising, market research; Development of national policies favorable to SSE.

PROJECT BENEFICIARIES: Korean industrialists, exporters, workers.

DEFINITION OF SSE: Small and medium industry, not otherwise defined.

INTERMEDIARY INSTITUTION AND OTHER PARTICIPATING ORGANIZATIONS: Ministry of Commerce and Industry, Korean Market Development Center (KPC).

TOTAL FINANCIAL COMMITMENT: US$1,971,000
Source: AID: $1,971,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project attempted to develop policies to promote small and medium industries' management and technical skills and thus increase production. An industry advisor consulted government ministries and private businesses on industrial development. Industrial specialists, including an industrial engineer, cost-control specialist, marketing expert, and management specialist, advised their respective divisions of the KPC. The project intended to train thirty-four participants in various relevant subjects, including industrial standards, machinery practices, management consulting, and market research.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Latin America and the Caribbean--Agribusiness Expansion (598-0614).

TIME FRAME: FY 1980 - FY 1984.

PROJECT GOAL: To improve the standard of living of the poor, stimulate economic and agricultural growth and create employment.

PROJECT PURPOSE: To initiate and expand private agribusiness investments in the Caribbean.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance via intermediary to make low-interest credit available.

PROJECT BENEFICIARIES: Small farmer and landless workers.

DEFINITION OF SSE: Small- and medium-sized agribusiness, the local manufacturer of implements, small machinery and equipment items needed by small farmers, etc.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Latin American Agribusiness Development Corporation, S.A. (LAAD).

TOTAL FINANCIAL COMMITMENT: US$15,300,000.
Sources: AID: $6,000,000; Private banks: $2,000,000; LAAD: $7,300,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project is designed to permit LAAD to continue its sub-lending to small- and medium-sized agribusiness in the Caribbean. It is estimated that about 44 subprojects in areas of food production, agricultural inputs, processing, packaging, storage and transportation would be financed during the four year loan. Ten thousand new jobs were expected to be created. Other outputs from this project include: establishment of a new LAAD office in the Eastern Caribbean to facilitate project development; the provision of more comprehensive financing packages such as export-related services; and extended marketing services through linkages with U.S. or regional purchasers.

Summary of AID SSE Project

COUNTRY AND NAME: Lebanon--Credit System to Rehabilitate Small-Scale Farmers and Enterprises. (Project Number not available.)

TIME FRAME: FY1981-FY1984.

PROJECT GOAL: To strengthen local institutions, support the GOL in asserting its authority and seek to resume pre-civil war levels of activity.

PROJECT PURPOSE: To assist small-scale farmers, shopkeepers and entrepreneurs to restore their economic activities to pre-war levels, institutionalize a short- and medium-term credit system and increase public and private credit institutions involvement in such credit.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: extend credit and encourage public and private financial institutions to participate in financing SSE activities.

PROJECT BENEFICIARIES: Small-scale farmers, shopkeepers, and entrepreneurs and cooperative members plus consumers.

DEFINITION OF SSE: Total assets less than $14,700 and less than 2 workers.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: National Union of Cooperative Credit, Ministries, Office of Social Development, Artisan du Liban, and Telanese commercial banks.

TOTAL FINANCIAL COMMITMENT: US$12,560,000.
Source: AID: $6,060,000; SCF/CDF: $300,000; GOL:$2,500,000; Commercial Sector: $2,000,000; Community committees: $1,700,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This project deals with both emergency/survival situations and as hostilities become less severe will be more developmental, both with respect to farmers and enterprise loans. It seeks to restore productive and income generating activities where community and economic life has been disrupted.

Summary of AID Project with SSE Component

COUNTRY AND NAME: Nepal-Rural Area Development, Rapati Zone Project (367-0129).

TIME FRAME: FY 1980-FY 1985.

PROJECT GOAL: To increase participation of small farm and non-farm producers in the process of development.

PROJECT PURPOSE: To assist His Majesty's Government of Nepal (HMG/N) to promote development to meet the basic needs of Nepal's poor majority, with special attention to the large, previously bypassed population in the Middle Hills.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; TA: training, appropriate technology, market research.

PROJECT BENEFICIARIES: Nine hundred individuals.

DEFINITION OF SSE: Cottage industry, artisanry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: HMG/N Ministry of Local Development.

TOTAL FINANCIAL COMMITMENT: US$33,674,000
Source: AID: $26,700,000
HMG/N: $6,974,000 (exact dollar breakdown for SSE component not available)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project will improve crucial aspects of the quality of life, including income, productivity, employment, nutrition, control of family size and education of the rural poor in the five districts of the Rapati Zone. It supports Nepalese programs to improve farming systems, renewable resource management, small rural works, employment and skills development, and institutional development especially at the local level.

The major emphasis of the employment/industry component is on increasing the number of educated and skilled persons in the Zone through formal education, nonformal education and cottage industry and appropriate technology development programs. Expected outputs include organizational changes, acceptance of new designs, and adoption of IRRI designs and techniques.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Nicaragua-Rural Market Women's Cooperatives (524-0108).

TIME FRAME: FY 1975 - FY 1978

PROJECT GOAL: To improve living conditions of market women and their families and strengthen women's cooperatives in urban markets.

PROJECT PURPOSE: To establish viable rural organizations to provide market women and other small tradespeople with credit and cooperative facilities.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development and financial assistance for cooperative development.

PROJECT BENEFICIARIES: 6,000 active members of 20 credit unions in 65% of country which is rural.

DEFINITION OF SSE: Market women and other small tradespeople.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATION: FUNDE: Nicaraguan Development Foundation

TOTAL FINANCIAL COMMITMENT: US$279,000
Source: AID: $279,000 (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provides access to inexpensive credit and training in social promotion and management techniques, through organization of credit cooperatives. The goal was 20 self sufficient credit unions with 6,000 active members and significant ($70-100 per member) savings.

An evaluation carried out after the first year of activity indicated that 12 credit unions had been formed with over 1,400 members (55% of whom were women) and over $75,000 U.S. in savings. Two unions have reached self-sufficiency. Others are achieving this goal rapidly.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Nigeria: Indigenous Industrial Development (620-0714)

TIME FRAME: FY 1961-FY 1972.

PROJECT GOAL: To develop a strong and competitive private enterprise system of small and medium-scale indigenous industries.

PROJECT PURPOSE: To establish a Nigerian institution with capability to accomplish the development and promotion of indigenous small and medium-scale industry.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Integrated Credit and Technical Assistance. TA: Training, demonstrations and seminars; Financial assistance: loans from State loan funds or Ford Foundation Credit Fund and later from private banks.

PROJECT BENEFICIARIES: 2,375 entrepreneurs; 14 staff of Industrial Development Centers.

DEFINITION OF SSE: Small and medium-scale industry, not otherwise defined.

INTERMEDIARY INSTITUTION AND OTHER PARTICIPATING ORGANIZATIONS: State governments, Industrial Development Centers; ILO, Ford Foundation, Government of the Netherlands, UK/VSO, Peace Corps, Private banks.

TOTAL FINANCIAL COMMITMENT: SUS 4,886,000; AID: $3,376,000; GON: $1,185,000
Source: AID, ILO, Netherlands and UK Governments, Ford Foundation, Peace Corps, Federal and State Governments of Nigeria (amounts not specified)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project was especially thoroughly evaluated in December 1972. The evaluation documents the main features of the program contributing to its success and lays special stress on the importance of the combination of technical and financial assistance which appears to have greatly contributed to speeding up successful work with enterprises. A careful technical, financial and management analysis was also believed to be important in assessing the company's needs with follow-up in form of training, seminars on special problems of entrepreneurs in the same line of operations and in-plant analysis and advice on layout, equipment, processes, etc. The project also prepared "management technique reports" in vernacular languages and

English for use by managers which appear to have become very useful. Production, profitability and employment rose, a number of new enterprises were established and private banks became interested in the SSE sector because of the project.

Outputs: 14 Nigerians trained to staff IDC's; 5 workshops, 1 conference building, 1 office building and house constructed; 2,375 entrepreneurs trained in improved management and production techniques; 43 product prototypes developed; 96 small industries set up; $1.0 million of small loans.

This project operated through a turbulent period including the Nigeria civil war which saw one IDC at Owerri flourish and then close due to hostilities. Two others developed: one at Zaris developed slowly in the sixties and one in the West began late in the life of the AID project's support. The project was meshed with State government and private bank industrial loan programs. In the case of the banks IDC feasibility studies become a prerequisite to a bank loan.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Nicaragua-Rural Small Merchant Credit Unions (524-0141).

TIME FRAME: FY 1977 to FY 1978.

PROJECT GOAL: To improve living conditions of families of rural small merchants and small industry and to lower costs of marketing by improving efficiency of the process.

PROJECT PURPOSE: To establish fifteen viable rural organizations providing low-cost credit services to rural small merchants and small industry.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; Financial assistance, TA.

PROJECT BENEFICIARIES: Rural small merchants, artisans and small industry.

DEFINITION OF SSE: Small merchants, artisans and small industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Nicaragua Development Foundation (FUNDE).

TOTAL FINANCIAL COMMITMENT: US$135,000
Source: AID: $135,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project was to promote and organize credit unions in 15 rural communities. It was to finance salaries of 15 full-time managers. FUNDE contracts were to pay and train managers until the credit union became self-sufficient. Ten credit unions were to be functional in the first year and five in the second year.

Summary of AID Project with SSE Component

REGION AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Agribusiness Expansion (538-0057)

TIME FRAME: Began FY 1980, term of project not specified

PROJECT GOAL: To improve the standard of living of the poor and to stimulate economic and agricultural growth and create employment

PROJECT PURPOSE: To initiate and expand private agribusiness investments.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA and financial assistance to stimulate private agribusiness investments.

PROJECT BENEFICIARIES: Caribbean agricultural sector, 10,000 rural small farmers and unskilled or semi-skilled landless laborers.

DEFINITION OF SSE: Agribusiness, operating on small-scale basis, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Latin American Agribusiness Development Corporation (LAAD)

TOTAL FINANCIAL COMMITMENT: US$ 6,000,000 (financial support of host country, and other private banks and dollar breakdown of SSE component not available)
Source: AID $6,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: LAAD will sub-loan funds to private entrepreneurs to finance forty-four agribusiness subprojects in food production, processing, packaging, storage, and transportation. These will be projects not previously financed by LAAD but where substantial employment benefits could be expected. Projects must:1) contribute to welfare of small farmers or landless laborers; 2) contribute to agribusiness sector by increasing production, employment, or commodity price stability; or 3) contribute to national or regional economic improvement by increasing foreign exchange earnings, add to raw or semi-processed commodities, etc. Anticipated output: 1) sub-project identification, promotion, and development; and 2) technical assistance provided to sub-projects.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Caribbean Productive Employment Generation (538-0025).

TIME FRAME: FY 1979 to FY 1981.

PROJECT GOAL: To reduce widespread unemployment and underemployment in the Caribbean.

PROJECT PURPOSE: To develop productive employment opportunities in the Caribbean.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA and financial assistance for investment activities conducive to employment generation.

PROJECT BENEFICIARIES: 4,000 to 5,000 jobs created for low-skilled, under or unemployed workers, especially young adults under 25.

DEFINITION OF SSE: New or expanding, labor-intensive industries.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Caribbean Group for Cooperation and Economic Development (CGCED).

TOTAL FINANCIAL COMMITMENT: US$381,000 (participant industries, host countries, and other donor contributions and dollar breakdown for SSE component not available).
Source: AID: $381,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This project will assist the CGCED in its strategy of addressing the unemployment situation in the Caribbean. Technical and capital resources will be provided to improve the institutional capacity and the investment climate for promoting labor-intensive enterprises on a self-sustaining basis, and for mobilizing private resources, as well as to create new jobs for the poor. Output will include: (1) improved institutional capacity; (2) new job opportunities; (3) ten policy studies; (4) 20 feasibility studies; (5) training for 200 persons and (6) product and marketing development activities.

Summary of AID Project with SSE Component

REGION AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Employment/Investment Promotion Project (538-0013).

TIME FRAME: FY 1978-FY 1980.

PROJECT GOAL: To increase the incomes of small farmers and the rural poor.

PROJECT PURPOSE: To strengthen the Caribbean Development Bank's (CDB) institutional capacity to identify, examine, and promote greater utilization of resources, by 1) development of a mechanism to disseminate applied technology, 2) expansion of programs in adaptive technology, and 3) development of programs toward appropriate industrialization.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; TA; Financial assistance.

PROJECT BENEFICIARIES: Approximately 1,500 SSEs.

DEFINITION OF SSE: Must have two of following characteristics: less than twenty-five employees, less than US$25,000 in fixed capital, less than US$25,000 in annual sales, as defined by the Barbados Institute of Management and Productivity. This definition is generally accepted in the Eastern Caribbean. Development Finance Corporations (DCFs), however, define small industries as those whose net worth does not exceed US$55,600.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: CDB, DFCs, Caribbean Investment Corporation (CIC), and other lending institutions.

TOTAL FINANCIAL COMMITMENT: US$2,035,000
AID: $1,676,000; CDB: $359,000 (exact dollar breakdown for SSE component not available)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The small business support component attempts to strengthen the on-lending institution (CDB, DFCs, and CIC) through financial assistance ($1,676,000 grant) and TA: reorganization and standardization of lending criteria, administrative procedures, and improvement of staff and staffing patterns. Investment promotion component identifies world-wide buyers of products from the region. A SSE survey is to be conducted to determine potential and magnitude of TA required by the sector.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Employment investment Promotion II (538-0018).

TIME FRAME: FY 1979 - FY 1982.

PROJECT GOAL: To increase employment and income of the poor in the English-speaking Caribbean Region.

PROJECT PURPOSE: To stimulate investment in small and medi.. ..nesses necessary to increase production and employment in the region.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance, to Caribbean Development Bank to strengthen lending capacity; Institutional development, to develop industrial and service sectors and industrial estates; TA.

PROJECT BENEFICIARIES: Poor, unemployed people; small and medium ndustry.

DEFINITION OF SSE: Small and medium industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Caribbean Development Bank (CDB).

TOTAL FINANCIAL COMMITMENT: US$9,800,000 (host country counterpart funding amount not available).
Source: AID: $9,800,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project consists of a series of loans and grants to be used by the Caribbean Development Bank to stimulate investment in small and medium business. Direct loans, which will be for over $100,000 and for terms in excess of three years, will be extended to finance equipment, construction, and permanent working capital needs. An attempt will be made to reduce government industrial estate subsidies. CDB will also use loan funds for on-lending (indirect lending) to support SSE's such as bakeries and transportation services, using either a development finance corporation or a commercial institution as intermediary. A small business adviser will be assigned to each participant country to offer technical and administrative assistance. SSEs will be allowed to train participants under the Regional Development Training Project (538-0014) by conducting seminars in bookkeeping,

production, export promotion, and management. The anticipated output of the project includes (1) increase in viable and effective lending facilities by which the CDB on-lends to SSEs; (2) financial support for development of industrial estates; (3) subloans providing credit to small and medium industry and (4) strengthening of the enterprenurial and managerial capacity in the region.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Regional Agribusiness Development (538-0010).

TIME FRAME: FY 1977 - FY 1981

PROJECT GOAL: To increase the incomes of the small farmer and rural poor.

PROJECT PURPOSE: To increase the capacity of the Caribbean Development Bank (CDB) and other LDC institutions to develop, finance, and implement agribusiness and labor-intensive enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; Financial assistance: loans and equity investments.

PROJECT BENEFICIARIES: Up to 65 small and medium-sized agriculture infrastructure businesses.

DEFINITION OF SSE: Small and medium-sized businesses, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Caribbean Development Bank (CDB), Caribbean Investment Corporation (CIC) and National Development Finance Corporations (DCFs).

TOTAL FINANCIAL COMMITMENT: US$7,210,000
Source: AID: $6,950,000, CDB: $260,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project attempts to establish an "Agribusiness Development Fund" within the Bank's Special Fund operations which will be administered by the Bank. The $6.5 million AID loan, disbursed over a five-year period, provides the initial capitalization for the Fund. The Fund is used to finance loan and equity investments in agribusiness and labor-intensive enterprises selected on the basis of their potential beneficial impact on the small farmers and rural poor of Barbados and the LDCs (Antigua, Belize, Dominica, Grenada, Mortserrat, St. Kitts/Nevis/Anguilla, St. Lucia, St. Vincent) of the Region. Three types of enterprises eligible for financing under the program are: (a) those that expand and/or stabilize the market for small farmer production; (b) those that reduce the cost of small farmer production and (c) those that increase employment opportunities for rural workers.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Other West Indies-Eastern Caribbean Region--Regional Agribusiness Development (538-0011).

TIME FRAME: FY 1976-FY 1982.

PROJECT GOAL: To contribute substantially to the promotion, development, and expansion of agribusiness systems and enterprises.

PROJECT PURPOSE: To support the expansion of LAAD's agribusiness development activities and thereby contribute to operating economies of scale.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance via intermediary to agribusiness projects.

PROJECT BENEFICIARIES: Rural poor, small farmers, and small and medium agribusiness.

DEFINITION OF SSE: Small- and middle-sized agribusiness.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Latin American Agribusiness Development Corporation (LAAD).

TOTAL FINANCIAL COMMITMENT: US$7,408,000
Source: AID: $7,408,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project consists of a loan to permit a subsidiary of LAAD, LAAD/Caribe, to make equity investments and term loans to agribusiness projects in the Caribbean and Colombia. Forty subprojects will be financed, rising to 120 by end of project. The number of jobs expected to be created is 5,800 to 1,700. Some of these subprojects will develop rural agribusiness such as seeds and floral products. LAAD activities are expected to lead to increases in value added and foreign exchange earnings, to benefit the rural poor through purchases of small farmer produce and other rural employment schemes and to emphasize elimination of bottlenecks in the integrated farm to market system.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Panama--Credit Union Operations (525-0153).

TIME FRAME: June 26, 1971-June 30, 1974.

PROJECT GOAL: To promote economic and social development, employment, and income distribution.

PROJECT PURPOSE: To expand and fortify the credit union movement in Panama in order to contribute to rapid growth in savings, investments and community institutions.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; Financial assistance: credit.

PROJECT BENEFICIARIES: Federation of Credit Cooperatives of Republic of Panama, credit union members.

DEFINITION OF SSE: Small businesses; not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Federation of Credit Unions of Panama.

TOTAL FINANCIAL COMMITMENT: US$1,900,000 total project (dollar breakdown for SSE component not available).
Source: AID: $1,900,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Credit was to be provided to fund programs for small farms and businesses to increase production and for individual members of credit unions for needs such as home improvement, education, consumer purchases, etc. Credit Union organizers were to be trained and technical, management and other services improved. The entire loan was disbursed by August 1973. Agriculture received 24.7%, small industry and commerce 28.1%, and supplemental working capital (loans for housing, debt cancellation, consumer goods, and family necessities) 47.2%.

Larger amounts went to agriculture and small industry than had been expected. Loan emphasis was re-directed to poorer rural areas--by end of project, 48% of affiliated unions were located in rural areas.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Panama--Private Enterprise Development (525-0069

TIME FRAME: FY1963-FY1974.

PROJECT GOAL: To help promote private investment and industrial development.

PROJECT PURPOSE: To improve capability of Panama to stimulate the employment of the full potential of private sector--especially in commercial agriculture, livestock production, forestry, fisheries, non-traditional agro-industry exports, to encourage industrial decentralization and encourage capital flow into investment in services sector.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development: strengthen government institutions and coordinate activities of private financial and business institutions; and TA: market development and identification.

PROJECT BENEFICIARIES: Panamanian Government Professionals (primary). Private sector, especially non-traditional agro-industry export areas and service sector (secondary).

DEFINITION OF SSE: Not defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Government of Panama (GOP)

TOTAL FINANCIAL COMMITMENT: US $2,708,300
Source: AID: $1,277,000; GOP: $1,319,300; FAO and UN Industrial Development Organization (UNIDO)--$112,000 (dollar breakdown for SSE component not available.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This project is an umbrella for numerous smaller projects for industrial promotion and export development. Technical assistance is being provided to encourage private sector investment in activities capitalizing on Panama's particular advantages, i.e., investment in services related to its foreign trade zones and tourism, development of agricultural export potential. Institution development involved increasing the capability of the Ministry of Commerce to coordinate research, information, promotion, etc. An Industrial Investment Research and Promotion Center also was created.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Panama--Rural Growth and Service Centers (525-0185)

TIME FRAME: Began FY 1978, term of project not specified.

PROJECT GOAL: To further the socio-economic development of the country by increasing employment and income opportunities for the poor population.

PROJECT PURPOSE: To set in motion a process that will significantly increase the employment and income generating and rural service capacity of Panama.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development of growth and service centers. TA and financial assistance to agro-industries and small businesses.

PROJECT BENEFICIARIES: 1,500 -2,300 newly employed among the poor population of market towns.

DEFINITION OF SSE: Agro-industry and small business, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOP

TOTAL FINANCIAL COMMITMENT: US$ 10,000,000 (dollar breakdown of SSE component not available)
Source: AID: $10,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project will stengthen the GOP's capacity to plan and develop growth and service centers, including development of an effective town planning process, improvement of the Ministry of Planning and Economic Policy's capabilities, and strengthening the capacity of other key implementing agencies. The Project will finance three kinds of productive and supporting enterprises: agro-industries, small business and industrial infrastructure. Training in skills and business management will be provided and loans provided to help generate jobs. Ministry of Commerce will develop industrial sites and buildings to be constructed with project funds.

Housing and town infrastructure will also be provided consisting of housing, transport terminals, and sewerage systems. Housing for 1,200

families will be provided in growth and service centers. Anticipated outputs include: 1) new internal audit and financial management units; 2) new and expanded agro-industrial enterprises; 3) new and expanded small business enterprises; 4) transport terminals completed and operational; 5) industrial parks completed and operational; 6) sewer systems completed and operational; 7) recreational and cultural facilities completed and operational; 8) shelter for low income families completed; 9) technical assistance provided.

Summary of AID/SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Paraguay-Productive Credit Guaranty Program (P.C.G.P.) (526-0114)

TIME FRAME: FY 1977 - FY 1979.

PROJECT GOAL: Increase opportunities for profitable and productive investment by incorporating into the institutionalized credit system small-scale entrepreneurs who have not been able to obtain such credit.

PROJECT PURPOSE: Development of a self-sustaining credit guaranty mechanism that would reduce risks and guarantee private loans to SSE, which would otherwise be outside the credit system.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loan guarantees through central bank; TA: to improve institutional reponse of banks participating in program especially in identifying quality, eligible projects.

PROJECT BENEFICIARIES: 634 projects and 3,906 new jobs in the SSE sector.

DEFINITION OF SSE: Small, low-income entrepreneurs engaged in productive activities in agriculture, small industry or retail trade.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central Bank of Paraguay.

TOTAL FINANCIAL COMMITMENT: US$ 12,500,000
Source: AID: $3.5 million

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The P.C.G.P. was a system designed to strengthen the plea for financial assistance of the large numbers of potentially productive entrepreneurs who without its assistance would not qualify for credit. It involved five components--borrowers, lenders, technicians, AID and the Central Bank as administrator. AID served as co-guarantor and provided TA to the Central Bank which also served as co-guarantor, administered the guaranty fund and provided credit to P.C.G.P. lenders.

An evaluation was conducted from October, 1978 to December, 1979, to assess the extent of program implementation, the degree to which program objectives were being met, the administration of the program, participation by lenders and technicians and the direct impact of guaranteed loans on business growth. Data were obtained from the P.C.G.P. administrator's files and staff and through interviews with borrowers, lenders, technicians and AID personnel.

The evaluation found that the P.C.G.P. worked very well and exceeded all expectations with respect to system implementation and achievement of purpose and goal. In particular, capitalization of the guaranty fund far surpassed its original goal of $46,000 and grew to $1 million by September 1980. Also, the portfolio of guaranteed loans was so strong that AID was able to lower its support of each participating lender portfolio. In addition, it was estimated that over 3,900 new jobs were generated as a result of the large amount of credit guaranteed by the program amounting to an average amount of credit guaranteed per job generated of $3,200. The program also demonstrated that large amounts of financial resources can be generated within a country without borrowing hard currencies. The outstanding initial success of the program was attributed to the confidence inspired by the thoroughness with which the system was designed and implemented and to the emphasis on following a strict set of criteria for achieving self-sufficiency.

The evaluation assessed negative experiences of the project. These included the need to better instruct and utilize the technicians. Most important, however, was a major shift in the host government's priorities that resulted in the unilaterial decision to discontinue the project despite its success.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Paraguay--Rural Enterprises (526-0106).

TIME FRAME: Began FY 1976, term of project not specified

PROJECT GOAL: To increase small farmer incomes.

PROJECT PURPOSE: To promote development of an agroindustrial infrastructure serving the small farm sector.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance to finance rediscounts to participating banks.

PROJECT BENEFICIARIES: Small farmers.

DEFINITION OF SSE: Small agroindustrial plants and factories, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central Bank of Paraguay.

TOTAL FINANCIAL COMMITMENT: US$3,350,000.
Source: AID: $2,500,000; GOP: $850,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project establishes an agro-industrial rediscount program within the Central Bank of Paraguay. It uses the mechanism to promote agro-industrial projects meeting specific criteria leading to benefits for the small farmers target group. The project aims at stimulating bank participation in developmental lending. Sub-projects aim at creating productive employment for the small farmer in small plants and factories and through new market opportunities for traditional small farm products.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Peru-Appropriate Rural Technology (527-0162).

TIME FRAME: FY 1978-FY 1982.

PROJECT GOAL: To increase productivity, incomes, employment, and improve nutrition, especially of the rural poor.

PROJECT PURPOSE: To develop appropriate low-cost alternative technical agricultural, and agro-industrial responses to problems of low productivity, underemployment, and disadvantageous marketing arrangements faced by the rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: supply of appropriate technology.

PROJECT BENEFICIARIES: Sierra rural poor.

DEFINITIONOF SSE: Artisanry, not otherwise defined.

INTERMEDIARY INSTITUTION AND OTHER PARTICIPATING ORGANIZATIONS: GOP, Office of Appropriate Rural Technology.

TOTAL FINANCIAL COMMITMENT: US$ 1,976,000.
Source: AID: $1,276,000; GOP: $700,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project attempts to institutionalize a system within the GOP for improving technology used by rural inhabitants which identifies needs, generates solutions and transfersnew knowledge, tests and adapts proven rural technologies for specific conditions of the local area; carries out a limited program of appropriate rural technology dissemination to determine which systems of dissemination are the most effective. Specifically for SSE development, the project investigates technologies for artisan-based ceramic industries; processes for leather tanning and preparation of furs; technologies for artisan-based textile industries; technologies for the extraction and processing of dyes, pigments and other minerals; and technologies for lumber and wood products.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Peru--Food Marketing (527-0135).

TIME FRAME: FY 1968-FY 1975.

PROJECT GOAL: To stabilize supply of food products available to consumers at reduced, stabilized prices.

PURPOSE OF PROJECT: To assist in modernization of food marketing system.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial Assistance: to small food stores to help them form voluntary chains in order to compete with large supermarkets, loans provided through wholesalers as intermediary.

PROJECT BENEFICIARIES: Supermarket chains and wholesalers and CONAP, the Government food marketing agency (primary) and consumers (secondary).

DEFINITION OF SSE: Owners of "bodegas" (small food stores) and "superettes".

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Trust Fund in the Industrial Bank.

TOTAL FINANCIAL COMMITMENT: US$5,500,000 (approximately 10% of this was to be used for the SSE component).
Source: AID: $5,500,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Trust fund established for purpose of making loans to expanding supermarket chains and for the wholesalers of food products. For equipment and technical assistance for government marketing agency and to finance a non-profit market research corporation.

Results expected are 1) improved quality and stability of food products to the consumer coupled with reduced real prices, and 2) increased stability of prices and reduced marketing risk at the producer level, thereby stimulating farm investment to achieve production increases and the resulting higher farm incomes.

This project never got off the ground due to a change of government in October of 1968 and a change in philosophy reflected in the expropriation of the second largest supermarket chain in the country. Marketing studies and training courses were continued to some degree, but AID finally deobligated the bulk of the loan, i.e., $3,850,000.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Peru--Reconstruction and Development of Small Business (527-0140).

TIME FRAME: FY1972-FY1975.

PROJECT GOAL: To re-establish a developing economy in Peru's earthquake zone.

PURPOSE OF PROJECT: To establish a credit fund for the reconstruction and development of the earthquake-affected areas of Peru, to re-establish and develop local industry, to stimulate production of goods and provision of services necessary or useful to disaster area people, to generate employment opportunities, to stimulate private initiative through support of small business.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: credit fund for small business.

PROJECT BENEFICIARIES: 600 small businesses in disaster area.

DEFINITION OF SSE: Gross sales of less than two million soles (US$46,000) per year and capital of less than one million soles (US$23,000).

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: CRECE (Creditos para la Reconstruccion de Comercio y Empresas) fund administered through the Central Reserve Bank of Peru and coordinated by the CRYRZA (The Commission for Reconstruction and Rehabilitation of the Zone Affected by the Earthquake of May 31, 1970), the Government organization coordinating all disaster aid.

TOTAL FINANCIAL COMMITMENT: US$2,500,000.
Source: AID: $2,500,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project established a special fund in a Fiduciary Bank to be drawn by local banks to make short- and medium-terms sub-loans to small- and medium-sized industries and businesses in the Disaster Area. Training was also to be provided to bank staff overseeing project.

Evaluation of loan and sub-loan disbursement management cited particular problems with one certain cooperative's bookkeeping, insufficient remission of payments from sub-borrowers, possible misuse of funds, and irregularities in granting of loans. Women were noted as significantly benefitting from loan activities. Exactly half of sub-loans were granted on the coast and half in the Sierra region.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Peru--Rural Development Agribusiness Fund (527-0159).

TIME FRAME: FY 1977.

PROJECT GOAL: To increase food production, employment and incomes of the rural poor, and improve nutrition.

PROJECT PURPOSE: To establish in the Central Bank a facility for rediscounting loans which process or market agricultural products; to establish a program of promotion and development of such agribusiness, including appropriate technical assistance, which will maximize benefits to small farmers and the rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA; Financial assistance via intermediary for agribusiness development.

PROJECT BENEFICIARIES: Small farmers and rural poor.

DEFINITION OF SSE: Small rural industries, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central Reserve Bank of Peru.

TOTAL FINANCIAL COMMITMENT: US$26,000,000.
Sources: AID: $15,000,000; GOP: $11,000,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Project was directed towards stimulating the role of intermediate credit institutions in the development of a viable agribusiness sector. A rediscount mechanism was to be established, the Rural Development Agribusiness Fund, to finance agribusiness sub-projects. Anticipated outputs included: 1) at least $19.6 million of investments financed by Fund; 2) Fund will have been institutionalized and self-sufficient.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Peru--Rural Enterprises Development (527-0057)

TIME FRAME: FY 1975-FY 1980.

PROJECT GOAL: To generate and increase income of rural poor.

PROJECT PURPOSE: To develop and expand rural small enterprise by improving access of such firms to credit and related TA.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA and financial assistance for credit fund for rural enterprise.

PROJECT BENEFICIARIES: More than 3,000 small enterprises and their employees.

DEFINITION OF SSE: Small enterprise, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Industrial Bank of Peru (BIP)

TOTAL FINANCIAL COMMITMENT: US$ 8,300,000 (Counterpart participation not available)
Source: AID: $8,300,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project has lent funds to small rural enterprise in eight Peruvian departments. It has disbursed approximately $10.2 million to more than 3,000 enterprises with a delinquency rate of less than 7%. The Industrial Bank has also developed a small enterprise lending capability under the Project.

The AID/Peru evaluation found that the original project design was still valid and no changes were necessary. Another evaluation found that the vast majority of beneficiaries were not rural enterprises but enterprises located in provincial towns and cities. This result was thought to be due to the excessive paperwork requirements and conservative banking procedures that limited the participation of small, rural borrowers.

Summary of AID Project with SSE Component

REGION AND NAME (PROJECT NUMBER): Regional Office of Central America and Panama (ROCAP)--Latin American Agribusiness Development (LAAD) (596-0039)

TIME FRAME: FY1971-FY1975.

PROJECT GOAL: Promotion of non-traditional exports by augmenting capabilities of private sector to deal with agribusiness.

PROJECT PURPOSE: To develop practical means to provide long-term financing and TA to agribusiness firms.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: provision of loans through financial intermediary; TA: market development and identification, management training, etc. through intermediary.

PROJECT BENEFICIARIES: New and expanding agricultural or related service industries.

DEFINITION OF SSE: Not specifically defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Latin American Agribusiness Development Corporation (LAAD).

TOTAL FINANCIAL COMMITMENT: US$6,000,000.
Source: AID: $6,000,000 (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Funds were loaned to LAAD (Latin American Agribusiness Development Corporation S.A.) so that it might promote, finance, and implement agro-industrial enterprises and provide technical assistance to projects it finances. It would provide equity capital for new and expanding agricultural or agricultural-related service industries.

A 1974 evaluation found that in its many projects the LAAD Corporation had achieved its objectives and aggressively promoted an agribusiness investment program. It had taken the initiative many times in contacting prospective borrowers and assisted them in creating, analyzing, and coordinating expansion projects. It had not acted as promoting force for new goods, but rather provided loans to proven agribusiness.

Summary of AID SSE Project

REGION AND NAME (PROJECT NUMBER): Regional Office of Central America and Panama (ROCAP)--Regional Rural Agribusiness Development (596-0069).

TIME FRAME: FY 1977-FY 1982.

PROJECT GOAL: To provide income-generating opportunities for the rural poor.

PROJECT PURPOSE: To develop non-traditional agribusiness activities that benefit the rural poor; to improve the institutional credit capacity of credit institutions.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance and TA for lending institutions providing credit to agribusiness, and for the agribusinesses.

PROJECT BENEFICIARIES: Agribusiness and the rural poor.

DEFINITION OF SSE: Small farm agribusiness, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central American Bank for Economic Integration (CABEI).

TOTAL FINANCIAL COMMITMENT: US$20,000,000
Source: AID: $15,000,000, counterpart funds: $5,000,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: By mid-way through the life of the project, 25 Intermediate Credit Institutions had been approved for participation in the project. Twenty-three sub-projects had been approved and another 17 had been identified. Therefore, 40 of the targeted 50 sub-projects to be financed were in the process of fulfillment. Although technical assistance was to be provided to the credit institutions, agribusinesses, and the small farmers, only the agribusiness enterprises had received funding for such assistance. Only 6 of 20 sub-projects reviewed showed significant small farmer impact, and most of these involved traditional grain crop marketing although existing market structures already exist. Income benefit to small farmers was therefore considered to be limited, and most projects were justified on the basis of employment generation.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Regional Office of Central America and Panama (ROCAP)--Transfer of Technology (596-0066).

TIME FRAME: FY1978-FY1981.

PROJECT GOAL: To improve the technology transfer process to industries in Central America, emphasizing small- and medium-scale enterprises.

PROJECT PURPOSE: To establish a technology transfer mechanism that has the capacity to initiate and sustain ideas, information, and technology exchange between Central American and foreign sources and Central American "users".

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA and institutional development.

PROJECT BENEFICIAIRES: Small- and medium-sized industries.

DEFINITION OF SSE: Small- and medium-sized industries, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central American Institute for Industrial Technology and Investigation (ICAITI).

TOTAL FINANCIAL COMMITMENT: US$ not available.
Source: AID: not available.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Phase I of this project consists of a feasibility study and prototype design for a mechanism for transferring technology to small- and medium-sized industry in Central America. ICAITI selected a limited number of industrial sectors which exhibit promise for technology transfer. It then collected and packaged information on this subject and, when it could, provided referral services in response to industry needs. ICAITI representatives were trained in transfer techniques and assigned to identify, gather, adapt and distribute needed technology to end users. Should Phase I be judged successful, the project will be expanded and the number of field workers will be increased to represent each country.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Tanzania-Arusha Planning and Village Development (621-0143)

TIME FRAME: FY 1978-FY 1982.

PROJECT GOAL: To improve the production, income, and well-being of people in rural areas.

PROJECT PURPOSE: To foster agriculture-related economic activity and provide micro-data to assist in preparation of integrated rural development plan.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA and financial assistance to establish appropriate technology center and promote rural enterprise development.

PROJECT BENEFICIARIES: Rural people in Arusha region.

DEFINITION OF SSE: Small industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: GOT

TOTAL FINANCIAL COMMITMENT: US$14,591,000 (dollar breakdown for SSE subproject not available).
Source: AID: $14,591,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The SSE component is one of four parts of a larger planning and village development project. This project will establish an appropriate technology center to develop improved agricultural implements and processing equipment and promote the development of village enterprise. New and existing village enterprise will be promoted by channeling GOT funds and providing short-term management and accounting assistance. Outputs will include: 1) an appropriate technology center; 2) innovations for improving agricultural implements will be identified and tested; 3) village transport technologies will be identified and tested; 4) agricultural processing equipment will be identified and tested; 5) eight government officials will receive training in appropriate technology; 6) a village artisan program will be developed to repair agricultural equipment; 7) village agriculture-related small-scale enterprises will be established; and 8) management/accounting training will be received by up to 32 villages responsible for farmers center activities.

Summary of AID SSE Project

BUREAU AND NAME (PROJECT NUMBER): Technical Assistance--Agribusiness Development and Support (931-1398).

TIME FRAME: FY1979-FY1981.

PROJECT GOAL: To establish new agribusinesses in LDC's.

PROJECT PURPOSE: To implement agribusiness projects.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: grant; TA: Research Support Services Agreement (RSSA) with USDA.

PROJECT BENEFICIARIES: Not specified.

DEFINITION OF SSE: Small- and medium-sized agribusinesses.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: U.S.D.A.

TOTAL FINANCIAL COMMITMENT: US$754,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project includes a one-year grant for the provision of technical services to AID Missions, under a Program Development and Support RSSA with the U.S. Department of Agriculture.

The RSSA will enable AID Missions to draw upon U.S.D.A. resources for assistance in agribusiness development. A full-time economist will provide technical consultation on the development of small- and medium-sized agribusiness enterprises, in two major activity areas: 1) direct support to Missions in the development of rural agribusiness projects; and 2) the development, updating and dissemination of the latest information regarding innovative approaches to small-scale agribusiness and rural enterprise development.

Direct support will include participation in studies, assessments, and evaluations in response to AID Mission requests, assistance in designing agribusiness projects and producing project documentation, and participation in training and development of training materials. Short-term technicians will be made available as required.

Evaluation completed 6/79 found that project objectives had been met without major problems.

Summary of AID SSE Project

BUREAU AND NAME (PROJECT NUMBER): Technical Assistance-Employment through Small Industry Stimulation (931-0149).

TIME FRAME: FY 1973.

PROJECT GOAL: To increase employment opportunities in developing countries, particularly outside principal metropolitan centers.

PROJECT PURPOSE: To develop multidisciplinary capability in TA, research, education, and training directed to using intermediate technologies to increase employment opportunities.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: University grant to Georgia Institute of Technology.

PROJECT BENEFICIARIES: Unemployed poor populations outside major metropolitan centers.

DEFINITION OF SSE: Small-scale manufacturing and marketing enterprises.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Sung Jung University, Fundacão Educational do Sol de Santa Catarina in Brazil, University of Ife in Nigeria, University of the Philippines.

TOTAL FINANCIAL COMMITMENT: $800,000
Source: AID: $800,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Georgia Tech Research Institute provides a cooperative linkage with the institutions named above, aimed at developing solutions to practical employment problems in the regions served by the participating institutions. Research is undertaken on utilizing existing human, natural and technical resources to generate employment. Assistantships granted to promising students; 12-week training programs focus on problem identification and adaptation of technological alternatives.

Outputs include: improved understanding and application of methods to assess the impact of specific technologies on employment; methods to identify aspects of manufacturing, construction, and transport activities susceptible to increased employment from labor/capital tradeoff;technical innovations able to stimulate employment, modifications of plant processes and product design to enhance commerical viability.

Project evaluated in FY 1978, with general finding that most grant objectives had been fulfilled. Accomplishments given in evaluation included 65 publications; 83 field trips; newly-developed M.S. program in industrialization, with 29 students; 37 in-house and 2 international seminars held; active network of 11 counterpart organizations established; and establishment of 8,000-document library.

Summary of AID SSE Project

BUREAU AND NAME (PROJECT NUMBER): Technical Assistance--Small Industry Grants (931-0990).

TIME FRAME: FY1974-FY1978.

PROJECT GOAL: To strengthen small-scale industry in selected LDC's.

PROJECT PURPOSE: To develop indigenous, university-based extension services to serve small LDC industries.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: grant to Georgia Tech (to provide TA) and to five LDC universities.

PROJECT BENEFICIARIES: Small-scale business operators in five countries.

DEFINITION OF SSE: Not specified.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Soong Jun University, Korea; Fundacao Educacion do Sul de Santa Catarina, Brazil; University of the Philippines; University of Science and Technology, Ghana; and another university not specified.

TOTAL FINANCIAL COMMITMENT: Not available.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provided grants and technical assistance to counterpart LDC universities for the development of indigenous, small-scale industry extension services.

The project resulted in 29 appropriate technology devices or manufacturing processes, 515 cases of technical or mangement assistance by the LDC universities, and more than 8,600 people receiving industrial training.

An evaluation covering the life of the project (1/74 to 1/79) found that Georgia Tech's methodology for estimating project beneficiaries was inadequate, and that economic conditions in the countries served greatly influenced project results, but that the project did seem to have temporarily improved the ability of the LDC universities to serve small industry. Moreover, the evaluation found that Georgia Tech's failure to document adequately much of what was learned about alternative approaches to institutional assistance hampered the institutionalization of the small-scale industry focus in the LDC universities.

Summary of AID Project with SSE Component

COUNTRY AND NAME (PROJECT NUMBER): Upper Volta-Oncho Areas Village Development Fund (686-0212).

TIME FRAME: FY 1977-FY 1980.

PROJECT GOAL: To improve the social and economic well-being of people resettled in the villages in the Volta Valley Authority area.

PROJECT PURPOSE: To develop village level capacity to organize, manage and invest independently in village social and economic development projects in 133 villages by January 1981; to institutionalize credit to make such village undertakings possible.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development grant, credit; TA: training in management, leadership, machine operations, etc.

PROJECT BENEFICIARIES: Two-hundred SSEs in 133 villages, villagers, potential enterpreneurs, workers and consumers among poor in Oncho area villages.

DEFINITION OF SSE: Not available, though clearly includes smallest size undertakings.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Volta Valley Authority (AVV).

TOTAL FINANCIAL COMMITMENT: US$2,173,000 plus GOUV contribution Source: IAD: $2,173,000; GOUV contribution not specified (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provided for a four-year grant to establish a Volta Valley Authority (AVV) development fund to provide loans to SSEs. Provision of TA was directed toward stimulating initiative at the village level, especially among women.

The project intended to develop capacity to organize, manage and invest independently in social and economic development projects at the village level. It also sought to develop a central credit mechanism to support village activities including income-generating enterprises as a means of assisting the villagers resettled in river valley areas cleared of onchocerciasis.

Summary of AID SSE Project

COUNTRY AND NAME (PROJECT NUMBER): Upper Volta-Women's Roles in Development (686-0211).

TIME FRAME: FY 1977 - FY 1979.

PROJECT GOAL: To improve the social and economic well-being of people in rural villages throughout Upper Volta.

PROJECT PURPOSE: To improve rural women's capacity to individually or collectively organize, manage, invest in and carry out social and economic development activities (micro-projects) in 60 villages by January 1980.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance loan fund; TA training to support development of micro-projects. Regional Development Organizations (ORDs) provide additional project support.

PROJECT BENEFICIARIES: Women and workers plus villagers in 60 villages generally as recipients of services and as consumers.

DEFINITION OF SSE: Micro-projects, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Gov't. Coordinating Committee for Rural Development, ORDs' National Domestic Economy Unit (NEU), National Women's Council.

TOTAL FINANCIAL COMMITMENT: US$1,056,000 plus GOUV contribution
Source: AID: $1,056,000; GOUV Contribution not specified.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project was designed to (1) establish operating micro-projects in 60 villages; (2) Train: (a) 12 female domestic economic agents; (b) 50 female extention workers; (c) 12 ORD-level officials in administration and evaluation skills; (d) staff of 4 ORD's; (3) develop an information system to monitor/evaluate impacts of micro-projects; (4) create a revolving loan fund.

Summary of AID SSE Project

COUNTRY AND NAME: Uruguay-Agric-Industry Development Loan (528-0103).

TIME FRAME: September 1975-FY 1979.

PROJECT GOAL: To increase foreign exchange earnings, production, employment and income opportunities for small and medium farmers.

PROJECT PURPOSE: To provide a package of financial and technical services to private entrepreneurs and cooperatives for the establishment or expansion of agro-industries; to help establish an effective delivery system for these services; and, to stimulate new production and marketing alternatives for small and medium farmers through the establishment of viable agro-industrial enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Medium- and long-term credit.

PROJECT BENEFICIARIES: Private entrepreneurs and cooperatives, small and medium farmers.

DEFINITION OF SSE: Not defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Central Bank of Uruguay, Unidad Asesora.

TOTAL FINANCIAL COMMITMENT: US$7,250,000
Source: AID: $5,000,000; GOU pesos: $2,250,000 (U.S.$ equivalent)

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Loan provided foreign exchange for capital goods imports, essential raw material working capital requirements and related TA in support of export-oriented food processing industries and related service industries. GOU funds were intended to finance civil construction, purchase of plant facilities, locally-made capital goods, working capital requirements, feasibility studies and TA. The project included a heavy emphasis on the institutional development of a special mechanism to perform development banking functions to evaluate project proposals and channel medium-term credit through the commercial banks to the private sector.

Findings of an evaluation of the first two years of the project indicated a lack of publicity for credit and investment opportunities; a need to strengthen the operating capacity of the Unidad Asesora; and a need to determine procedures and to implement the peso credit line to finance subproject feasibility studies and TA. A decision was made to continue the project without change.

ANNEX 4

Summaries of Selected World Bank Projects

List of World Bank Project Summaries[1]

Bangladesh--Second Small-Scale Industry Project

Brazil--Pernambuco Rural Development Project

Cameroon--Small- and Medium-Scale Enterprise Project

Colombia--Second Small-Scale Industry Project

[2]*El Salvador--Second Urban Project, Small Business Support Component

India--Madras Urban Development Project

Korea--Small and Medium Industry Bank Project

Mexico--National Rural Development Program (PIDER)

Mexico--Small- and Medium-Scale Mining Development Project

Morocco--Integrated Project for Small-Scale Industry Development

*Peru--Urban Sites and Services Development Project, Housing and Commercial Sites and Service Component

Philippines--Second Small and Medium Industries Development Project

Philippines--Second Urban Development Project, Employment Promotion Component

Philippines--Third Urban Development Project, Livelihood Component

Portugal--Small- and Medium-Scale Industry Development Project

Sri Lanka--Small and Medium Industry Project

Tanzania--Second Sites and Services Project, Small-Scale Industry Component

Tunisia--Second Urban Development Project, Small-Scale Business Assistance Program

Upper Volta--Artisan, Small- and Medium-Scale Enterprise Project

Upper Volta--Urban Development Project

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[1]Projects are listed alphabetically by country, region, or bureau according to source of funding.

[2]Asterisks indicate those projects with evaluative materials included.

Summary of World Bank SSE Project

COUNTRY AND NAME: Bangladesh- Second Small-Scale Industry Project

TIME FRAME: Began FY 1978. term of project not specified.

PROJECT PURPOSE: To remove the institutional constraints in small and cottage industry development, particularly in promotion and extension work.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: credit through commercial banks and equity resources; TA: to cottage industries and to institutions.

PROJECT BENEFICIARIES: BSCIC, 200 small-scale industries and about 1,000 cottage industries (from credit component), 8,000 new jobs (direct employment), increased earnings from an additional 6,000 workers.

DEFINITION OF SSE: SSI and cottage industries: fixed assets less than US $63,000 approximately.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Bangladesh Small and Cottage Industries Corporation (BSCIC), commercial banks, Bangladesh Bank, Bangladesh Handicrafts Marketing Corporation (BHMC)

TOTAL FINANCIAL COMMITMENT: US $10 million
Source: World Bank IDA Credit: US $7 million, Government/CB/BSCIC: US $.34 million, Sponsors: US$ 2.8 million

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS. A modest credit of only $7 million is provided, until experience with the revised institutional arrangements is seen. The project is a package of 4 components. (1) subloan disbursements to small and cottage industries by two participating commercial banks for parts of the local plus all foreign costs of fixed investments including permanent working capital (US $6.1 million of IDA credit) 2) a special capital fund to provide part of the equity resources in cases in which the entrepreneur is unable to make the normal 30% contribution to the project cost (US $0.2 million of the IDA credit). 3) cottage industry component for jute and cane/bamboo handicrafts including credit; new product development; and specified extension from the Bangladesh Handicraft Marketing Corporation (US $0.4 million of IDA credit). 4) technical assistance to BSCIC, mainly for promotion and extension (US $0.3 million of IDA credit). The project introduces institutional reforms involving assignment of more specific responsibilities among the agencies involved in the sector and the establishment of programs to strengthen small and cottage industry support and the institutions concerned.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Brazil-Pernambuco Rural Development Project

TIME FRAME: Began FY 1979, term of project not specified.

PROJECT PURPOSE: To increase production and productivity in agriculture and small non-farm enterprises, increase rural per capita income levels and rural employment opportunities, raise living standards, improve state-wide effectiveness of institutions participating in the project.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: including training and research.

PROJECT BENEFICIAIRIES: 2,700 small non-farm enterprises.

DEFINITION OF SSE: Fixed assets below US $12,000 and with less than 10 employees.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Northeast Union for Assistance to Small Enterprises (UNO), National Services for Apprenticeship in Commerce and Industry (SENAC and SENAI respectively).

TOTAL FINANCIAL COMMITMENT: US$2.65 million for component

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS:

The SSE component is to provide: 1) equipment and staffing for seven offices in the project area for a non-farm enterprise extension service, 2) training of extensionists; 3) training of about 400 small entrepreneurs and 4) research into local production problems and intermediate technology.

Summary of World Bank SSE Project

COUNTRY AND NAME: Cameroon-Small and Medium-Scale Enterprise Project

TIME FRAME: Began FY 1976, term of project not specified.

PROJECT PURPOSE: To assist the Cameroonian Development Bank (BCD) and three technical assistance agencies in establishing and expanding privately-owned small- and medium-scale enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: Institutional development.

PROJECT BENEFICIARIES: 65 small entrepreneurs, 17 larger entrepreneurs, BCD, CAPME, SATEC, and AFCA.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Banque Camerounaise de Developpement (BCD), Centre National d'Assistance aux Petites et Moyennes Entreprises (CAPME), Societe d' Aide Technique et de Cooperation (SATEC), and Association pour la Formation des Cadres de l'Industrie et de l'Administration (AFCA)

TOTAL FINANCIAL COMMITMENT: US$ Not available.
Source: World Bank IDA Credit: US$3 million

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provides an integrated package of financing and technical assistance for privately owned small- and medium-scale enterprises. Funding to BCD for term loans to these enterprises is intended to be financed jointly by the World Bank (IDA credit) and the Caisse Centrale de Cooperation Economique (CCCE). The project is to improve the level of SME technical assistance through coordinating, assisting and expanding the activities of the three technical assistance agencies (CAPME, SATEC, and AFCA). The Government and UNDP are to finance this technical assistance component.

Summary of World Bank SSE Project

COUNTRY AND NAME: Colombia --Second Small-Scale Industry Project.

TIME FRAME: June 1977-1980.

PROJECT PURPOSE: To assist CFP in covering part of the foreign exchange requirements of its lending and technical assistance programs to small- and medium-sized industries.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: consulting services for financial intermediary.

PROJECT BENEFICIARIES: Two-thousand small- and medium-scale firms (600-750 entrepreneurs directly benefit from World Bank's funds).

DEFINITION OF SSE: Small-scale firms: total assets less than US$300,000; medium-scale firms: total assets less than US$650,000.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Corporacion Financiera Popular (CFP).

TOTAL FINANCIAL COMMITMENT: US$42 million (about US$15 million in foreign exchange).
Source: World Bank: US$15 million, Corporacion Financiera Popular: US$5 million (in new share capital increases) and US$5 million (channeled to enterprises through new local borrowing sources); other local sources, primarily commercial banks: US$7 million; ultimate beneficiaries: US$10 million.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project has two components. The loan component (US$41.9 million) is to be used by the Corporacion Financiera Popular (CFP) for relending to a wide range of privately-owned small manufacturing firms. At least 50 percent of this financing would be channeled to the smaller enterprises, the rest to the more medium-sized firms. The technical assistance component (US$0.1 million) is to be used for consulting services contracted by CFP for the design and implementation of an internal information system, in order to strengthen CFP's operational ability.

The project is still being implemented.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: El Salvador-Second Urban Project, Small Business Support Component.

TIME FRAME: Began December 1977, term of project not specified.

PURPOSE OF COMPONENT: To create employment at low cost and to improve family income of credit recipients both through savings in interest costs compared to money lender funds and through increased turnover.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: including training for small entrepreneurs.

PROJECT BENEFICIARIES: 4,800 jobs generated, 10% increase in entrepreneurs' family income.

DEFINITION OF SSE: Small enterprises: assets less than US$6,000. Cooperatives: assets less than US$10,000. Small enterprises outside project site areas: assets less than US$2,000. Cooperatives outside project site areas: assets less than US$4,000.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Federacion de Cajas de Credito (FCC)

TOTAL FINANCIAL COMMITMENT: US$3.6 million for component
Source: World Bank: US$1.9 million for component

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Small Business Support component is a pilot scheme involving provision of credit (US$3.2 million), and technical assistance and training (US $.26 million) to small entrepreneurs living within marginal communities operating almost exclusively outside the banking system. Loans are to be given for working capital, tools, equipment and workshop construction or improvements.

Implementation of component is still ongoing, but results so far are good. The rate of loan approvals per month has increased; collection performance is good; sample family incomes have risen by 35% to 40%; average working hours put in by entrepreneurs and their help have increased significantly, thereby reducing underemployment. Problems have occurred mainly in three areas; technical assistance has not yet started, income levels of borrowers tend to be higher than expected, and the small size and short maturity of the loans have affected the administrative costs of the program.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: India-Madras Urban Development Project.

TIME FRAME: Began FY 1977, term of project not specified.

PROJECT PURPOSE: To create integrated communities where there is space for industrial, commercial and community facilities in addition to residential land.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development: serviced lands, sheds; TA: to institutions and to cottage industry.

INTERMEDIARY INSTITUTION AND OTHER PARTICIPATING ORGANIZATIONS: Small Industry Development Corporation (SIDCO).

TOTAL FINANCIAL COMMITMENT: US$ 2.3 million for component. Source: World Bank: US$1.5 million for component.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The employment component has three main elements: 1) the provision to small-scale industries of serviced land (9.5 ha commercial and 11.4 ha industrial), sheds and machinery loans; 2) production centers for cottage industry, self-employment and training, and 3) technical assistance for enhancing the institutional development of SIDCO and employment planning of MMDA.

Summary of World Bank SSE Project

COUNTRY AND NAME: Korea-Small and Medium Industry Bank Project

TIME FRAME: Began FY 1980, term of project not specified.

PROJECT GOAL: To assist SMIB in its continued efforts to reach smaller enterprises (in terms of total assets) and projects with a capital/labor ratio appropriate to Korea's prevailing macro-economic conditions and employment objectives.

PROJECT PURPOSE: To enhance SMIB's foreign currency resources available for allocation to the SMI sector.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans.

PROJECT BENEFICIARIES: SMIB, small and medium enterprises.

DEFINITION OF SSE: Small and medium enterprises: fixed assets not exceeding US$300,000.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Small and Medium Industry Bank (SMIB).

TOTAL FINANCIAL COMMITMENT: US$ Not available
Source: World Bank: US$60 million ($25 million earmarked specifically for SMEs)

SUMMARY OF PROJECT DESIGN, STATUS AND EVALUATION: The loan is the third given to SMIB, the only intermediary at that time channelling Bank funds exclusively to the small and medium industry sector. The loan is expected to finance about 32% of SMIB's estimated foreign currency commitments over the two-year period mid-1979/mid-1981.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Mexico--National Rural Development Program (PIDER).

TIME FRAME: Began FY 1977, term of project not specified.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: including feasibility studies, additional staff, training.

PROJECT BENEFICIARIES: Fifty rural industries (investment credit component), 300 enterprises in construction materials, manufacture and handicrafts (village industry investment component.)

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: The Guarantee Fund for Development of Agriculture, Livestock and Aviculture (FONDO).

TOTAL FINANCIAL COMMITMENT: US$14 million for rural industry component.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The component is a package of three components. The $9 million component provides credit to about 50 rural industries, engaged in the exploitation of natural resources such as sawmill logging, fruit and vegetable processing and packaging, feed plants, milling storage, and mineral-based industries. Up to 90% of loans granted by official and private banks are to be rediscounted by FONDO. The $3 million component is for the development of an investment plan through which government agencies will provide finance and technical assistance to village industry. About 300 enterprises are to be established in construction materials manufacture and handicrafts. The $2 million component provides technical assistance to rural industries, including feasibility studies, additional staff, and staff training.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Mexico--Small- and Medium-Scale Mining Development Project.

TIME FRAME: Began FY 1980, anticipated completion 1984.

PROJECT PURPOSE: To help small- and medium-scale mining enterprises to expand their mine development and exploration activities, and to strengthen the institutional capabilities and technical facilities the local entities supporting these enterprises.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: to intermediaries including staff training, equipment supplies, expert assistance; Infrastructure development: construction of beneficiation plants.

PROJECT BENEFICIARIES: 300-400 small- and medium-scale mining enterprises (directly and indirectly), CFM, FMNM, and CRM; 14,000-16,000 incremental generated jobs.

DEFINITION OF SSE: Small mining enterprises: annual production value less than US$0.88 million, medium mining enterprises: annual production value less than US$6.7 million.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Comision de Fomento Minero (CFM), Fide/Comiso Minerales no Metalicos Mexicanos (FMNM), Consejo de Recursos Minerales (CRM), and Nacional Financiera (NAFINSA).

TOTAL FINANCIAL COMMITMENT: US$107 million (US$40 million in foreign exchange).
Source: World Bank: US$40 million

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project has three components. The Credit and Equipment Leasing component involves financing through CFM and FMNM a program of fixed asset loans and long-term equipment leasing, of permanent working capital loans, and of credits for evaluative exploration. The Technical Assistance component comprises of programs to expand CRM's capacity to provide assistance to the small- and medium-scale enterprises, and to provide staff training and expand laboratory facilities for CFM and FMNM.

Project is expected to be completed in four years.

Summary of World Bank SSE Project

COUNTRY AND NAME: Morocco-Integrated Project for Small Scale Industry Development.

TIME FRAME: Began FY 1979, anticipated completion 1981.

PROJECT PURPOSE: To foster rapid growth in productive employment in urban areas; to foster development of entrepreneurship and formation of technicians with industrial management expertise; to develop industrial base of less developed regions of country; to increase productivity and competitiveness of new and existing SSIs; to encourage inter-industry exchanges between small and large firms and stimulate establishment of an integrated industrial sector.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: establishment of TA unit in Industrial Development Office, studies on SSI; Institutional development .

PROJECT BENEFICIARIES: Over 200 sub-projects (135-150 very small firms, 50-60 small firms, 10-12 medium-size firms), intermediaries and participating institutions, 5,000 jobs created.

DEFINITION OF SSE: Very small firms: total assets after expansion under US$125,000. Small firms: total assets after expansion between US$125,000 and US$625,000. Medium-size firms: total assets after expansion up to US$1.25 million.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Banque Nationale pour le Developpement Economique (BNDE) - industrial bank, selected commercial banks, Office Pour le Developpement Industriel (ODI)

TOTAL FINANCIAL COMMITMENT: US$ 42.5 million (US$25 million in foreign exchange)
Source: World Bank: US$25 million

SUMMARY OF PROJECT DESIGN, STATUS AND EVALUATION DOCUMENTS: The SSI integrated program entails the creation or build-up of institutions in the areas of policy-making, technical assistance, financial guarantee and financial assistance. The project has four components: financing small industries through the commercial banking system and BNDE; financing the establishment of a technical assistance unit in ODI; financing promotion and identification of SSI by the participating agencies; and assisting the Government in the establishment and strengthening of the institutions involved in the program.

Implementation of project began in FY 1979 and completion is expected in about two years.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Peru--Urban Sites and Services Development Project, Housing and Commercial Sites an Services Component.

TIME FRAME: Began FY 1977, term of project not specified.

PURPOSE OF COMPONENT: To expand low-income housing stock and generate employment opportunities by integrating small commercial ventures in housing sites.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development: housing and commercial sites and buildings; Financial assistance: loans.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Ministry of Housing and Construction (MVC), Banco de la Vivenda del Peru (BVP).

TOTAL FINANCIAL COMMITMENT: US$5.9 million for component
Source: World Bank: US$3.0 million for component

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Housing and Commercial Sites and Services Component is a pilot scheme involving the development of 867 serviced plots (including 161 combination housing/commercial plots), and credits for the construction of dwelling units and core shops. Half of the commercial sites is to be devoted to the establishment of repair shops for automobiles, radio, household appliances, and the supply of spare parts. The other half is to be used for retail and services functions.

Implementation of overall project has been delayed more than two years, due to unstable financial situation in country, lack of counterpart funds from the Government, the Government's apparent reluctance to accept Bank Guidelines on bidding and procurement procedures, and inadequate institutional arrangements.

Summary of World Bank SSE Project

COUNTRY AND NAME: Philippines-Second Small and Medium Industries Development Project.

TIME FRAME: Began FY 1979, term of project not specified.

PURPOSE OF PROJECT: To continue Bank participation in the Government's SMI program aimed at reducing income disparities, and to further develop the expertise of institutions in SMI project evaluation.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans through a guarantee and loan fund; Institutional development: institution-building of technical assistance intermediary.

PROJECT BENEFICIARIES: Over 510 small- and medium-scale industries, MASICAP, 11,500 new jobs.

DEFINITION OF SSE: Small-scale industries: assets from US$13,600 to US$136,000. Medium-scale industries: assets from US$136,000 to US$544,200.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Industrial Guarantee and Loan Fund (IGLF), Medium and Small Industries Coordinated Action Program (MASICAP)

TOTAL FINANCIAL COMMITMENT: US$ Not available.
Source: World Bank: US$ 25 million

SUMMARY OF PROJECT DESIGN, STATUS AND EVALUATION DOCUMENTS: The project has two components. The IGLF loan component is to be used to finance fixed assets and the permanent working capital of SMI subprojects. Financing is to be provided by the IGLF to SMIs through accredited financial institutions. IGLF requires that the accredited institutions approve at least 60% of their loans for projects outside Metro-Manila, in order to ensure that projects are not concentrated in this urban area only. Safeguards in form of higher spreads and guarantee cover for small loans have been provided to ensure continued availability of IGLF funds for small projects. The institutional-building component (US$500,000) is to provide MASICAP with field offices and a core of permanent experienced staff who will be responsible for monitoring and upgrading the quality of MASICAP output. Project is still on-going.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Philippines-Second Urban Development Project, Employment Promotion Component.

TIME FRAME: Began FY 1979, term of project not specified.

PROJECT GOAL: To provide for the basic needs of the lowest income families in Metro Manila and regional cities.

PROJECT COMPONENT: To provide substantial employment opportunities for the low-income residents.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development: commercial and industrial sites; Financial assistance: loans for equipment and working capital; TA: to institution.

PROJECT BENEFICIARIES: Major employment center for 22,000 persons (from commercial/industrial site development), 2,500 jobs (from small business loan).

DEFINITION OF SSE: Small businesses and cottage industries with capitalization below US $13,514.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Medium- and Small-Scale Industries Coordinated Action Program (MASICAP), Small Business Advisory Council (SBAC), National Housing Authority (NHA), local governments of Cebu, Davao, and Cagayan De Oro, commercial banks.

TOTAL FINANCIAL COMMITMENT: US$ 10.9 million for component.
Source: World Bank: US$5 million for component

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: This component provides 55.3 hectares of serviced land for income generation and employment purposes, establish markets and provides technical assistance and loan funds for equipment and working capital. Three hectares of serviced land is also to be provided for cottage industries within residential areas. Special efforts are to be made to enlist private commercial banks to administer the fund in the regional cities. Technical assistance to NEDA is to be used for a review of national small-scale business programs, for loan preparations, for technical support and follow-up referrals to government training programs, and for supervision of accounts.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Philippines--Third Urban Development Project, Livelihood Component.

TIME FRAME: Began FY 1980, term of project not specified.

PROJECT GOAL: To provide basic needs and assist the productivity of the low-income families in Metro Manila.

PURPOSE OF COMPONENT: To expand the production of labor-intensive manufactured export items and to increase the productivity and employment of the urban poor in and around project areas.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: equipment, services, training; Infrastructure development: buildings and land; Financial assistance: loans.

PROJECT BENEFICIARIES: 6,000 new jobs created.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technology Utilization and Ventures Development Divison (TUVD)--division of the Technology Resource Center (TRC).

TOTAL FINANCIAL COMMITMENT: US$11.4 million for component
Source: World Bank: US$6.6 million for component.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The livelihood component includes technical assistance, buildings, equipment, land, services, training, and term credit for micro-enterprises. Term credit for SSEs is to be provided from sources already existing in the Philippines.

Summary of World Bank SSE Project

COUNTRY AND NAME: Portugal--Small- and Medium-Scale Industry Development Project.

TIME FRAME: Began FY 1979, term of project not specified.

PROJECT PURPOSE: To enable SMI to more fully realize their potential for growth, exports, and employment generation.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: technological support to three research and development institutes and laboratories, consultants services, travel abroad and research; Institutional development: for export promotion.

PROJECT BENEFICIARIES: 300-400 small and medium industry projects, (more than half involving small enterprises with 50 or less employees); intermediaries (IAPMEI, EPPI, LNETI, FFE); 2,200-2,250 new jobs, 10,000 jobs maintained, and 15,800 jobs created by 1985 from industrial estates component.

DEFINITION OF SSE: Total investment costs excluding land not more than US$500,000 (maximum US$1 million for expansion or modernization projects).

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Financial intermediaries: Banco de Fomento Nacional (BFN), Caixa Geral de Despositos (CGD), 10 commercial banks; Technical assistance intermediaries: Instituto de Apoio as Pequenas e Medias Empresas Industriais (IAPMEI), Empresa Publica de Parques Industriais (EPPI), Laboratorio Nacional de Engenharia e Technologia Industriais (LNETI), Fundo de Fomento de Exportacao (FFE).

TOTAL FINANCIAL COMMITMENT: US$116.42 million (US$45.02 in foreign exchange).
Source: World Bank: US$45 million, Government of Portugal: US$21.89 million; other foreign sources: US$5.88 million; other domestic sources: US$43.65 million.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project consists of four components. The credit component finances selected small- and medium-scale industries investment projects with special emphasis on export-oriented and labor-intensive projects or projects in less developed regions. The financing is provided by 10 commercial banks, Banco Fomenco Nacional and the Caixa Geral de

Depositos, with rediscounting through the fund in the Central Bank, Banco de Portugal, and with guarantees and technical assistance support from IAPMEI. The industrial estates component involves financing selected industrial estates projects of export and/or labor-intensive orientation through loans on-lent by the Government to EPPI under a subsidiary loan agreement. The technical and technological assistance component is designed to help small and medium industries develop new products, provide quality checks meeting export demands, and increase competitiveness. It includes provision of pilot plants, quality control, and testing equipment for three research and development institutes or laboratories as well as provision of funds for consultants and travel abroad. The Export Promotion component finances priority activities under the International Trade Center program designed to create conditions for exports expansion by selected small and medium industry subsectors. These activities include assistance for establishing joint export marketing schemes in selected product groups, assistance in carrying out detailed export marketing studies for selected product groups, and assistance in carrying out a study on the incentive structure for exports particularly as it affects SMI. The last component involves preparing two studies that would help prepare future projects with a significant impact on small and medium scale industry development.

Summary of World Bank SSE Project

COUNTRY AND NAME: Sri Lanka--Small and Medium Industry Project.

TIME FRAME: Began FY 1979, term of project not specified.

PROJECT PURPOSE: To address constraints hindering rapid growth and productivity improvement of small and medium industries and to increase their contribution to efficient and low-cost employment generation, export expansion, and economic growth.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: to institutions and for consultants and training.

PROJECT BENEFICIARIES: At least 2,000 new jobs (direct employment), SMI Fund of NDB, IDB.

DEFINITION OF SSE: Assets with less than US$64,000.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Small and Medium Industry Fund of National Development Bank (NDB), Development Finance Corporation of Ceylon (DFCC), Industrial Development Board (IDB).

TOTAL FINANCIAL COMMITMENT: US$28 million
World Bank IDA Credit: US$16 million

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provides a package of financial and technical assistance. Five major credit institutions are to conduct the activities under the credit component; the DFCC, two public commercial banks and two locally-controlled private commercial banks. Their SMI activities are to be encouraged and supported by: 1) supply of funds to help fill the gap between SMI term lending requirements and available resources for credit to SMIs; 2) building a separate SMI Refinancing Fund within the National Development Bank to do rapid subproject review and partial refinance of subloans made by the five credit institutions and SMIs; 3) improving capabilities of the five credit institutions to do appraisal-based lending; 4) providing inducements to the credit institutions to increase financing of viable SMIs. The technical, marketing and management service component is to: 1) reinforce IDB's promotion and technical service programs for SMIs; 2) improve the focus and effectiveness of certain other SMI technical service agencies; 3) finance outside consultants for policy studies on export incentives and an appropriate tariff system, 4) fund training and advisors for

NDB and the participating credit institutions to improve SMI lending and general operations; 5) provide a discretionary fund to cover unforeseen cost overruns and additional training and technical assistance.

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Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Tanzania-Second Sites and Services Project, Small-Scale Industry Component.

TIME FRAME: Began FY 1978, term of project not specified.

PURPOSE OF COMPONENT: To assist small-scale industry in two project towns, Tabora and Tanga in order to generate employment opportunities in these areas.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: including management training; Financial assistance: for equipment and raw materials, and building loans; Infrastructure development: industrial clusters.

PROJECT BENEFICIARIES: 870 jobs created, including 350 skills and semi-skilled positions.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Small Scale Industries Development Organization (SIDO).

TOTAL FINANCIAL COMMITMENT: US$ 1.9 million for component
Source: World Bank: US $0.8 million for component

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Small-Scale Industry component is a pilot program providing management training and technical assistance to SSEs, cooperatives and artisans; financing of hire-purchase program for equipment and raw materials for these enterprises; and infrastructure for industrial clusters and provision of building loan to about 150 workshops and sheds. The component has a relatively high technical assistance component costing US $300,000 for two project technical advisers to work with project implementation teams and one man-year of technical assistance to SIDO's headquarters to strengthen the institution's overall marketing, management assistance, and project preparation capability.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Tunisia-Second Urban Development Project, Small-Scale Business Assistance Program.

TIME FRAME: Began FY 1979, term of project not specified.

PROJECT PURPOSE: To help develop and demonstrate alternative approaches to Tunisia's present policies in sectors of shelter, employment and urban services for the poor, and to establish a more systematic institutional framework to use this approach on a larger scale in the long-term.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: including training and extension services.

PROJECT BENEFICIARIES: 700 small-scale entrepreneurs and retailers, 940 jobs generated.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Office des Travailleurs Tunisiens à l'Etranger, de l'Emploi et de la Formation Professionnelle (OTTEEFP), Societe Tunisienne de Banque (STB), the Municipalities of Tunis and Sfax.

TOTAL FINANCIAL COMMITMENT: US$ 1.6 million for component
Source: World Bank: US $0.7 million for component.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project includes small-business loans, extension services, and vocational training. Small-business loans would be provided for workshop improvement and construction, equipment purchase and working capital in the upgrading and site and services areas. The loans are to benefit both small business and artisans.

Summary of World Bank SSE Project

COUNTRY AND NAME: Upper Volta--Artisan, Small- and Medium-Scale Enterprise Project.

TIME FRAME: Began FY 1978, term of project not specified.

PROJECT PURPOSE: To respond to the employment generation needs of the World Bank's urban project in Upper Volta.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: loans; TA: to intermediaries, including training.

PROJECT BENEFICIARIES: Direct employment for about 2200 persons (1450 among traditional artisans and 750 in modern enterprises); $2 million in value-added per annum ($500,000 among traditional artisans and $1.5 million in modern enterprises); BND, OPEV, and CNPAR.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Banque Nationale de Development (BND), Office de Promotion de L'entreprise Voltaique (OPEV), Centre National de Perfectionnement des Artisans Ruraux (CNPAR).

TOTAL FINANCIAL COMMITMENT: US$5 million (US$3.4 million in foreign exchange). World Bank IDA credit: US$4 million, Government and local institutions (BND, OPEV, CNPAR): balance of local costs not covered in IDA credit.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project provides a four-part package of financial and technical assistance. They are: 1) provision of medium- and long-term financing through BND to artisans and small- and medium-scale firms in manufacturing, construction, and agro-industries; 2) expansion and diversification of on-going technical assistance efforts in support of artisans and entrepreneurs; 3) expansion of management training opportunities in Upper Volta; and 4) strengthening of the managerial and technical abilities of local institutions, specifically BND, OPEV, and CNPAR. The project was designed to complement the Bank's involvement in the urban sector--the Upper Volta Urban Development Project.

Summary of World Bank Project with SSE Component

COUNTRY AND NAME: Upper Volta-Urban Development Project

TIME FRAME: Began FY 1978, term of project not specified.

PROJECT PURPOSE: To improve urban living conditions and productivity in Upper Volta.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure development: construction of markets.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Ministry of Public Works, Transport and Town Planning.

TOTAL FINANCIAL COMMITMENT: US$ 0.03 million for component.
Source: World Bank: US $0.03 million for component.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS:

The project is closely linked to the Bank's Artisan, Small- and Medium-Scale Enterprise Project in Upper Volta. The component of this urban development project that most directly affects the small- and medium-size enterprises and artisans is the construction of six markets, four in Ouagadougou and two in Bobo-Dioulasso. They are to be constructed by trainees from the neighborhoods in CNPAR skills training programs, conducted under the other SSE project. (CNPAR-Centre National de Perfectionnement des Artisans Ruraux)

ANNEX 5

Summaries of Selected PVO Projects

List of Private Voluntary Organizations SSE Project Summaries[1]

*[2]Botswana--Rural Enterprise Extension Service: PfP (633-0212)

Cameroon--North Cameroon Pilot Community Development: CDF (631-0010)

*Ghana-Farmer's Association and Agribusiness Development (FAAD): U.S. and Ghanaian PVO's (641-0072)

*Haiti--Haitian Development Foundation: PADF (521-0118)

*Kenya-Increase Employment, Income, Production: Technoserve (615-0184)

*Kenya-Rural Enterprise Extension Service: PfP (615-0174)

*Lesotho--Cottage Mohair Industry: CARE (632-0209)

Lesotho-Lower Income Housing Co.: FCH

*Population and Humanitarian Assistance: IIDI (932-0034)

*Population and Humanitarian Assistance--Small Enterprise Assistance: Technoserve (932-0029)

Private and Development Cooperation: AITEC (938-0146)

Private and Development Cooperation: IIDI (938-0131)

Private and Development Cooperation: PfP (938-0141)

*Private and Development Cooperation: Technoserve (938-0145)

Senegal--Integrated Youth Job Development: YMCA, ORT (635-0222)

*Upper Volta--Rural Enterprise Development: PfP, VITA (686-0219)

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[1]Projects are listed alphabetically by country or bureau according to source of AID funding.

[2]Asterisks indicate those projects with evaluative materials included.

Summary of AID SSE Project
(PVO-OPG to PfP)

COUNTRY AND NAME (PROJECT NUMBER): Botswana-Rural Enterprise Extension Service (633-0212).

TIME FRAME: FY 1978.

PROJECT GOAL: To increase employment and income levels.

PROJECT PURPOSE: To promote small enterprise in rural Botswana.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; TA: training.

PROJECT BENEFICIARIES: Rural people.

DEFINITION OF SSE: Small-scale businesses, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Partnership for Productivity (PfP).

TOTAL FINANCIAL COMMITMENT: US$500,000
Source: AID: $500,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project involves the establishment of an extension training program for small-scale entrepreneurs serving the southern region of Botswana. This program trains local business persons, the majority of whom are women, to perform such basic business operations as simple bookkeeping, unit costing, cash control, etc. The training of extension personnel is to be included.

An evaluation of the project in 1979 concluded that reasonable progress was being made despite a lack of ambition of native entrepreneurs, the scarcity and poor quality of trainers, and the lack of GOB support. Only 225 of 975 targeted clients and 17 of 25-29 trainees have received training.

Summary of AID Project with SSE Component

(PVO-OPG to CDF)

COUNTRY AND NAME (PROJECT NUMBER): Cameroon--North Cameroon Pilot Community Development (631-0010).

TIME FRAME: FY1977-FY1979.

PROJECT GOAL: To improve the social and economic well-being of low-income persons in Cameroon.

PROJECT PURPOSE: To operate a pilot, replicable community-based, integrated rural development progam to improve economic and social well-being.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: marketing research; Institutional development: training and managerial consulting; improve effectiveness of cooperative and community citizen organizations.

PROJECT BENEFICIARIES: 10,000 low-income rural people living within a 20 kilometer radius of Dadjamka in Northern Cameroon.

DEFINITION OF SSE: Rural household units, otherwise not defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Community Development Foundation (CDF).

TOTAL FINANCIAL COMMITMENT: US$784,100
Source: AID: $386,950; CDF: $283,000; GOC: $114,150 (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project is a three-year program with an incrementally funded OPG to the Community Development Foundation to conduct a pilot program in integrated rural development to include rural industry and marketing working under CDF/GOC guidance. It focuses on community development with community organization, agriculture and animal husbandry, rural industry and marketing, health and nutrition, formal and nonformal education, employment and role of women, housing and community improvement, land, water and forest management components. The SSE component under rural industry and marketing appears very small, and is described as consisting largely of market development for handicraft and cottage industries.

The expected outputs from this project are many and varied. The SSE component outputs are the establishment of a handicraft cooperative and a 20 percent increase in cottage industry income.

Summary of AID Project with SSE Component

(PVO-OPG to U.S. and Ghanaian PVOs)

COUNTRY AND NAME (PROJECT NUMBER): Ghana--Farmers Association and Agri-business Development (FAAD) (641-0072).

TIME FRAME: FY1977-FY1982.

PROJECT GOAL: More equitable distribution of income, expanded employment opportunities and increased well-being of rural farm and non-farm low-income people.

PROJECT PURPOSE: To strengthen small farmer associations and rural enterprises; encourage small- to medium-scale, labor-intensive rural enterprises using intermediate technology, by support of PVO initiatives and action.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: delivered through intermediary to small- and medium-scale enterprise. TA: delivered through intermediary to enterprises.

PROJECT BENEFICIARIES: Small farmers, entrepreneurs in rural areas.

DEFINITION OF SSE: Small- and medium-scale enterprises, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: US and Ghanaian PVO's which have already been working in Ghana and have substantial experience in rural development (no information available on which PVO's have participated).

TOTAL FINANCIAL COMMITMENT: US$5,000,000 plus PVO input.
Source: AID: $5,000,000 plus PVO input equivalent to at least 25% of sub-project cost (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project outputs expected were 1) new farmer associations formed and/or strengthened to encourage improved production and marketing practices, more efficient acquisition of credit, inputs, information, etc., and social development in fields such as education, health, nutrition, family planning, etc.; 2) strengthened productive enterprises providing inputs to rural activities and/or making use of agricultural produce of farmer associations.

An intensive external evaluation of FAAD was conducted in 1980. It concluded that many benefits have flowed from the program including the formation of a number of community-based, cooperative and private enterprises to fabricate tools and implements and make equipment repairs, to handle input sales to farmers, to develop integrated farm product processing/marketing enterprises and to process farm products. In addition, cooperative enterprises to produce handicrafts were established and/or expanded and a Business Advisory Services program established. Within a broader horizon the program, including its SSE activities, was having favorable impacts on income, employment and production in many more remote and very poor Districts of the country. The evaluation concluded that both as an experiment and as an operational mode the PVO support project had been a very real success.

Summary of AID SSE Project
(PVO-OPG to PADF)

COUNTRY AND NAME (PROJECT NUMBER): Haiti-Haitian Development Foundation (521-0118)

TIME FRAME: FY 1979

PROJECT GOAL: To increase income and productivity of small private businesses.

PROJECT PURPOSE: To establish a private credit institution to provide small business with credit and technical assistance in credit application and management.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Institutional development; development of credit facilities that provide access to loans; TA.

PROJECT BENEFICIARIES: Small private businesses.

DEFINITION OF SSE: Small businesses with 20 or fewer employees.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Pan American Development Foundation (PADF).

TOTAL FINANCIAL COMMITMENT: US$200,000
Source: AID: $200,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project will establish a private credit institution, the Haitian Development Foundation, as an autonomous, public assistance corporation. Training will be provided to the personnel of the HDF. They will identify potential clients and assist in preparing applications for credit. A special loan fund for small business will be established within the HDF. Aproximately 75% of the loans will be short-term for working capital and the rest medium term financing for capital investments. By the third project year, the number of applications handled by the HDF should increase from 510 to 816.

A 1980 evaluation found that eight HDF staff had been recruited and trained, 184 businesses were visited and technical assistance provided to 89 active clients. The evaluators recommended that the free intensive technical assistance given by its staff should be fixed at four months, after which a charge would be established. The HDF staff should be given greater discretion in the selection of clients. Loan regulations should be amended to emphasize intangible criteria such as employment and income generation and the potential contribution of

the project to the area economy. Finally, it was recommended that the project goals be adjusted to reflect more realistic expectations of accomplishment for the remainder of the project. Earlier expectations had simply been too high for the resources provided.

Summary of AID SSE Project
(PVO-OPG to Technoserve)

COUNTRY AND NAME (PROJECT NUMBER): Kenya-Increase Employment, Income, Production (615-0184).

TIME FRAME: FY 1978 - FY 1981.

PROJECT PURPOSE: To continue and expand PVO assistance to self-help development enterprises serving the rural poor in Kenya.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: provided by intermediary on all aspects of business.

PROJECT BENEFICIARIES: Small to medium-sized enterprises which are economically viable and are directed to needs of low income people.

DEFINITION OF SSE: Enterprises with initial total capital investment of between $40,000 and $500,000 and have no other ready source of assistance.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technoserve, Inc.

TOTAL FINANCIAL COMMITMENT: US$500,000
Source: AID: $500,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project would provide assistance in business planning and management; market analysis; legal and social organization; selection, construction and operation of plants and equipment; accounting systems; personnel; etc. to start up new enterprises or upgrade existing enterprises.

Evaluations of the project were conducted in November 1977 and July 1980. The latter's findings included:

- The TNS administrative apparatus was effective;
- An area of concern is the perception in Kenya of TNS as a foreign enterprise, rather than as one whose principal concern is to nurture Kenyan development ventures;
- A need to plan carefully application of resources as the end of the OPG term approached;
- The overall positive impact of TNS assistance to credit societies was unquestionable. Client institutions were strengthened, and at least one was able to avoid collapse as a result of TNS involvement.

Summary of AID SSE Project
(PVO-OPG to PfP)

COUNTRY AND NAME (PROJECT NUMBER): Kenya-Rural Enterprise Extension Service (615-0174)

TIME FRAME: FY 1977-FY 1980.

PROJECT GOAL: To increase the managerial and technical ability of rural small-scale business owner/operators.

PROJECT PURPOSE: To demonstrate an effective, efficient, replicable rural enterprise extension service for delivery of appropriate management training and advice to small-scale business persons.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Advice to expand the Rural Enterprise Extension Service and prepare training materials, manuals, and provide on the job training to additional personnel. Training of field consultants, collection of extensive data for cost/effectivness analysis.

PROJECT BENEFICIARIES: Rural entrepreneurs and consumers.

DEFINITION OF SSE: Small-scale industry, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Rural Enterprise Extension Service of PfP/Kenya

TOTAL FINANCIAL COMMITMENT: US$ 360,000 plus other donors
Source: AID $360,000, also PACT, National Christian Council of Kenya (NCCK); United Methodist Committee on Relief (UMCOR): - amounts not specified.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The outputs the project was designed to produce were: 1) collection of baseline data; 2) train Kenyan consultants; 3) establish a business extension service; 4) devise client training methodology; 5) identify client and community needs; 6) publish consultant training manual; 7) collect data on clients and other (control) entrepreneurs; 8) formulate evaluation methodology; 9) establish a management system.

An evaluation dated April 1981 reached a set of conclusions summarized below:

- The benchmarks for output measurement and purpose achievement were unsatisfactory due to lack of baseline data and/or of clarity;

- Some indicators suggest that the project was "successful" in terms of numbers of field consultants trained, collaboration with government and expansion into new operational areas;

- The REES deserves special consideration as a prototype of service to rural SSE: its services are in demand and clients believe they have improved management and technical skills;

- The program has, however, suffered from lack of clear policy and strong administrative leadership as well as clear organizational structure;

- The relationship of credit assistance to the extension service needs to be clarified as does the relationship of the extension service to other PfP activities;

- There is clear need to develop an understanding between PfP and the GOK of the role PfP is to play in the Government's rural development program.

The evaluators recommended that: 1) the REEs grant to PfP be extended; 2) PfP be restructured to clarify management roles and responsibilities; and , 3) a vigorous effort be made to obtain GOK recognition of the PfP role in rural SSE promotion.

Summary of AID SSE Project
(PVO-OPG to CARE)

COUNTRY AND NAME (PROJECT NUMBER): Lesotho-Cottage Mohair Industry (632-0209).

TIME FRAME: FY 1978 - FY 1980.

PROJECT GOAL: To promote local industry in Lesotho.

PROJECT PURPOSE: To develop a handspun mohair yarn industry in cottages in the villages of Lesotho.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: assist spinners by forming cooperatives, skills training; Financial assistance; credit to spinners and primary coops to finance stocks of materials in process and equipment.

PROJECT BENEFICIARIES: 5000 rural persons (mostly women).

DEFINITION OF SSE: Spinner affiliated with primary cooperative.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: CARE (OPG Recipient PVO); Lesotho National Secondary Service Industries Corporation (SISSCO); Lesotho National Development Corporation.

TOTAL FINANCIAL COMMITMENT: US$5,000,000
Source: AID: $500,000; Government of Ireland; Government of Lesotho (amounts not specified).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS:

Projected outputs: (1) Approximately 5,000 rural persons trained in spinning raw mohair into quality yarn; (2) approximately 50 cooperatives established to provide such services as purchasing raw mohair, providing credit to spinners, and collecting, grading and storing finished yarn; and, (3) a secondary cooperative established which will eventually administer the project.

A 1979 evaluation showed that progress included 909 spinners trained; 3 primary cooperatives formed and trained in coop law and management; raw mohair provided; locally designed and produced spinning wheel distributed at cost of $30 each (compared to $150 for imported model). Issues raised: (1) is spinning wheel appropriate or would higher production model be more appropriate? (2) If so, should target of 5000 trained spinners be reduced? (3) Should a wool/mohair processing plant be established in Lesotho to avoid processing in South Africa? (3) What will be the impact of continued sharp rise in price of raw mohair in possibly pricing processed products out of the market?

Summary of AID SSE Project
(PVO-OPG to Foundation for Cooperative Housing)

COUNTRY AND NAME (PROJECT NUMBER): Lesotho--Lower Income Housing Co. (LEHCOOP), Building Materials Production.

TIME FRAME: October 1, 1977-March 31, 1980, amended/extended to October 1, 1981.

PROJECT GOAL: To increase the availability of low cost housing for urban poor in Maseru.

PROJECT PURPOSE: To strengthen and consolidate LEHCOOP's capacity to produce and distribute locally produced and fabricated building materials.

PROJECT PURPOSE: To strengthen and consolidate LEHCOOP's capacity to produce and distribute locally produced and fabricated building materials.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Infrastructure Development: Provide goods and services for an operating company to strengthen its productive capacity and hence its viability.

PROJECT BENEFICIARIES: Lower income housing buyers and construction workers.

DEFINITION OF SSE: Single "small" company involved.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Foundation for Cooperative Housing (FCH); LEHCOOP.

TOTAL FINANCIAL COMMITMENT: US$ 490,000.
Source: AID: $275,000; GOL: $215,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The Lesotho Lower Income Housing Co. (LEHCOOP) seeks to provide a local source of building materials especially adapted to use in the production of lower income housing and to produce them at lower cost than similar items available from the Republic of South Africa. The company is a means to an end (lower income housing production) but is also itself a provider of employment and generator of income as well as providing a market for locally produced raw materials to the maximum extent feasible.
The equipment provided was essential to the efficient operation of the production operations and some technical assistance served to improve product quality and to reduce costs while the support being given to lower income house construction through other channels assured a market for the product.

Summary of AID SSE Project
(PVO-OPG to IIDI)

BUREAU AND NAME (PROJECT NUMBER): Population and Humanitarian Assistance--Institute for International Development, Inc. (IIDI) (932-0034).

TIME FRAME: FY1973-FY1978.

PROJECT GOAL: To increase local incomes.

PROJECT PURPOSE: To assist indigenous and medium-sized businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: for development of project proposals.

PROJECT BENEFICIARIES: Small and medium businesses.

DEFINITION OF SSE: Not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Institute for International Development, Inc.

TOTAL FINANCIAL COMMITMENT: $650,000.
Source: AID: $650,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: Project is intended to foster small and medium-sized business through assistance to indigenous entrepreneurs and by encouraging foreign investment in the LDC's. Anticipated outputs included: 1) project proposals developed and screened by IIDI staff interacting with related voluntary groups and businessmen committees; 2) project proposals systematically analyzed by IIDI staff and cooperating businessmen; 3) assistance provided to project principals on a variety of project development aspects including feasibility studies, technology, finance sources, and market and country specifics; and 4) project histories developed which will enable AID and IIDI to evaluate effectiveness of IIDI services.

The evaluation of 1975 found that IIDI had lived up to project paper objectives. Its screening process allowed one in ten projects to reach active status. Its staff is qualified but covers too wide an area to be efficient or effective. Few tangible results can be seen from their activities.

Summary of AID SSE Project
(PVO-OPG to Technoserve)

BUREAU AND NAME (PROJECT NUMBER): Population and Humanitarian Assistance-Technoserve Small Enterprise Assistance (932-0029).

TIME FRAME: FY1972-FY1976.

PROJECT GOAL: To contribute to the growth and self-sufficiency of viable small enterprises in the industrial and agricultural sectors of selected LDC's.

PROJECT PURPOSE: To enable Technoserve to increase substantially the scale of its program, and to attain a permanently higher level of private support.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial Assistance: matching grant to enable TA to be expanded.

PROJECT BENEFICIARIES: Small-scale entrepreneurs in selected LDC's.

DEFINITION OF SSE: Mixed food crop farming; rice processing mills; fresh fish processing and marketing; poultry production animal feed mills; small electrical machinery repair.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technoserve, Inc.

TOTAL FINANCIAL COMMITMENT: US$1,635,000.
Source: AID: $545,000; Private sources: $1,090,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The project aim is to provide Technoserve with funds to enable it to increase substantially the scale of its program, by increasing its volunteer field personnel from 6 to 18, and by recruiting and training local field representatives.

Fifteen projects which contribute to the growth and self-sufficiency of viable, locally beneficial enterprises in the agricultural and industrial sectors, will be developed, in Honduras, Guatemala, the Caribbean, Ghana, Kenya, Uganda, and other African and Latin American countries.

Six senior project advisor counterparts will be recruited and trained as field representatives. Technoserve's assistance cost per project will be reduced from $27,000 to $16,500, and total assistance cost per job from $520 to $370. The number of new projects will be increased.

An evaluation covering the period 7/75 to 12/76 rated Technoserve's performance as outstanding, as calendar 1976 targets were met or surpassed by the end of the third quarter. Technoserve investigated 97 projects, assisted 5 new projects, and provided continued assistance to 12 on-going projects. Outside capital investment fell short of the $2 for every $1 given by AID that was expected.

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Summary of AID SSE Project
(PVO-OPG to AITEC)

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation-Accion International (AITEC) Matching Grant (938-0146).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To increase employment in small businesses and on small farms in Latin America.

PROJECT PURPOSE: To improve capabilities of local organizations in poorer Latin American countries to plan and execute employment-generating and management programs for small businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Matching grant to AITEC.

PROJECT BENEFICIARIES: Operators of small businesses and farms, not otherwise specified.

DEFINITION OF SSE: Small businesses in cities and rural areas of Latin America.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Accion International/AITEC.

TOTAL FINANCIAL COMMITMENT: US$450,000.
Source: AID: $450,000.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The three-year project consists of a matching grant to AITEC to finance training and technical assistance provided by AITEC to local organizations (small urban and rural businesses) in the areas of planning and executing employment-generating and management programs.

At least 16 indigenous small-enterprise support organizations will receive AITEC assistance through seminars at established centers in Brazil, Colombia, or Costa Rica. Ten newer organizations will receive two-week intensive training. Four organizations will receive full-time AITEC assistance for an average of two years. All small-enterprise promotion programs will receive AITEC's "how-to" publications and community impact studies.

Summary of AID SSE Project
(PVO-OPG to IIDI)

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation Institute for International Development, Inc. (938-0131).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To expand LDC economies through improved small and medium-sized business management.

PROJECT PURPOSE: To foster development of small- and medium-sized businesses in LDCs which provide demonstrable local benefits to rural poor.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Matching grant.

PROJECT BENEFICIARIES: The rural poor in selected LDCs.

DEFINITION OF SSE: Small- and medium-sized businesses.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: U.S. and host country PVOs, private U.S. businesses.

TOTAL FINANCIAL COMMITMENT: $1,011,000
Source: AID: $1,011,000, IIDI: Matching amount.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The grant provides for IIDI to establish an entrepreneurial training center in Kenya; to improve established centers in Honduras, Colombia, and Indonesia; to create 100 new small- and medium-sized businesses; and to establish a credit fund for new and existing businesses which offer income-earning opportunities for poor people.

Types of businesses to receive assistance include agricultural businesses in the areas of crop production and animal husbandry; small manufacturing; and service industries such as general retail stores, auto repair, mixed farming, and laundry.

Intensive training programs will focus on improving management and business skills, using (in part) technical assistance provided by U.S. businesspeople.

Summary of AID SSE Project
(PVO-OPG to PfP)

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation-Partnership for Productivity (PfP) (938-0141).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To increase regional employment opportunities in small business.

PROJECT PURPOSE: To expand PfP's program of creating and improving the effectiveness of PVO's and related organizations in LDCs who serve the needs of small rural businesses.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Matching grant.

PROJECT BENEFICIARIES: Small-scale business people, artisans, and self-help groups in LDC's.

DEFINITION OF SSE: Small-scale businesses, artisans, self-help groups.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Other participating institutions include indigenous PVOs, foreign donors and multi-national corporations.

TOTAL FINANCIAL COMMITMENT: $673,000
Source: AID: $673,000; PfP: matching amount.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The three-year project consists of a grant to PfP to finance its program of credit and management assistance to small-scale businesses, artisans, and self-help groups. Small businesses will be benefited by the provision of increased regional employment opportunities and delivery of new and cheaper services and locally-produced products.

PfP will adapt its business development models to five institutional settings in three countries. Information about these models will be disseminated to at least 13 countries. New projects will be established in at least seven countries. User-oriented evaluation techniques will be designed and tested for each model.

Summary of AID SSE Project
(PVO-OPG to Technoserve)

BUREAU AND NAME (PROJECT NUMBER): Private and Development Cooperation-Technoserve, Inc., Matching Grant (938-0145).

TIME FRAME: FY 1979-FY 1981.

PROJECT GOAL: To improve quality of life for low-income people in selected Latin American and African countries.

PROJECT PURPOSE: To expand and strengthen Technoserve's program to develop small-scale rural enterprises and foster local capability in support of self-help enterprise development.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial assistance: Grant to Technoserve, Inc. to finance an increased number of small-scale, self-help, rural enterprises.

PROJECT BENEFICIARIES: Low-income, rural people in six African and Latin American countries.

DEFINITION OF SSE: Small-scale, rural enterprises, not otherwise defined.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: Technoserve, Inc.

TOTAL FINANCIAL COMMITMENT: US$2,700,000
Source: AID: $1.4 million; host country counterpart: $0.5 million; contributions from US, individuals, corporations, foundations, and churches: $0.8 million.

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: During the three years of the matching grant, Technoserve will start eight new projects in Africa and Latin America, including a livestock and mixed-farming cooperative in Kenya, to provide credit and management assistance to farmers, and feedmills in four farming and ranching cooperatives in El Salvador.

Outputs include: increased employment of the poor in small enterprises; increased local investment in small enterprises; and increased sales volume for small enterprises.

The project was evaluated during the period 2/1/79-1/31/80, by AID and Technoserve, with the following findings: 1) Technoserve had difficulty in providing the matching funds; 2) Technoserve felt undue pressure to provide quick solutions to difficult, long-term problems; 3) Technoserve sensed need for better planning and evaluation capability, if it is to be of benefit to the poor.

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Summary of AID Project with SSE Component
(PVO to YMCA, ORT)

COUNTRY AND NAME (PROJECT NUMBER): Senegal--Integrated Youth Job Development (685-0222).

TIME FRAME: FY1979-FY1984.

PROJECT GOAL: To augment urban sector productivity.

PROJECT PURPOSE: To establish an integrated and decentralized system of non-formal vocational training services enabling youth (men and women 18-30) to acquire marketable technical skills for employment or participation in employment-generating activity.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: Financial Assistance: establish a vocational training center for urban Senegalese youth; TA: training of Senegalese technical and administrative personnel. Host country provides funding and counterpart personnel. Other donors include Peace Corps and ORT.

PROJECT BENEFICIARIES: Urban Youth, administrators and technical personnel.

DEFINITION OF SSE: None provided.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: YMCA, ORT.

TOTAL FINANCIAL COMMITMENT: US$1,758,000 plus GOS and others (unspecified).
Source: AID: $1,758,000 (dollar breakdown for SSE component not available).

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: As of June 1981 project is at mid-life. The outputs originally projected are: 1) trained youth; 2) creation of job placement structures and new enterprises; 3) creation of a job counseling service; 4) creation of a revolving credit system; 5) trained teaching and administrative staff; 6) training sites; 7) citizen consulting committees formed.

Summary of AID SSE Project
(PVO-OPG to PfP, VITA)

COUNTRY AND NAME (PROJECT NUMBER): Upper Volta-Rural Enterprise Development (686-0219)

TIME FRAME: FY 1978-FY 1980.

PROJECT GOAL: Improved quality of life of farmers and herdsmen in Eastern Organisme Regional de Developpement (ORD)

PROJECT PURPOSE: To determine, through experimentation and data collection, an appropriate technical package and credit system for rural enterprise development in a second phase of the activity.

BASIC APPROACH/STRATEGY FOR SSE DEVELOPMENT: TA: development of pilot enterprise projects, advising entrepreneurs, conducting seminars; Financial assistance: establish revolving credit fund to purchase equipment, etc.

PROJECT BENEFICIARIES: Farmers and entrepreneurs in two Eastern ORD localities.

DEFINITION OF SSE: Not defined, but emphasis on small-scale rural enterprise.

INTERMEDIARY INSTITUTION/OTHER PARTICIPATING ORGANIZATIONS: PfP, VITA, SAED, Eastern ORD of GOUV.

TOTAL FINANCIAL COMMITMENT: US$ 700,000
Source: AID: $532,000; others approximately $170,000

SUMMARY OF PROJECT DESIGN, STATUS, AND EVALUATION DOCUMENTS: The outputs the project set out originally to accomplish were: 1) Business practices of selected enterprises upgraded; 2) Credit to finance capital requirements of business operations upgraded; 3) Recently introduced new enterprises appraised for social soundness; 4) Use of existing ORD credit systems maximized; 5) Growth of agribusiness and services to small farmers assessed and reported to AID. (The first evaluation, however, found that these and other elements of the logframe needed revision to provide a sound basis for evaluation.)

Evaluation carried out end 1979. Showed substantial success in supporting wide range of agricultural activities and non-farm enterprises. Highlighted: 1) Some measure of resentment on the part of GOUV regarding the execution of the project outside GOUV channels and auspices and 2) the importance of having host government closely involved in planning and execution of SSE (or other) development countries.

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ANNEX 6

Notes on data available on SSE development

ANNEX 6

Notes on data available on SSE development

To properly carry out this project, detailed descriptive and evaluative data were required on a major portion of specific SSE projects sponsored by various funding agencies. The three principal sources of this information are: 1) central filing, computer or library sources; 2) project-related documents not deposited in the central systems in number 1, but available from individuals, and 3) persons particularly knowledgeable about specific SSE project efforts of various agencies. This Annex relates the trials and tribulations of attempting to obtain the needed SSE information from each of the major agencies or categories of agencies dealt with in the study. Its primary purpose is to warn the reader of those areas where she or he should be particularly careful in using or interpreting the data presented in the study itself.

A. Introduction

In general, it was found that the data on SSE development in each agency which were available were widely scattered among many individuals and offices. Thus, needed data had to be painstakingly gathered from a variety of sources. Never was the needed information available from a single source (such as AID's computer data bank). Thus, personal staff contact had to be made with multiple sources (even within the same

office of an agency) to obtain the SSE data that were available. In making these contacts, it was imperative whenever possible to discuss specific SSE projects with knowledgeable individuals and to obtain detailed project documents, including evaluations. One without the other (which one often had to accept) usually left many issues about specific projects unclear and unresolved.

In addition to the complex logistical problems and heavy investment of time required to identify sources possessing relevant SSE project information, it was discovered quickly that most funding agencies had done few, if any, in-depth surveys or evaluations of their own work in SSE development to date. Second, while project documents of a descriptive nature often are available, those few of an evaluative nature that have been done are often misplaced, available only in a developing country or regional headquarters, or considered confidential. This hampers research efforts to ascertain the magnitude of SSE development projects, to assess their real impacts over the years or to determine the effectiveness of various approaches to SSE development from the start. Some of the considerations and problems unique to the SSE data base of each major funding agency discussed in this paper are presented below.

B. Agency for International Development

In beginning the project, both AID and Devres anticipated using AID's

computer data base (which is described below) developed by the Office of Development Information and Utilization (DIU) as the primary source for obtaining needed information on AID's SSE projects. As noted above, and below, it was soon apparent that this approach would not support the type of analysis and conclusions desired from the project.

Shifting gears, the information gathering approach in AID was changed to one of meeting with as many persons as possible in the Agency thought to be knowledgeable about SSE projects in general and obtaining written project design and evaluation materials from them. The results of this effort then would be combined with DIU computer data base information. In carrying out this approach, the incomplete, scattered and inconsistent nature of AID's "data base" on SSE was discovered quickly. A description of some of the particular data problems that did arise from the above Devres SSE information development effort follows.

The computerized records in the DIU comprise the single and most central repository of SSE project information in AID. Apart from it, there is no other single source that approaches comprehensive treatment of AID's SSE development projects or approaches. Thus, the DIU data base is an important element of any overview of AID's SSE activities. It must be used with caution at some points, however, and with knowledge of its limitations at all points. Moreover, as noted above, Devres decided to supplement the computer information with a "search"

:he Agency for relevant additional information so as to many of the computer data base problems as possible. The ınt of these problems are noted briefly here.

ıuterized data base developed by the AID DIU Office contains ıl listing (over 1000 items) of AID projects with an SSE This listing does not, however, record every project. as of March 1981, the DIS records captured only about t of all AID development projects, including SSE projects, 74 or since. Thus, information on a substantial number of ects has not even been recorded, but the extent to which SSE e not been recorded is unknown.

projects that are entered into the computer, another set of shortcomings exists. For the system as a whole, there are ınt data bases with three different code systems.[1] Most of before 1974 are in one data base; those in 1974 and later, Each data base is organized somewhat differently and con- ınt information. This explains, in part, why different rmation are available for different projects. Also, many ts in all data bases have only limited data recorded; e.g., le, number and US dollar amount obligated to date. Other a more complete project description but no evaluative A very few projects contain fairly complete project

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ta base systems in the DIU were drawn upon for this project Development Information System (DIS), the Project Ac- rmation System (PAIS) and the Country Program Data Bank

descriptions and evaluative information, though the latter is sketchy in all cases.

That few evaluations exist for projects before 1973 is not surprising, as evaluations were not required by legislation until that time. (The Agency, however, did begin such work on a broad scale in 1968.) What is more problematical from the vantage point of this study is that only a small percentage of those SSE projects since 1973 have any evaluations recorded in the computer.

In this report, in order to give a fairly detailed picture of the types of small-scale enterprises that have been designed by AID, summary project descriptions have been included of many SSE projects in Annex 3. While an effort was made to find and present a representative sampling of projects in terms of type of approach, size and location of project, etc., the research team in many cases had to use what was "available" which may or may not be representative of SSE projects undertaken. The bulk of this descriptive material, however, is based solely on design documents because of the lack of evaluative material for SSE projects. Thus, it does not reflect implementation problems and changes which occurred during the life of the project which would be reflected in evaluation documents if available.

Another problem with the computerized data base relates to the definitions of "small-scale enterprise" which have been used to code entries into the system. Key words and their interpretations have changed over time. For this survey, the key words used to call up

project design and evaluation materials were "small industry", "small business", "cottage industry", "rural industry" and "rural business". In fact, however, a small number of these projects are not "enterprise" development at all but rather small-scale agricultural development projects or in a few cases, large-scale industrial activities.

Having dealt with these and other less significant considerations in using the computer data base, the Devres team decided that additional effort to obtain SSE project information was required to achieve two limited objectives, namely to:

- Confirm or deny the validity of the DIU data to the degrees possible;
- Identify and obtain materials on SSE projects that had been evaluated but which were not included in the computer data base.

Thus, the Devres team interviewed over forty people in the Agency familiar with SSE development projects. Much additional data, (in the form of Project Papers, Evaluation Summaries, etc.), were pulled together from these interviews with AID project officers and others which supplemented that available from the data base. This effort filled in many needed details on SSE development within AID. However, it did not provide a complete picture of AID's work in this sector because of the unavailability of much documentation on specific projects.

In the light of these data problems, the Devres team was forced to conclude that a comprehensive survey of AID SSE activities as was desired here can only be concluded after an extensive office-by-office,

bookcase-by-bookcase, file-by-file search in both AID/Washington and in Mission offices. This would be a labor-intensive, time-consuming and costly task and would have greatly exceeded the budgetary resources available for this study. At some point, too, such an effort would not be cost-effective, although more resources spent now to find or develop additional evaluative material on SSE projects would be of substantial importance (as noted in the study). In the final analysis, the Devres team believes the information developed as a result of this study is reasonably comprehensive, adequately raises a host of issues, and enables a large number of well-founded conclusions despite the data problems mentioned above and the need for AID to continue to fill in some gaps in what is known about the effectiveness of its SSE efforts.

Thus, the foregoing discussion simply should serve to highlight the data base problems that hamper any effort to survey AID's SSE development activities. In particular, the reader should remember that there are limitations in relying on the computerized data base alone for information on SSE (or other AID development projects). Knowing the limitations of this data base requires that cautious interpretations of the data be made which are general and directional rather than specific and definitive. Given this important warning, Devres had developed tables showing AID SSE project activity in the developing regions using the data available from the computer and included these tables in the text. The reader should be conscious of the limitations described above when using this data.

C. World Bank

Researching the work of the World Bank in promoting SSE development presents some of the same problems as found in AID. There is no central repository with complete information on SSE projects in the Bank. The three Central Projects Departments concerned with SSE maintain files on their projects and on those of the offices of their corresponding regional divisions. Project lists with loan amounts and brief project descriptions were obtained from these Departments and from the Sector Policy Paper, Employment and Development of Small Enterprises (February 1978). Recent evaluations of two SSE projects have been completed and are on-going by the World Bank's Operations Staff. Material on these evaluations was not available during the time of this study.

Additional SSE project information was obtained through extensive research of the World Bank appraisal reports available in AID's World Bank documentation office in AID/PPC. This information was matched with information obtained from interviews with eleven World Bank staff members and Department project lists. Interim progress and evaluation reports, though available, were not accessible for this project.

D. Private and Voluntary Organizations

Private and voluntary organizations on the whole do not document their activities to a great extent. Project descriptions are usually quite brief, sometimes only a few lines in length. Reasons given for this lack of detailed documentation are "insufficient funding" and "lack of staff time". Evaluations are a relatively recent dimension

of most PVO programs, and sometimes consist merely of short follow-up reports. The staff of some PVOs interviewed for this project felt that evaluation was indeed necessary, but takes needed and scarce funds away from project implementation and has little direct benefit on target groups. Some also reported that extensive evaluation is only carried out on the request of the donor agency. Moreover, a substantial proportion of PVOs interviewed operate largely decentralized field offices. Complete project files are kept in these offices with only sketchy information ever reaching home offices in the U.S. As field staff knowledgeable about project specifics are rarely in their home offices, it is difficult to get much detailed information about the actual implementation or impact of a particular project.

E. United Nations Agencies

Information on the SSE programs of the UNDP, UNIDO, and ILO is not readily available in the Washington, D.C. area. For the specific information needed to evaluate these organizations' approaches to SSE development, one would need to have access to files and to conduct interviews at these organizations' headquarters in New York, Vienna and Geneva respectively. The project information used for this report was obtained from a few interviews at AID and from material located in the ILO and UNDP Washington liaison offices.

ANNEX 7

Bibliography

ANNEX 7

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[1]This bibliography lists materials the authors found to be helpful in describing both the universe of and approaches to SSE projects undertaken by various funding agencies. It does not include documents describing the SSE sector in various countries.

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ANNEX 8

List of AID Projects for Potential Impact Evaluations with Estimated Completion Dates of 1980, 1981, or 1982

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List of AID Projects for Potential Impact Evaluations with Estimated Completion Dates of 1980, 1981 or 1982[1]

Region/ Country	Name of Project	Project Number	Estimated Completed Date
Latin America			
Bolivia	*Small Farmers Organizations	511-0452	81
	Consolidation of Colonization Program	511-0514	81
	*Rural Enterprises and Agribusiness	511-0472	82
Chile	Special Development Activities	513-0187	80
Costa Rica	*Urban Employment and Community Improvement	515-0130	81
Dominican Republic	Small Farmer Agricultural Rehabilitation	517-0142	80
	Training Rural Managers (OPG)	517-0122	81
El Salvador	*Small Enterprises Development	519-0229	81
Guatemala	*Rural Enterprises Development	520-0245	81
Haiti	Agric Feeder Rds	521-0074	81
	Haitian Development Foundation (OPG)	521-0118	82
Honduras	*Rural Technologies	522-0157	82
Latin America-Regional	Operational Programs Grants	598-0577	80
Nicaragua	Rural Development Sector Program	524-0118	80
	Managua Urban Reconstruction Sector	524-0140	81
	Nicaragua Recovery Program	524-0188	81

[1]This list of projects has been drawn from AID's computer data base and Devres' own search for projects. Brief summaries of those projects with an asterisk (*) may be found in Annex 3.

ANNEX 8

List of AID Projects for Potential Impact Evaluations with Estimated Completion Dates of 1980, 1981 or 1982 (cont'd.)

Region/ Country	Name of Project	Project Number	Estimated Completed Date
Other West Indies-Eastern Caribbean Region	*Employment Investment Promotion Project	538-0013	80
	*Caribbean Productive Employment Generation	538-0025	81
	*Regional Agribusiness Development	538-0010	81
	*Employment Investment Promotion II	538-0018	82
	*Regional Agribusiness Development	538-0011	82
	*Agribusiness Expansion	538-0057	80
	Caribbean Development Facility	538-0023	82
Panama	Technical Support (Educ. Sector)	525-0189	81
	Guayhi Area Development	525-0200	82
Peru	Agricutural Economics	527-0141	80
	Research and Development Fresh Water Fisheries	527-0144	80
	*Rural Enterprises Development	527-0057	80
	*Appropriate Rural Technology	527-0162	82
ROCAP	Spec. Devel. Activities - Belize	596-0060	80
	*Regional Rural Agribusiness Development	596-0069	82
	*Transfer of Technology	596-0066	81
Uruguay	Credit Union Development Program (OPG)	528-0106	80

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ANNEX 8

List of AID Projects for Potential Impact Evaluations with Estimated Completion Dates of 1980, 1981 or 1982 (cont'd.)

Region/ Country	Name of Project	Project Number	Estimated Completed Date
Africa			
Africa	*African Women in Development	698-0388	82
Botswana	Rural Enterprise Extension Service (OPG)	633-0212	81
Central & West Africa Regional	Investment and Credit Facility	625-0715	80
	Entente Afr. Enterprise	625-0717	80
Cameroon	North Cameroon Pilot Community Dev (OPG)	631-0010	80
Chad	*Training Farmer Women for Agricultural Production Subproject	698-0388	82
Kenya	PfP Rural Enterprise Development	615-0174	81
	Increase Employment-Income-Production-OPG	615-0184	81
Lesotho	Cottage Mohair Industry (OPG)	632-0209	80
Liberia	Nimba County Rural Technology (OPG)	669-0163	81
Tanzania	*Village Agricultural Development Center	621-0143	82
Upper Volta	*Oncho Area Village Development	686-0212	80
	Rural Enterprise Development	686-0219	81
Near East			
Egypt	Development Industrial Bank	263-0045	81
	*Small-Scale Agricultural Activities	263-0096	82
Jordan	Village Development Adv. Services	278-0183	80

ANNEX 8

List of AID Projects for Potential Impact Evaluations with Estimated Completion Dates of 1980, 1981 or 1982 (cont'd.)

Region/ Country	Name of Project	Project Number	Estimated Completed Date
Asia			
Indonesia	*Provincial Area Development Program I (PDP 1)	497-0264	81
	*Provincial Area Development Program II (PDP II)	497-0276	82
Philippines	Bicol Integrated Rural Development	492-0303	82
Thailand	Rural Off-Farm Employment Assessment	493-0306	81

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