

**Performance Report – 1st Quarter
October 1, 2007 – December 31, 2007
GER (Growing Entrepreneurship Rapidly) Initiative, Mongolia**

Contractor: CHF International
Cooperative Agreement #: 438-A-00-02-00017-00
Reporting Period: October 1, 2007 – December 31, 2007

A. Background

The Growing Entrepreneurship Rapidly (GER) Initiative improves the quality of life of low- and medium-income families in the Ger and rural areas by providing business development and employment services. The GER Initiative began in the peri-urban Ger Areas of Darkhan in August 2002, Erdenet in March 2003, Ulaanbaatar in June 2003, and Choibalsan in July 2004. GER expanded in spring of 2006 to include Bulgan Aimag, Selenge Aimag, Tov Aimag, Baganuur, and Ulgii.

The GER Initiative works with a variety of private sector partners to facilitate its business and employment services. Local banks partner with GER to provide entrepreneurs with access to credit. Medium and large businesses are partners in the program's employment training, employment matching, and business-to-business linkages. GER also collaborates with local, private, and government business support services to develop their capacity and promote the sustainability of services.

B. Expected results at the conclusion of the contract

- Improved capacity of peri-urban residents to initiate and expand businesses by providing demand-driven business development services and business training
- Increased access to business information, financial resources, and employment opportunities
- Strengthened capacity of local institutions and development stakeholders to support the demand-driven and commercially oriented needs of the target population

C. Current core activities

1. BDC client recruitment

As shown in Table 1 below, 1,290 new clients registered for services this quarter, down 19% from last quarter. We have registered 42,237 clients over the LOP, of which 19,136 (45%) are business clients, 18,282 (43%) are employment clients, and 4,819 (11%) are "other" clients. Of the clients who registered this quarter:

49% registered as current or future business owner¹ (down from 71% last quarter)
43% registered for employment services (up from 20% last quarter)
8% registered for "other" services² (down from 14% last quarter)

Of the new clients, 67% are female and 33% are male compared equal to last quarter.

¹ A Future business owner is a new category to capture clients who want business services but are not yet business owners.
² "Other" refers to Ger Area people who are interested in services unrelated to business or employment (i.e. information on Mongolian laws or how to register as a citizen).

	Clients	Male	Female	Avg. Ger Time	Avg. Age	Disabled
Business Owner	342	118	224	9	38	2
Employment Client	551	177	374	9	30	2
Future Business Client	293	113	180	9	38	0
Other	104	18	86	9	35	1
Total	342	118	224	9	38	2

The table below summarizes the types of businesses operated by GER's newly registered clients. As in previous winter quarters, traders have surpassed producers as the dominant sector among newly registered clients.

Sector	Number³	%
Producers	118	35%
Services	66	19%
Traders	158	46%
Total	342	100%

Within each sector, the most prevalent newly registered business types were:

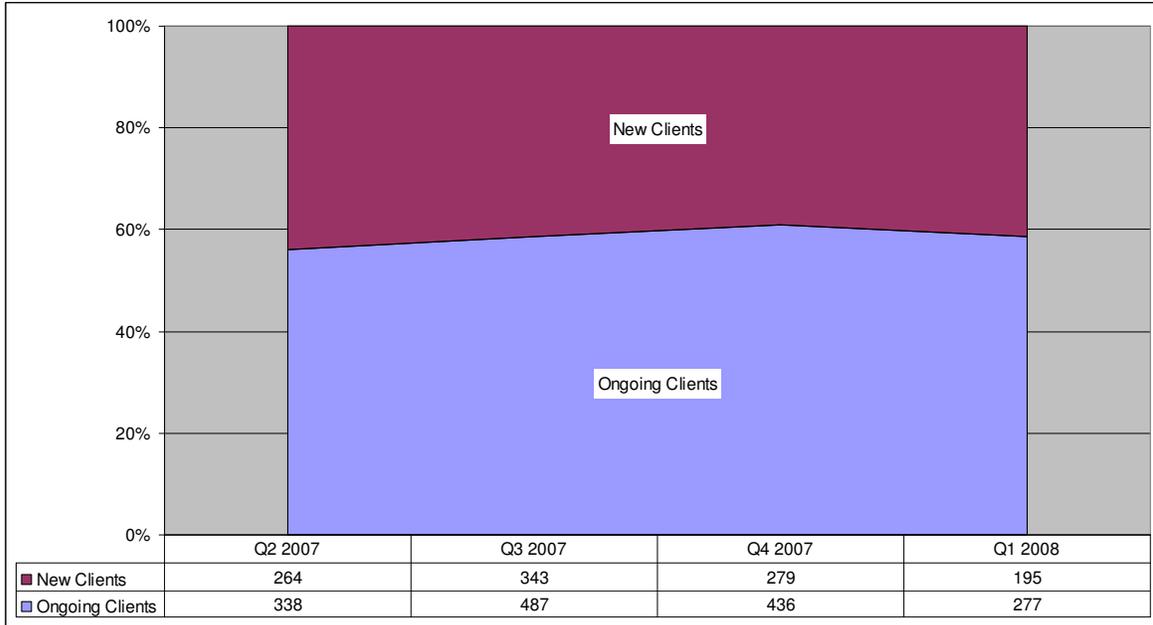
- Agriculture 24% of Producers
- Transportation 36% of Services
- Consumer Retail 54% of Traders

2. Business Consulting

GER Initiative business advisors provide one-on-one consulting on topics that are directly related to clients' businesses. This quarter, 462 clients benefited from 568 consultancies. Ongoing clients comprised 60% of those receiving consultations. GER continues to maintain an overall ratio of 60% ongoing clients to 40% new clients.

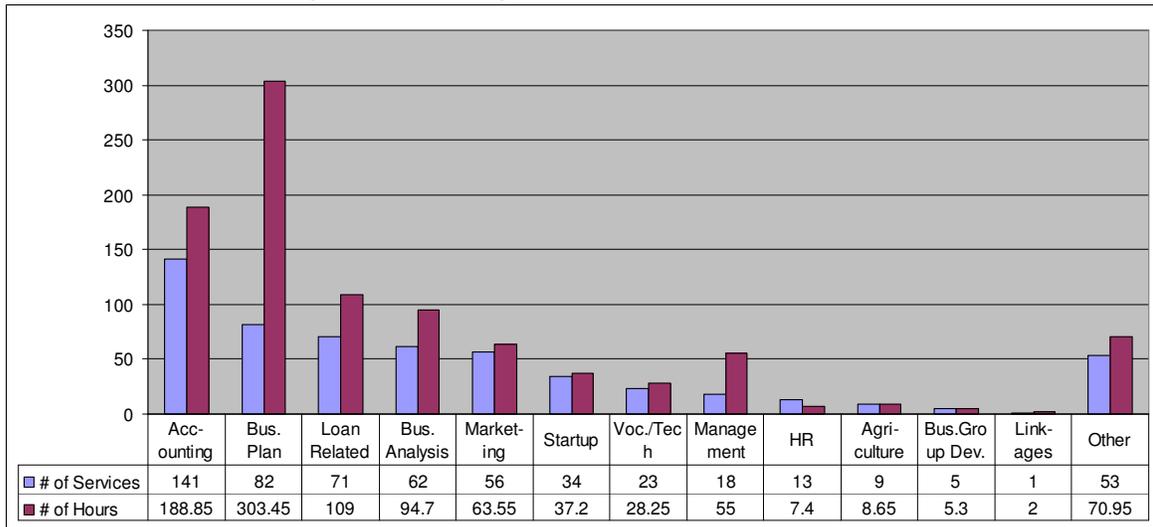
³ The number of businesses may be greater than the number of business owner clients because many GER clients operate more than one business.

Figure 1: New Clients vs. Ongoing Clients obtaining Consulting Services by Percentage



The graph below details the demand for each type of consulting service provided. Continuing last quarter's trend, consultancies decreased in Q1 compared with the previous quarter, led mainly by marketing consultancies.

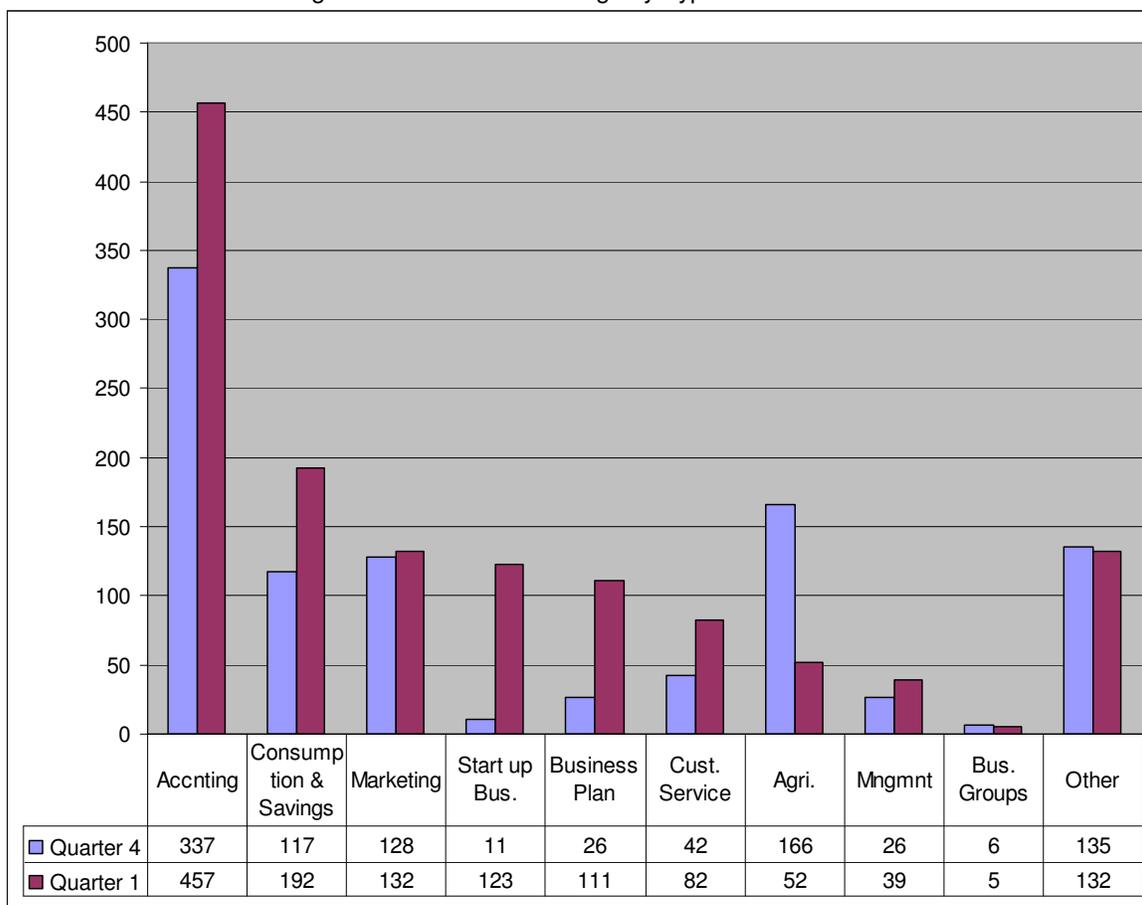
Figure 2: Consulting Services Provided – Q1 FY 2008



3. Business Training

GER provided 1,325 business trainings to 576 clients this quarter. Figure 3 compares the types of trainings for Q1 2008 and Q4 2007. With the exception of Agriculture, all other training categories increased in Q1 2008 compared to Q4 2007.

Figure 3: Number of Trainings by Type Q4-Q3 FY 07



This quarter, GER provided start up package services to over 40 clients in Ulaanbaatar. This service package includes start-up information, loan facilitation service, and business trainings specifically tailored to new businesses, including the following: business plan, bookkeeping, market research, loan preparation, and costing and pricing trainings. XAC Bank’s loan officers met with the clients and are prepared to offer them loans after they complete their business plans.

In November, GER collaborated with the Mongolia Social Welfare and Employment Office in Choibalsan on a four-day training to assist individuals to start their own businesses. The event consisted of eight business trainings: Start-up Businesses, Market Research, Cost Estimation of Goods, Primary Bookkeeping, Marketing, Consumption and Savings, Business Planning, and How to Write Business Proposals. Twenty clients participated in the training, including three who had already started their own businesses but needed additional training and information. At the end of the event, attendees were expected to develop their business plans and seek consulting from GER Initiative advisors. To date, three of the participants have applied for project loans to fulfill their business ideas and one has been approved for a loan from the Social Welfare and Employment Office

In December, GER sent four unemployed clients to the Gegeerel training center’s handicrafts training in Bayangol. The clients learned how to make handicrafts from felt, yarn and beads. In four weeks the clients will finish the training and start their own business. GER organized a rabbit fur processing training for ten members of “Bujin” business group in Dambadarja, which was formed in November.

GER conducted Business Planning and Costing Pricing trainings for fourteen vegetable farming clients in Bayakhshuu. Previous trainings have focused on vegetable farming technology trainings for their clients. Since the farmers have more time available during the winter months, GER advisors are working

with them to focus on improving their business skills such as planning, bookkeeping, and calculating production cost.

Also in December, GER conducted marketing, bookkeeping, and customer service trainings for three handicraft clients who were awarded training certificates by GER Initiative at the Handicraft Brand Product trade fair. Participants learned the differences between household and business bookkeeping, what marketing is and how to use it, and how to save and spend wisely.

4. Financial Services⁴

Loan Facilitation (LF)

GER facilitates loans to clients through five commercial banks. The number of loans facilitated by the program this quarter was 284, up from 276 last quarter. The total value of loans facilitated this quarter was \$395,811, up from \$368,051 last quarter.

On average, the terms of this quarter's facilitated loans were:

- Loan size: \$1,394, up from \$1,334 last quarter
- Loan term: 14.2 months, up from 14.1 months last quarter
- Interest rate: 2.2% per month, equal to last quarter

In December, Xac Bank approached CHF to explore a new, group-based lending product. Currently unregistered groups cannot access financing in Mongolia. Even formal groups such as cooperatives and associations have difficulty accessing financing under banks' strict collateral requirements. The GER Initiative has piloted a few "group" loans through the CAF program and now Xac Bank is interested in testing the viability of a group-based product. The GER Initiative will help train and prepare the business groups for managing a loan and then will facilitate the application process as we do with other business loan products.

Out of the 5,217 loans valued at \$5,428,383, facilitated over the life of the project, the outstanding portfolio at the end of the quarter consisted of \$788,916 and 913 active borrowers. Within this outstanding portfolio, twelve loans were in arrears with a remaining principal balance of \$7,891. As the table below shows, GER has successfully reduced loans in arrears.

Table 3: Loan Facilitation Arrears Q4 2007 and Q1 FY 2008

	Q3		Q4	
	# Loans	Amount	# Loans	Amount
Overdue (up to 30 days past due)	6	\$3,424	4	\$1,252
Abnormal (31 – 60 days past due)	0	\$0	3	\$378
Doubtful (61 – 90 days past due)	2	\$4,407	0	\$0
Bad (> 90 days past due)	2	\$393	5	\$6,261
Total	10	\$8,224	12	\$7,891

There are nine defaults in the loan facilitation portfolio. Given their roles as loan administrators and providers of capital, our bank partners retain the right to decide when to write off a loan. No loans were written off by banks in this quarter.

Capital Augmentation Fund (CAF)

GER developed the Capital Augmentation Fund (CAF) in July 2004. CAF is a syndicated lending program which provides loans to businesses through banks. CAF loan decisions are based on cash flow, rather than collateral. Banks provide loans through CAF when the businesses do not meet their lending

⁴ Average exchange rate used for this quarter: 1,174.8930 ₮ to 1 US dollar

requirements. This allows promising businesses with insufficient collateral, such as start-ups, to obtain loans.

CAF loans are awarded to motivated clients who have been working with the project for more than three months and have received more than three services. This activity is not advertised nor is it promoted in any way to clients. It is only used in cases where we feel the banks are being too rigid in the requirements and are missing an opportunity to assist a winning business.

To date, 890 CAF loans have been approved, valued at \$1,082,226. The GER Initiative continues to increase the disbursement of CAF loans. A total of 96 loans were disbursed this quarter, compared to 78 last quarter. The value of this quarter's loans increased to \$164,359 from \$114,342 last quarter.

- Loan size: \$1,712, down from \$1,466 last quarter
- Loan term: 16.0, up from 15 months last quarter
- Interest rate: 2.0% per month, equal to last quarter

At the end of the quarter, CAF had outstanding loans of \$337,249 and 274 borrowers. Of the current CAF loans, 23 loans were in arrears with a remaining principal balance of \$28,398. To date only two CAF loans have been written off. The current arrears break down as follows:

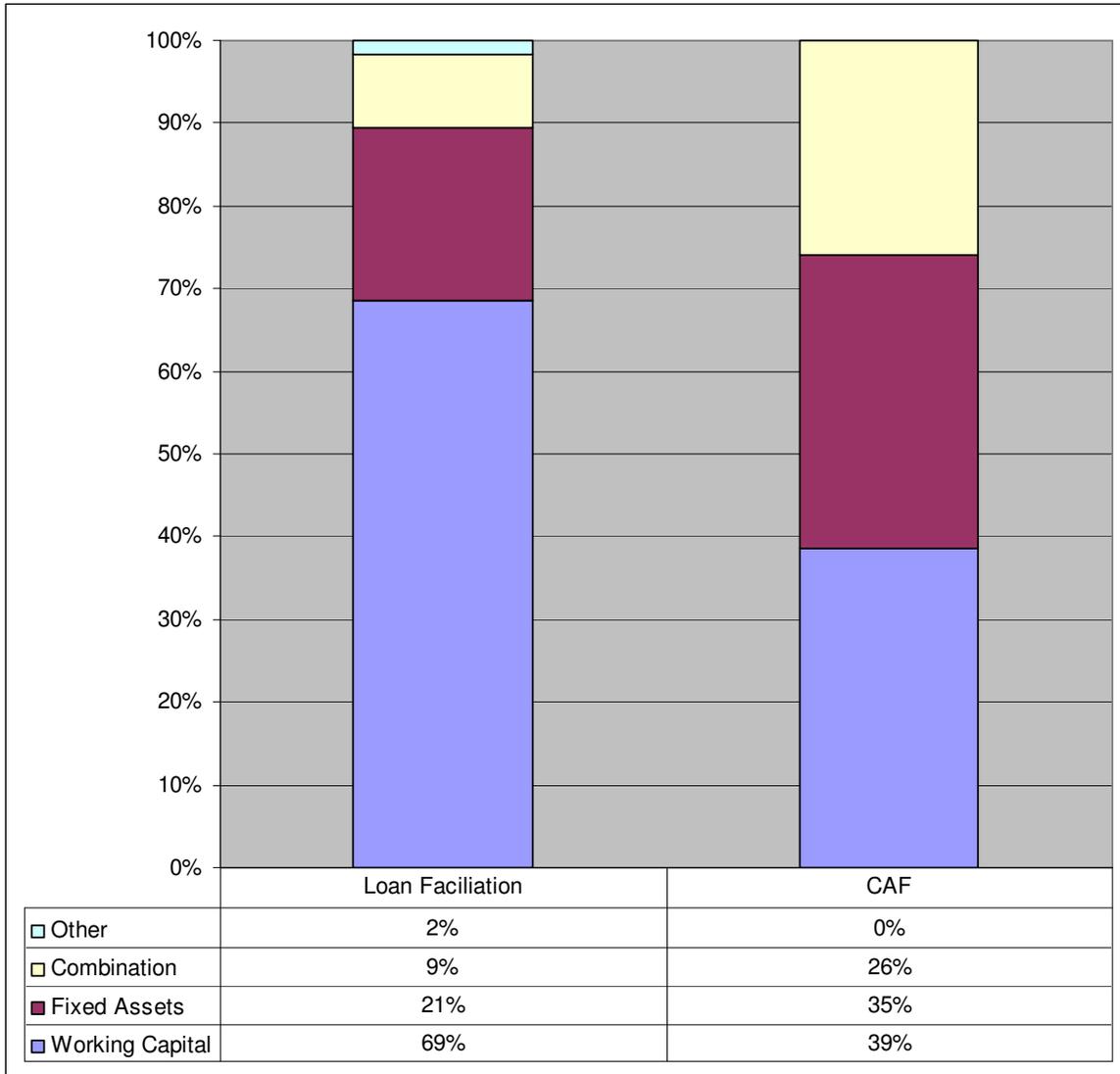
Table 4: CAF Arrears Q4 FY 2007

	Q4		Q1	
	# Loans	Amount	# Loans	Amount
Overdue (up to 30 days past due)	6	\$5,291	5	\$2,510
Abnormal (31 – 60 days past due)	1	\$461	0	\$0
Doubtful (61 – 90 days past due)	0	\$0	5	\$10,249
Bad (> 90 days past due)	12	\$15,279	13	\$15,640
Total	19	\$21,031	23	\$28,398

Loan Purpose

This quarter, banks continued to increase their exposure to fixed asset and combination loans, reaching 39% of all loans facilitated this quarter. Working Capital continues to be the most frequent loan purpose, though fixed asset loans have increased in both Loan Facilitation and CAF portfolios.

Figure 4: Loan Purpose by Number of Facilitated and CAF loans Q4 FY 2007



5. Linkages

Linkages provide tangible benefits to clients, such as lowered costs (input linkage) or increased sales (sales linkage). It also allows GER staff to mentor clients in time management, costing and pricing, product quality, and new market development.

During this quarter, the total estimated value of trade fair⁵ and linkages facilitated by the project was \$54,087, down from \$91,395 last quarter. Since the beginning of our extension in April 2006, we have facilitated linkages valued at \$495,666.⁶ As shown in the following graph, the value of sales linkages returned to pre-harvest season levels this quarter.

⁵ Cash sales only. Does not include orders.

⁶ Our reporting requirements changed in April of 2006. For this reason, we began tracking the value of linkages from this point forward.

Figure 5: Sales and Input Linkage Value by Month⁷

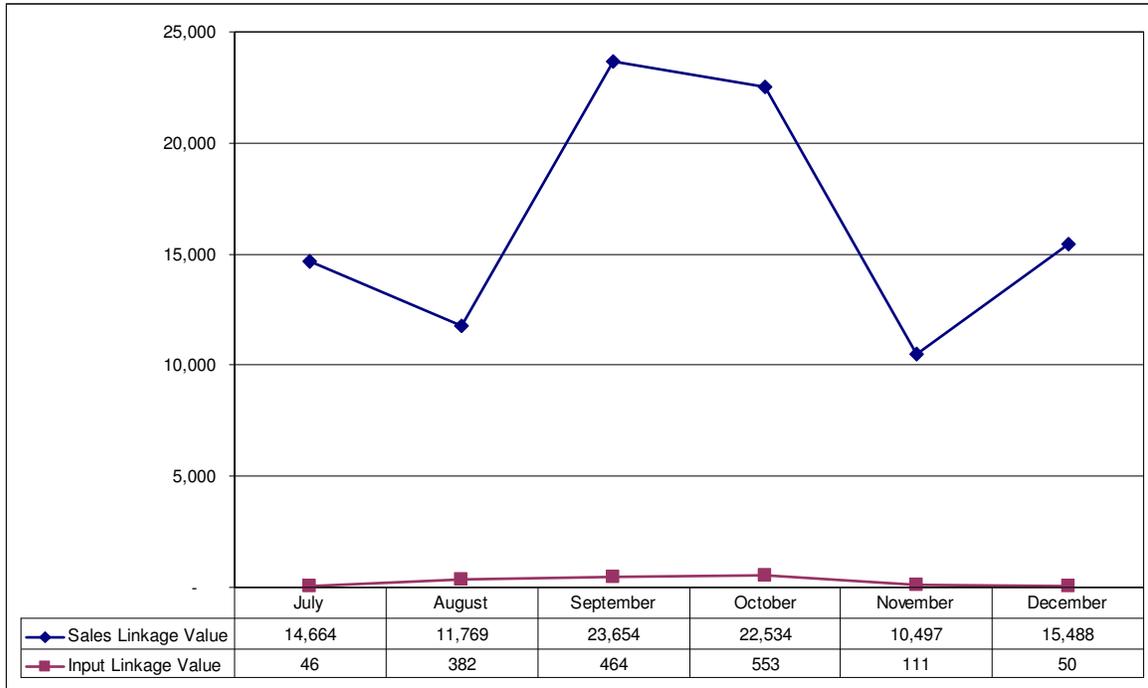


Figure 6: Number of New Clients Involved in linkages per Month⁸

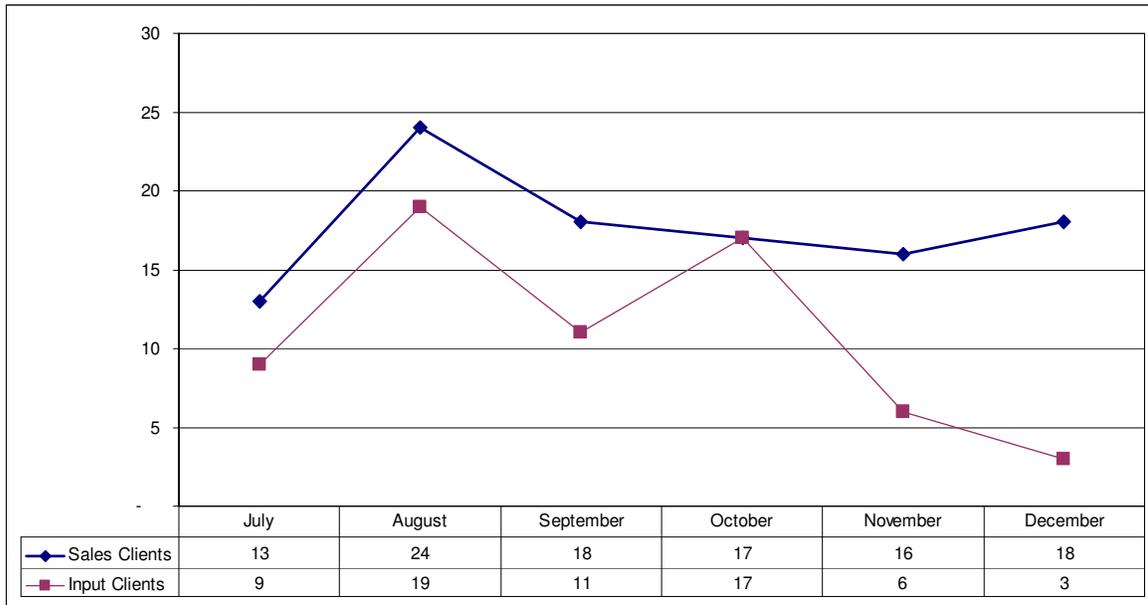
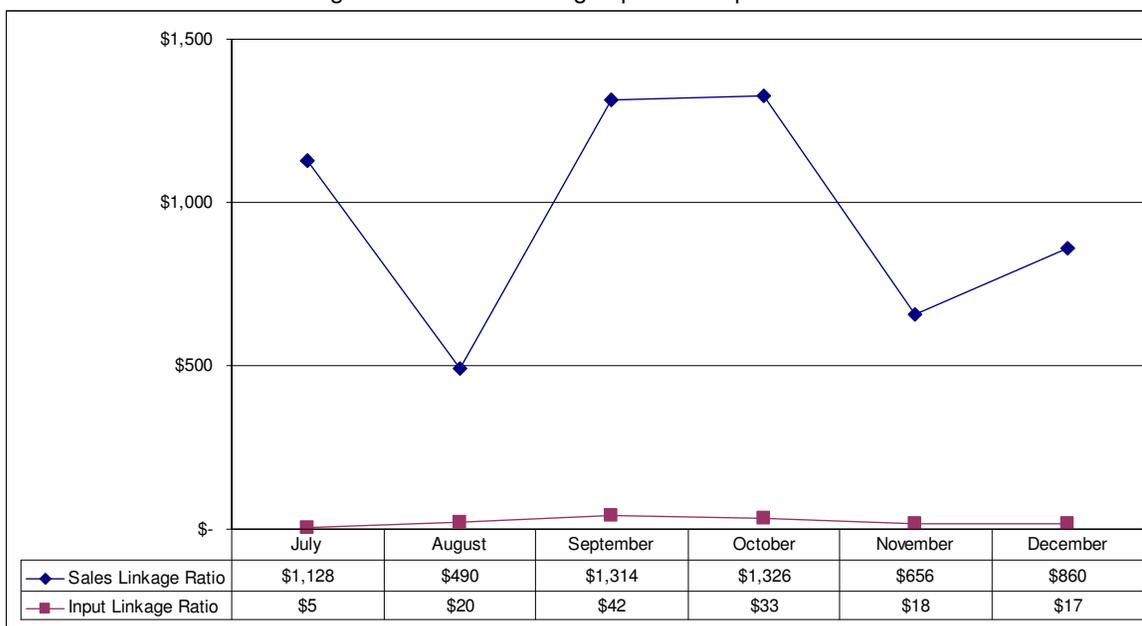


Figure 7 illustrates the value of a linkage per client and reflects the general decrease in linkages after the harvest period of last quarter.

⁷ Excludes trade fairs.

⁸ Excludes trade fairs.

Figure 7: Value of Linkages per Client per Month⁹



Examples of linkages completed this quarter include:

- *Setgemj 2*, a local business group, has successfully completed an order of 110 reflective safety vests for Boroo Gold. As a result of the linkage, the group has expanded its operations and is able to fill larger orders. GER is now working with the group to identify other potential clients.
- GER clients from Yarmag and Sharkhad branches started to produce boots with oil/acid resistant sole and metal toe protection for the mining and factory sectors of Mongolia. Until now, this type of boot was not produced in Mongolia.
- *Jimst Dulaankhan Cooperative* was linked with the *Minii Delguur* chain of stores in Darkhan to promote and sell their seabuckthorn syrups. The store has agreed to stock twenty jars of the syrup as an initial sales test. If the sales are successful, the store will begin purchasing larger quantities of syrup from the cooperative.

In Darkhan, GER is creating a catalog of seamstress business clients. The catalog will be used to promote local production capabilities to large companies and help establish new linkages.

GER established new linkage relationships with Kempinski–Khaan Palace Hotel, LSM LLC–mining, J&B–Trade and Logistic Company, and BHP Billiton–mining.

Trade Fairs

- In October, GER organized two trade fairs in Ulgii around the annual Eagle Festival. The first was a short “mini” trade fair in main square of Bayan-Ulgii and included a variety of handicraft business. Sixteen GER clients participated in the fair and sold products worth approximately \$783.00. The second fair was held at Sayat Hill, at an Eagle festival site. The two-day event included twenty clients on the first day and twenty-five clients on the second day with total sales of over \$2,700.
- In November, GER and the Bulgan Government Food and Agriculture Center held a two-day *Bulgan Hangai – Harvest Celebration* trade fair to support agriculture and vegetable business activities in the aimag. A total of 140 people representing 33 firms, cooperatives, and companies actively participated in the event and presented a variety of products including homemade flour,

⁹ Excludes trade fairs.

raw vegetables, preserved vegetables, and wheat. Clients made over \$1,275 and received orders worth an additional \$1,185.

- Also in November, GER collaborated with the Darkhan aimag's governor's office, the Darkhan soum governor's office, and the Chamber of Commerce and Industry to organize the *Trade Fair of Handicraft Clients*. Seventeen handicraft clients participated, including four GER clients. Other participants included the Federation of Women for a Developing Society, an NGO from Selenge aimag, and CAMA Service International, a U.S. NGO, and nine private handicraft businesses. The trade fair was a success, with clients and handicraft businesses exhibiting and selling their wares, leading to large orders from customers. Clients made over \$60 in sales with an additional \$1,500 in orders.

6. Business Associations

With IMPFACTS, CHF International's Cooperative Development Project, GER defines business groups in three types: transactional, informal, and formal. Transactional groups are comprised of individual GER business clients who come together only for specific instances such as a joint purchase or joint sale. They do not share assets and generally they do not work together daily. Informal groups are groups that are not registered legally as a business, yet they share an asset and work together. Formal groups are legally registered as cooperatives.

GER provided services to 82 active transactional, informal, and formal groups over the course of the quarter. Six new business groups were started and three groups disbanded during the quarter.

- In Bayangol, GER organized a meeting for five clients who participated in a *Felt Product Making* training in October. Participants talked about their business situations, common problems, and future plans. They decided to establish a felt business group and have already produced their first products together.
- A group at the Darkhan Women's Palace, which produces hand-made embroidery, learned of GER Initiative activities during the November handicraft trade fair. The group decided to join GER to learn how to improve their sales.
- After receiving consultation from GER, *Mongol Goyol* business group has started advertising through local FM radio stations and market loudspeakers. The group's sales have increased 20%.
- GER client Darkhan-Setgemj Cooperative has successfully finished a contract for 5,000 pieces of labor gloves for Darkhan Metallurgical Plant, which was signed in March 2007. The contract is likely to be renewed in 2008; the plant recently placed an order for 1,000 pieces of labor gloves, which is due on January 10. In the renewed contract, the cooperative is planning to negotiate for an increased unit price and greater quantity of monthly supply, from 500 to 800-1,200 pieces.

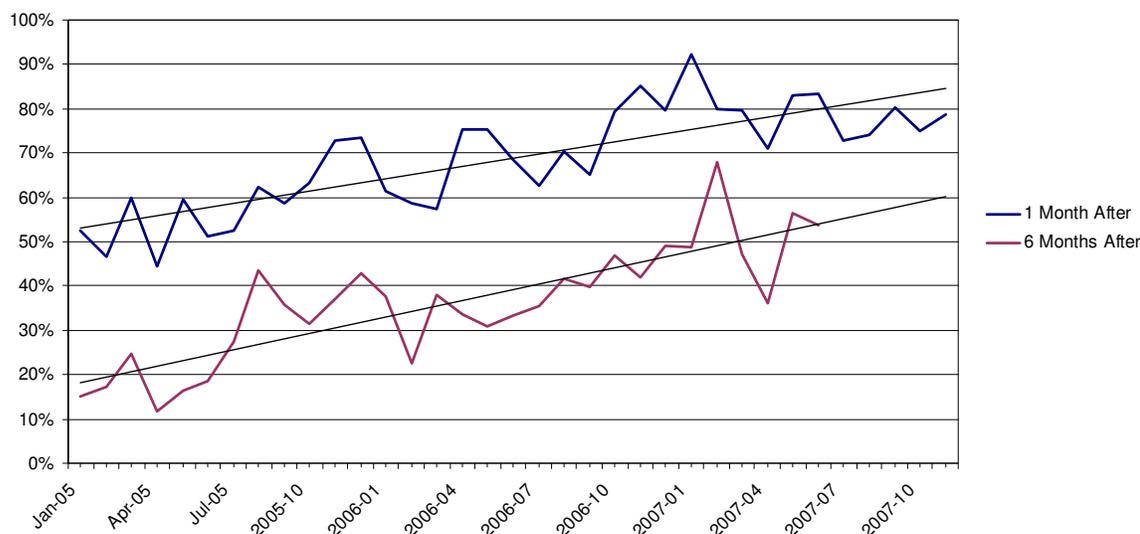
7. Employment Services

GER's employment services include soft skills training, vocational training, and job matching. Employment soft skills training decreased to 642 people from 317 last quarter. Longer-term vocational trainings decreased to 63 people from 110 last quarter. GER matched 238 people to jobs, down from 363 last quarter. Of those, 54 were matched to temporary jobs, eleven to seasonal jobs, and 173 to long-term jobs.

Monitoring retention rates are illustrated in the figure below. In this report, the September, October, and November matches were monitored. The job retention rates (beyond one month) were as follows: September-80%, October-75% and November-79%. Overall, during the three months, 295 people were placed in seasonal or long term jobs and 197 (72%) stayed in the job at least one month.

The below series is the data for unemployed clients that remained in their jobs for six months. For this report we are monitoring June, 2007. In June, 78 clients were matched to long term jobs and as of December 2007, 42 (54%) were still in the job.

Figure 8: Percentage Employment Matching Retention Rates by 1 month and 6 months



Activities within employment services that took place this quarter include:

- This quarter the Government of Mongolia’s Central Employment Office organized a meeting for all organizations providing employment matching services. Private employment matching companies (EMCs) are now required to make a cooperation agreement with Labor Bureau of Ulaanbaatar city. Later in the quarter, GER participated in a three-day workshop with the Labor Bureau of Ulaanbaatar where GER Initiative and other employment matching providers signed agreements with the Labor Bureau of Ulaanbaatar. Based on the agreement, employment matching providers will receive 7,000 to 10,000 MNT from the Government of Mongolia’s Employment Support fund per qualified job matched. GER staff were also trained on and have begun to use the Labor Market Manager Program software.
- In December, GER participated in the *National Employment Forum* organized by the Ministry of Labor and Social Welfare. At the event, GER presented the challenges faced in job matching, including the high turnover among clients who are matched with jobs. Issues such as low salary and poor working conditions are often cited by clients as reasons for leaving their newly found jobs and highlight the need to work with employers on human resource management and compliance with the existing labor laws.
- In Darkhan GER consolidated a number of resume and interview trainings into one consolidated training package. This newly packaged service was promoted at the Labor Fair and five people signed up for the training. GER staff and PCV conducted the training later in the month for six attendees. As a result of the training, the participants have learned to write a basic resume and CV and are able to answer most interview questions. After the training, three participants requested employment matching services.
- Bayangol advisors have contacted several large employers regarding job placements. Twenty-one GER clients who received soft skills, CV, and interview trainings were referred for screening with the large employers. Twelve of the clients have passed the first rounds of screening and will enter the second round of testing.
- The Bulgan Aimag Youth Union requested that GER provide training to their 30 members and cooperate on promoting employment, cooperative contracts, and job matching services. The Union agreed to cover all promotional expenses.

- During this quarter, ten clients graduated from the Gobi training center and started to work for the Gobi Company. A additional ten clients graduated from the Wool and Cashmere Production training center and started to work for the Altai Cashmere Company.

Labor Days

- In October, labor days were held in Baganuur and Bayankhoshuu branches. This was the first Labor Day for the Baganuur and the event included the District Government Office and District's Welfare Employment Office.
- In Darkhan, the "Labor Fair - 2007" was organized by GER and the aimag Department of Labor and Social Welfare. As well as introducing the project's employment service, selling newspapers, and distributing brochures, GER also provided information on 41 employment opportunities to 31 people. Nineteen people have been registered as clients and ten have been introduced to employers after the event. We also gathered information on job vacancies and established relationship with other participating organizations such as Darkhan Hotel, Us Suvag LLC, the Center to Change Children's Worlds, and Lemour Vocational training center.
- GER organized a Labor Day in collaboration with the Employment and Welfare Office of Songinokhairkhan District. Of the 66 unemployed people who attended the event, thirteen were introduced to potential employers and seven received vocational training.
- In Bulgan GER and the Erdenet Peace Corps Volunteers (PCVs) organized an information day for 135 students who will graduate in January of 2008. The goal of the information day was to help students prepare to interview with potential employers, to help them find employment, and to understand the importance of developing a professional career based on their skills. GER staff introduced our project, explained the types of employment services available, and conducted soft skill training. As a result of the information day's activities, many students have registered for GER employment services. GER and Darkhan PCVs presented a similar training for unemployed people and final year students in Darkhan. After the trainings, the participants were able to write a basic resume and answer common interview questions.

Partnerships:

- GER established a new relationship with the Food Technology College training center. The training center is now providing professional trainings for 23 GER clients on cooking and food service.
- New employment matching relationships have also been established with the following companies: Battreid, Mon Bet, Sunjin Grand Hotel, DAKO, and Trans Capital NBFI.

8. Information Services

GER organized an Open Day with collaboration of Tuv aimag's Real State Department and Land Office. The purpose of the Open Day was to advertise GER and its services, especially information service and to encourage residents to privatize their khashaa and to shorten the term of paper work. The event lasted three days and numerous residents obtained their land title at once. Each day one advisor worked there distributing information about GER and its services. Both government officials and residents were satisfied with the activity.

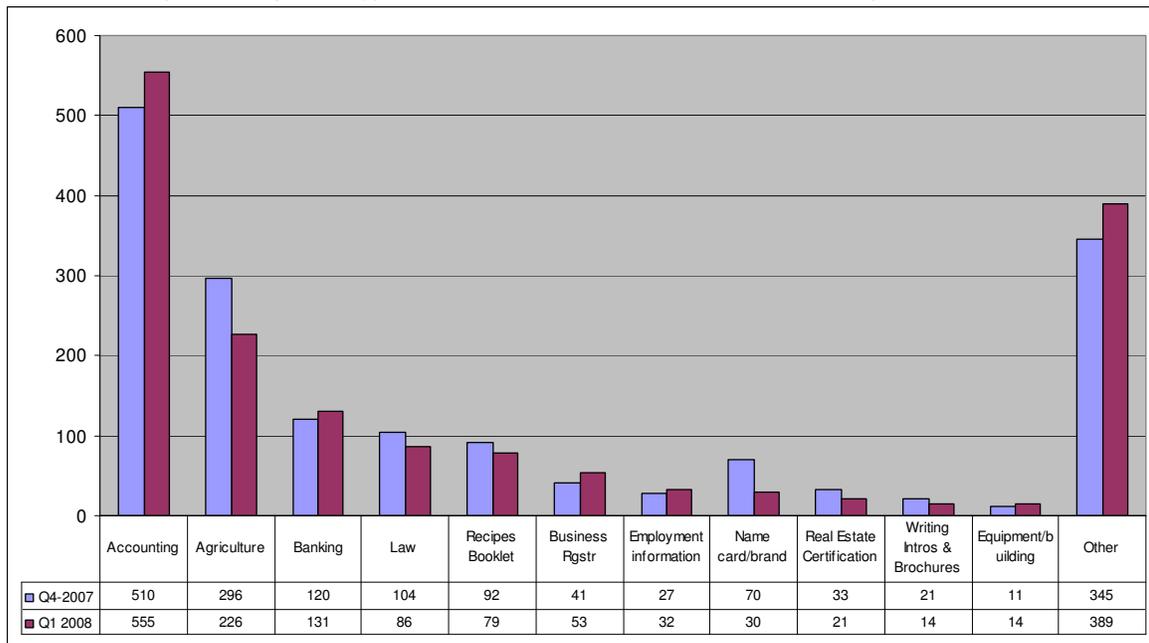
In December, GER organized a meeting of fruit and decorative tree growers in Darkhan. Six clients attended the meeting where the advisor talked about the advantages of working together and provided information about tree varieties and prices which we gathered in the autumn. The participants shared their experiences, exchanged information and discussed their challenges and solutions. Common challenges faced by this type of business are low sales, lack of information about potential buyers, environment support programs, new tree-growing technologies, and lack of generally set product prices. The clients agreed to work

together on collecting tree seeds, fulfilling large orders, and exchanging information. The advisor offered to research market prices, sales channels, and greenhouse information.

Khashaa Valuation Survey

- In this quarter, GER launched the field work of the 2007 Khashaa Valuation Survey. Training was organized for all staff participating in the survey field work. CHF has involved more staff in the survey this year in an effort to complete the survey in a timely manner. We also employed a sampling method rather than a direct census survey. This should improve the timeliness of the survey while maintaining a suitable error rate.
- Despite some logistical difficulties, all survey forms were collected within one week of the scheduled deadline.
- Data processing and analysis will begin in January 2008

Figure 9: Top Ten Types of Information Provided in Quarter 1 compared with Q4



9. Partnerships

NTR

10. Local Staffing

As of December 31, 2007, GER employs 124 local staff. During the quarter, five staff were hired and fourteen staff left the organization. CHF continues to manage the downsizing of staff and operations over the next fiscal year as the current cooperative agreement winds down.

11. Business Development and Employment Services Centers and Branch Offices

GER operates out of eighteen branch offices. We have seven branches in Ulaanbaatar, two in Darkhan, two in Erdenet, one in Choibalsan, two in Ulgii, one in Baganuur, one in Bulgan, one in Selenge, and one in Tov. CHF plans to begin consolidating branches in Darkhan, Erdenet and Ulaanbaatar the next quarter.

12. International Staff Changes, Consultants, Volunteers, and Visits

Four Peace Corps Volunteers joined CHF in September. They are located in Darkhan and Erdenet.

13. Reports completed

NTR

14. Current subcontracting activities

NTR

15. Performance

This is the seventh quarter for the extension of our cooperative agreement. The table on the following page summarizes targets and results achieved only during the extension period.

Table 5: Results by Q1 FY 2008 Compared to Targets

Indicators & Results	Period Result	FY08 Year to Date		LOP (4.06 – 9.08)		%LOP 69%
		Result	Target	Result	Target	% Target Completed
Business Service Fees Collected	\$18,981	\$18,981	\$24,400	\$117,876	\$61,000	193%
Clients Registered for Business Srvces	803	803	4,000	7,476	10,000	75%
% Repeat Clients Various Services	75%	66%	65%	63%	65%	97%
New Businesses Created	104	104	400	524	250	210%
Expanded/Improved Businesses	391	391	1250	1897	1,800	105%
Avg % Increase In Sales	104%	104%	40%	104%	40%	
Avg % Increase In Assets	172%	172%	20%	172%	20%	
Avg % Increase In Working Capital	179%	179%	40%	179%	40%	
Jobs Generated	595	595	1000	2,793	1,000	279%
LT Jobs Generated	427	427	340	2217	850	261%
Employment Service Fees Collected	\$1,254	\$1,254	\$3,600	\$8,009	\$9,000	89%
Clients Registered for Emplmnt Srvces	651	651	2,400	5,341	6000	89%
Clients Matched to Jobs	238	238	2,000	2,425	3000	81%
% Matches Lasting Over 6 Months	47%	47%	50%	160%	50%	320%
Estimated Value of Linkages	\$54,087	\$54,087	\$280,000	\$481,405	\$700,000	69%
Business-to-Business Linkages	707	707	250	3,504	625	561%
Value of Loans Facilitated	\$368,613	\$368,613	\$720,000	\$2,635,664	\$1,800,000	146%
Loans Facilitated	276	276	880	2,377	2,200	108%
Value Of CAF Loans	\$114,517	\$114,517	\$210,000	\$593,065	\$525,000	113%
CAF Loans	78	78	320	427	800	53%
Clients Receiving Info	1,670	1,670	3,200	10,232	8,000	128%
Business Groups Formed / Supported	81	81	60	311	150	207%
Clients Vocationally Trained	110	110	340	772	850	91%
Employers Trained in HR	16	16	24	184	60	307%
Labor Days Held	5	5	24	46	60	77%
% of Long-Term Matches	73%	73%	60%	68%	60%	0%
# of Long Term Matches	173	173	390	1,597	2,350	61%
% Matches Lasting Over 1 Month	78%	78%	NA	76%	NA	0%
# of Matches Lasting Over 1 Month	142	142	650	1,168	1,950	53%
% Matches Lasting Over 6 Months	49%	49%	50%	43%	50%	0%
# of Matches Lasting Over 6 Months	148	148	325	517	975	34%

16. Fees for Service

GER collected service fees from clients worth \$18,981 this quarter, compared to \$20,657 last quarter, a 8% decrease. All categories of fees decreased with Employment Services fees falling the most at 19% compared to last quarter.

Table 6: Fees Collected per Service Q3 FY 07 and Q4 FY 07

Activities	Q4 2007	% of Total	Q1 2008	% of Total	% Change
Training & consulting	\$2,752	13%	\$3,152	15%	15%
Linkages & information	\$8,635	42%	\$7,291	35%	-16%
Loan facilitation (client)	\$2,629	13%	\$2,834	14%	8%
Loan facilitation (bank)	\$5,086	25%	\$4,450	22%	-13%
Employment Services	\$1,555	8%	\$1,254	6%	-19%
Business Association	\$0	0%	\$0	0%	--
Total	\$20,657	100%	\$18,981	100%	-8%

17. Statement of Work

There are no changes to the statement of work for the project.