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95234

UNITED STATES OF AMERICA
AGENCY FOR INTERNATIONAL DEVELOPMENT

REGIONAL ECONOMIC DEVELOPMENT SERVICES OFFICE
FOR EAST AND SOUTHERN AFRICA (REDSO /ESA)

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M.V. Gohil
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Kenya Management Assistance Programme
2nd floor, Standard Chatered Chambers
Kimath Street
P.O Box 51838, Nairobi, Kenya

JUL 30 1996

Subject: Award No. 623-0263-A-00-6038-00

Dear Mr. Gohil:

Pursuant to the authority contained in the Foreign Assistance Act of 1961, as amended, the U.S. Agency for International Development (hereinafter referred to as "USAID" or "Grantor") hereby grants to the Kenya Management Assistance Programme (herein after referred to as K-MAP or "Recipient"), the sum of \$483,767.00 to provide support for a program in Micro-PED Project, as described in the Schedule of this award and the Attachment 2, entitled "Program Description."

This award is effective and obligation is made as of the date of this letter and shall apply to commitments made by the Recipient in furtherance of program objectives during the period beginning with the effective date and ending July 30,1999. USAID shall not be liable for reimbursing the Recipient for any costs in excess of the obligated amount.

This award is made to K-MAP, on condition that the funds will be administered in accordance with the terms and conditions as set forth in Attachment 1, entitled "Schedule"; Attachment 2, entitled "Program Description"; Attachment 3 entitled "Standard Provisions" and Attachment 4 entitled "Standards for USAID-Funded Publications."

Please sign the original and each copy of this letter to acknowledge your receipt of this award, and return the original and all but one copy to the Grant Officer.

Sincerely,
Beth S. Paige
Beth S. Paige
Agreement Officer
REDSO/ESA/PRO

Attachments:

1. Schedule
2. Program Description
3. ~~Standard Provisions~~
4. ~~Standards For USAID Funded Communications Projects~~

ACKNOWLEDGED: Kenya Management Assistance Programme

BY: *MATHIASI - GITHU*

Title: *PROGRAMME ADMINISTRATION*

Date: *31/7/96*

ACCOUNTING AND APPROPRIATION DATA

A. GENERAL

1. Total Estimated Amount: \$483,767.00
2. Total Program Amount: \$960,631.00
3. Total Obligated Amount: \$200,000.00
4. Cost-Sharing Percentage
(Non-Federal): 48%
5. Project No.: 623-0263
6. USAID Project Office: ABEO
P.O Box 30261
Nairobi
7. Tax I.D. Number: N/A
8. CEC No.: N/A
9. LOC Number: N/A

B. SPECIFIC

1. PIO/T Number: 615-0263-3-50061
2. Appropriation: 725/61014
3. Allotment: N/A
4. BPC: GSS5-95-21615-KG13
5. PIO/T Obl. Amount: 200,000

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ATTACHMENT 1
SCHEDULE

1.1 PURPOSE OF AGREEMENT

The purpose of this Agreement is to provide support for the program described in Attachment 2 of this Agreement entitled "Program Description."

1.2 PERIOD OF AGREEMENT

The effective date of this Agreement is the date of the Cover Letter and the estimated completion date is July 30, 1999

Funds obligated hereunder are available for program expenditures for the estimated period beginning with the date of the cover letter and ending July 30, 1999.

1.3 AMOUNT OF AWARD AND PAYMENT

- (a) The total estimated amount of this Award is \$483,767.00.
- (b) USAID hereby obligates the amount of \$200,000.00 for program expenditures during the period set forth in 1.2 above and as shown in the Budget below.
- (c) Payment shall be made to the Recipient by Payment - Periodic Advance in accordance with procedures set forth in Attachment 3.
- (d) Additional funds up to the total estimated amount may be obligated by USAID subject to the availability of funds and to the requirements of the Standard Provision of this Award entitled "Revision of Grant Budget".

1.4 AWARD BUDGET

The following is the Award Budget, including local cost financing items, if authorized. Revisions to this budget shall be made in accordance with the Standard Provision of the Award entitled "Revision of Grant Budget".

LINE ITEM	<u>BUDGET IN US DOLLARS</u>			
	year 1	year 2	year 3	TOTAL
CAPITAL EXPENDITURE	16207	32584	11207	59998
OPERATIONAL SUPPORT	51644	61365	67590	180599
OPERATING EXPENSES	17061	20748	22477	60286
PROGRAMME EXPENSES	<u>61379</u>	<u>58915</u>	<u>62698</u>	<u>182992</u>
TOTAL USAID CONTRIBUTION	<u>146255</u>	<u>173576</u>	<u>163936</u>	<u>483767</u>

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K-MAP'S CONTRIBUTION

LINE ITEM	year 1(\$)	year 2(\$)	year 3(\$)	TOTAL(\$)
CAPITAL EQUIPMENT	3621	14828	862	19311
OPERATIONAL SUPPORT	31653	37639	41316	110608
OPERATING EXPENSES	39814	48343	52569	140726
PROGRAM EXPENSES	<u>75172</u>	<u>58914</u>	<u>72133</u>	<u>206219</u>
TOTAL CONTRIBUTION	<u>150260</u>	<u>159724</u>	<u>166880</u>	<u>476864</u>

1.5 REPORTING

1.5.1 Financial Reporting

- (a) Financial reporting requirements shall be in accordance with the Standard Provision of this award entitled Payment - Periodic Advance as shown in Attachment 3.

1.5.2 Performance Monitoring and Planning Reports

- (a) Reports. The Recipient shall submit an original and one copy of brief quarterly program performance reports, which coincide with the financial reporting periods, to the USAID Project Office specified in the Cover Letter of this Award. In addition, one copy shall be submitted to USAID/CDIE/D, Washington, DC 20523-1802. These reports shall be submitted within 30 days following the end of the reporting period.

- (b) Paying Office. The paying office for this award is:

Controller
USAID/Kenya
P.O Box 30261
Nairobi, Kenya

- (c) Final Report. Within 90 days following the estimated completion date of this Award, the Recipient shall submit the original and one (1) copy of a final report to the USAID Project Office specified in the Cover Letter of this Award. In addition, one copy shall be submitted to USAID/CDIE/D, Washington, DC 20523-1802. It will cover the entire period of the Award.

1.6 SUBSTANTIAL INVOLVEMENT UNDERSTANDINGS

During the course of this agreement, USAID shall exercise the following substantial involvement:

- (a) The USAID Project Officer shall approve annual workplans. Activities proposed and approved in annual workplans shall remain within the parameters of the approved program description unless an amendment to the cooperative agreement which can only be executed by the Agreement Officer.
- (b) The USAID Project Officer shall approve key personnel as outlined in section 1.7 below.

- (c) The USAID Project Officer shall approve monitoring and evaluation plans.
- (d) The USAID Project Officer shall monitor progress toward the achievement of program objectives during the course of the Cooperative Agreement.

1.7 KEY PERSONNEL

The following positions and individuals have been designated as key to the successful completion of the objective of this award. In accordance with the Substantial Involvement clause of this Award, these personnel are subject to the Approval of the USAID Project Officer.

Programme Administrator
Training Coordinator
Clients Services Manager

1.8 RESOLUTION OF CONFLICTS

Conflicts between any of the Attachments of this Award shall be resolved by applying the following descending order of precedence:

Attachment 1 - Schedule
Attachment 3 - Standard Provisions
Attachment 2 - Program Description

1.9 COST SHARING

The Recipient agrees to expend an amount not less than 48% of the total Federal contribution. Cost sharing contributions will meet the criteria as set out in the Standard Provision entitled "Cost Sharing (Matching)" as shown in Attachment 3.

1.10 PROGRAM INCOME

The Recipient shall account for Program Income. Program Income earned under this award shall be applied and used to finance the Non-Federal share of program activities.

1.11 TITLE TO PROPERTY

Title to all property financed under this award shall vest in the Recipient in accordance with the Standard Provisions of this Award set forth in Attachment 3.

1.12 AUTHORIZED GEOGRAPHIC CODE

The authorized geographic code for procurement of goods and services under this award is 935.

1.13 COMMUNICATIONS PRODUCTS (OCT 1994)

- (a) Definition - Communications products are any printed materials (other than non-color photocopy material), photographic services or video production services.

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- (b) Standards - USAID has established standards for communications products. These standards must be followed unless otherwise specifically provided in the agreement or approved in writing by the agreement officer. A copy of the standards for USAID financed publications and video productions is attached.
- (c) Communications products which meet any of the following criteria are not eligible for USAID financing under this agreement unless specifically authorized in the agreement schedule or in writing by the agreement officer:
 - (1) Any communication product costing over \$25,000, including the costs of both preparation and execution. For example, in the case of a publication, the costs will include research, writing and other editorial services (including any associated overhead), design, layout and production costs.
 - (2) Any communication products that will be sent directly to, or likely to be seen by, a Member of Congress or Congressional staffer; and
 - (3) Any publication that will have more than 50 percent of its copies distributed in the United States (excluding copies provided to CDIE and other USAID/W offices for internal use.

1.14 SPECIAL PROVISIONS

In accordance with OMB Circular A-122, Section 13.b.(1) approval is hereby granted to purchase the following general purpose equipment as budgeted in the negotiated Agreement Budget:

1 Motor vehicle
2 Compaq 486 Dx computers
2 Laserjet printers
Furniture & Off. Equipment
1 photocopier (trade in)
[End of Provision]

ATTACHMENT 2

PROGRAM DESCRIPTION

The Recipient's proposal entitled "USAID Micro- Private Enterprise Development Project." and dated 4/22/96 is attached hereto as the Program Description (Attachment 2) and is made a part of this Award.

SEE FOLLOWING ATTACHMENT

8. LOGFRAME & K-MAP PROGRAM DESCRIPTION

GOAL	INDICATORS	MEANS OF VERIFICATION	ASSUMPTIONS
to increase employment opportunities and incomes in the informal, emerging and small scale sector	Increased number of viable small businesses employing more people and generating larger profits	<ul style="list-style-type: none"> • Central Bureau of Statistics • Survey Data 	<p>Overall policy environment to remain supportive of Small Businesses.</p> <p>National economy to maintain a sustainable growth.</p>
	Increased number of businesses growing from informal to small formal and medium scale businesses.	<ul style="list-style-type: none"> • Central Bureau of Statistics • K-MAP Survey Data 	The current high interest in formal sector employees to start their own businesses is maintained and encouraged.
	Decreased gender bias in the business sector.	<ul style="list-style-type: none"> • Central Bureau of Statistics • K-MAP Survey Data 	
PURPOSES	END OF PROJECT STATUS (EOPS)	MEANS OF VERIFICATION	ASSUMPTION
enhance the management capability and efficiency in the Small Business sector.	<p>High Survival Rate of Small Business. Increased amounts of quality products and services from the small business sector.</p> <p>Increased market share of products/services of Small Business Sector</p>	<ul style="list-style-type: none"> • Central Bureau of Statistics • K-MAP Survey Data 	
	High level of demand for serious cost recovery to be a major element in all programmes.	<ul style="list-style-type: none"> • Indicators of demand including number of participants and future interest. <p>Sustainability index for programmes to be calculated and monitored by K-MAP.</p>	Clients prepared to pay fees at a level which will achieve sustainability of the programmes.

<p>stitutionalize integrated enterprise training and development programmes to meet the needs of aspiring and actual owner managers in the small and medium enterprise sector</p>	<p>A significant participation of women-owned and managed enterprises in the economic activity of the country.</p> <p>A low mortality rate of businesses failure in the sector</p>	<ul style="list-style-type: none"> • Quarterly report prepared by K-MAP • Client evaluation of programmes • Independent evaluation by USAID consultants 	<ul style="list-style-type: none"> • Existing support from business community and counsellors must continue • Sufficient people, particularly women, participating in the programmes • Economic climate which should remain favourable to the development of the sector
<p>OUTPUTS</p>			

<p>182 231 Member Companies by 1999</p> <p>1187 Clients by 1999</p> <p>352 Workshop days by 1999</p> <p>234 Participants by 1999</p> <p>200 Counsellors Trained by 1999</p>		1996	1997	1998	1999	Quarterly Reports by K-MAP	<ul style="list-style-type: none"> • Sufficient demand for Training • Increased and stable economic activities
Members		19	19	19	19		
Clients		100	100	100	100		
W/Days		98	86	86	86		
Participants		71	71	71	71		
Counsellors		33	33	33	33		

ACTIVITIES	INPUTS/RESOURCES	MEANS OF VERIFICATION	ASSUMPTION
Organizing/conducting workshops	• Skilled/experienced counsellors	• K-MAP Evaluation Reports	• K-MAP Evaluation Reports
Develop Training Materials	• Efficient/motivated K-MAP Secretariat	• Funds required as follows:	• Client demands and needs
Organizing effective counselling services	• Strengthen K-MAP institutional capacity to manage the projects on a sustainable basis	1996 ■ \$ 65,763	
Post Training Follow-up activities	• Linkages with other development and financial institutions	1997 ■ \$107,309	
Publication of booklets	• Donor funds for back-up support	1998 ■ \$ 184,709	
Training of Counsellors		1999 ■ \$ 200,691	
Accessing Credit for Clients			

NOTE: This overall log frame of K-MAP activities is funded by various K-MAP donors, viz, USAID, ODA, and CIPE.

9. SERVICES TO MICRO-ENTERPRISES

The following are the major services that will be provided to micro - enterprises, in the next four years:

(a) Management Counselling

K-MAP's one-on-counselling services will continue to be provided. The demand for these services has grown considerably, as illustrated by the increase in client registration.

The restructuring of the client fees, together with the Secretariat's improved data generation and handling capability will allow K-MAP to offer even greater service to its clients. K-MAP will ensure that at the end of a counselling session both the counsellor and the client will submit reports to the Secretariat. Reports will be generated to show how the counselling has helped to:

- i) generate more employment
- ii) lead to cost reduction
- iii) increase sales volume\value
- iv) increase value of assets employed in the business
- v) increased foreign exchange earnings.

In addition to the standard "one-to-one" counselling, K-MAP is also experimenting with "group counselling" where a group of two or three counsellors will jointly assist a client. This poses greater administration problems, but as many SSE managers need a multi-faceted approach to their roles, the team counselling approach seems to be one avenue open to K-MAP to meet increasing demand.

(b) Training Workshops

Training workshops should be seen as complementary to the work of "one to one" or team counselling and, in addition to any time spent on counselling, clients will be advised to attend the next workshop or seminar on the areas or topics relevant to them.

Sectoral and customized workshops, being more specialized, get fewer participants and are normally in groups that share common interests and generally have a similar background in education and experience, and have been better rated by clients. More sectoral and customized, rather than general. workshops are therefore planned for the future. General workshops will be re-designed so that they are more focused on their target group bearing in mind the need to try and have groups of about the same age and educational level. 40 General and 30 Sectoral workshops are planned over the five year period, catering for an estimated 990 participants. Twenty of the workshops will take place outside Nairobi.

(c) Business Growth Centre Programme

The Business Growth Centre is also fully operational. During the four-year period, 316 workshop days will be organized to cater for the five different programmes proposed, with an average participation of 16 business people on each day.

The centre was fully operational in 1995 and the following programmes have already been launched:

- Business Growth Training
- Business Start-Up
- Women Express
- Business Survival
- Counsellor Training

To date the following workshops under the BGC have been conducted:

No. of Workshops	Programme	No. of Participants
3	Business Growth Workshop	47
2	Business Start-up Workshop	27
1	Women Business Awareness Seminar	1000
1	Women Express Programme	13
3	Counsellor Training Programme (K-MAP Counsellors)	65
1	Counsellor Training Programme for Kenya Small Traders and Entrepreneurs Society	30

These programmes will continue with a complete calendar of events of all the various training in 1996.

The demand for the programme have been encouraging and with effective marketing strategies, K-MAP will ensure that the programmes are fully subscribed.

In addition, the Export Programme will also be launched in 1996.

(d) Credit Arrangements

K-MAP has signed a Memorandum of Understanding with Barclays Bank of Kenya Limited under which K-MAP clients, who have received counselling for a minimum of 12 months, are eligible to borrow from the bank with a reduced collateral cover. The clients will be required to provide security for up to only 50% instead of the normal 150% of any borrowing. The balance other 50% is covered by a loan guarantee scheme. Loans between

Kshs. 100,000 to Kshs. 3,600,000 including loans overdraft facilities, letters of credit and bank guarantees are provided under this scheme.

K-MAP helps clients to draw up a business plan to accompany their loan application and if the bank grants the loan, then K-MAP is paid 0.5 per cent of the amount granted as a facility fee.

K-MAP is also in touch with other organisations which may be able to provide similar assistance to SSEs. Such organizations include Kenya Industrial Estates (KIE), Small Enterprise Finance Company (SEFCO), International Labour Organisation (ILO) and other governmental/non-governmental organizations' programmes.

(e) Publications

Currently K-MAP has 13 published booklets, with the latest one on "Preparing Your Business Plan Workbook". (A "Counsellors Guide" and "Counsellors Manual" is also available to K-MAP Counsellors). Many of the booklets require to be revised and updated to confirm with the current trends and economic realities.

This exercise is also expected to be undertaken in 1996. Other publications on various management topics will also be prepared for publications.

(f) Technical Counselling

Besides management weaknesses, many SSEs have been constrained by their operators' lack of adequate technical information and know-how. Encouraged by the successful experience in its management counselling, K-MAP plans to add technical counselling to its services. This would cover counselling on selection of technology, machinery and equipment. The possibilities of local fabrication, capacity rationalization and efficiency etc, will also be covered.

(g) Sectoral Workshops

Sectoral Workshops have been integrated into K-MAP's training programme as an essential element of effective management training.

K-MAP has undertaken a variety of Sectoral Training aimed at the following sectors:

- Garment manufacturing
- Food processing sector
- Hotel and Tourism Sector
- Dry cleaning sector

In 1996, this sectoral training component will be strengthened and the following sectors are currently being considered:

- Transport sector
- Plastic
- Chemicals

Surveys will be undertaken to determine training needs of these sectors to enable K-MAP develop suitable programme. These workshops are expected to benefit a large number of micro-businesses operating in these sectors.

(h) Counsellor Recruitment

The recruitment of counsellors will be sustained with a target of 500 counsellors, giving a client: counsellor ratio of 2:3:1 in 1997. Modalities will also be worked out to tap qualified counsellors/retired executives in the up-country towns of Eldoret, Nakuru, Kisumu, Nyeri and Mombasa as this would reduce the cost of K-MAP giving services in these areas from Nairobi.

There is, however, need to do more than is being done at present to "brief" or train counsellors before their assignment. To meet this need, the secretariat, in conjunction with the Counsellors Steering Committee, is revising the Database, having previously revised the counsellor's Report Forms. This committee currently organizes regular counsellor get-togethers.

With the improved data handling capability, K-MAP will seek to match counsellors' skills and clients' problems better. The K-MAP's Skills Bank will be maintained to show active and inactive counsellors and also specific skill categories. The revised data bank will show K-MAP's areas of competence and also the areas where more or new counsellors are required.

It has also been proposed that group briefing sessions be organized for every five new counsellors who are recruited. These sessions will provide the counsellor with insight into the workings of K-MAP as well as the various reporting and evaluation requirements and systems. All the counsellors will also receive training to enhance their skills under the Business Growth Programmes Project. Currently, 65 counsellors have been trained under this programme.

The need to provide incentives to counsellors has also been felt for quite some time. The "Counsellor of the Year" and "Trainer of the Year" awards which currently recognize and give honour to counsellors for dedication, innovativeness and creativity, are one way of encouraging the counsellors to be more committed to K-MAP's activities.

(i) Membership

Membership fees was a major source of funds for K-MAP in the early stages before declining. K-MAP then decided to rationalize and restructure the Company Membership by introducing categories of Patrons, Ordinary members and Associate members to revitalize this source of revenue in future. So far results from the membership drive have been encouraging. However, K-MAP still needs to attract more members, and has been making every effort to get more companies to join.

(j) Resource Centre

K-MAP has established a Resource Centre which contains various publications and books on Small Business Management. This centre will be for the benefit of K-MAP Clients and Counsellors.

The demand for this centre has been considerable and currently 2 days have been set aside for the interested clients and counsellors to study the available materials.

(k) Research & Information

The recent USAID Evaluation of K-MAP indicated the need for a fully fledged Research and Information department to be integrated into K-MAP activities. The need for such a department had been recognized for some time. The department was finally created in 1993. This department mainly concentrated on preparing counsellor and clients experiences for referral purposes and also for dissemination to other co-operating institutions. It also co-ordinates research projects.

Research is accorded high priority in K-MAP because of the need to interact with small enterprises in order to appreciate their problems and needs. Current research projects include: "Legal Impediments to Small Business Development", funded by the Centre for International Private Enterprise (CIPE); and "Analysis of the Fruit Processing Sub-Sector", funded by ILO/FIT. K-MAP followed up the study on Legal Impediments with a series of seminars involving government and NGO officials, as well as business leaders to explore how the identified constraints can be tackled. K-MAP plans further follow-up on the issue in future as part of its advocacy role.

As a follow-up to this study of Legal Impediments, K-MAP is currently undertaking a study on "Information Needs of the Small Enterprise Sector", also funded by CIPE.

An information bank on workshop activities will also be created and documented. The availability of such information will be a great asset to K-MAP and will also assist the organisation to streamline its activities.

Besides compiling information on K-MAP activities the department will also obtain relevant information for use by K-MAP clients, counsellors and member companies. This information will relate to various credit schemes available, development initiatives and

programmes, donor-related projects and any government or private enterprise schemes for the Small Scale Sector.

(I) Exhibitions

In April 1992, K-MAP organized a very successful exhibition for 50 of its clients. The exhibition, which was part of the activities to commemorate the 5th anniversary of K-MAP's founding, attracted an estimated 3000 visitors and provided a good opportunity to demonstrate some of the achievements of K-MAP. The exhibition which also attracted substantial donations from the private sector, was highly acclaimed by the exhibitors who requested that K-MAP organize another exhibition. In 1993, K-MAP hosted another exhibition in conjunction with the Kenya Sub-Contracting and Partnership Exchange (KSPX), which involved both K-MAP clients and KSPX large and medium business. Because of its continuing success, K-MAP organized, on its own, another exhibition in 1994 for small businesses, which attracted 70 participants. By popular demand, the exhibition is now an annual event.

10. K-MAP'S FINANCIAL SELF-SUSTAINABILITY

The measure of cost effectiveness that is most relevant for judging success of each activity, can be either direct or indirect.

The direct measure will be whether the beneficiaries actually pay for the cost of services provided; while the indirect measure will be expected increases in sales and assets as a result of K-MAP services.

The direct measures will be explained in the next section while the 1994 Impact Evaluation Survey provides the indirect achievements resulting in expanded economic activity among K-MAP clients.

Though a large portion of K-MAP's operational expenses especially counselling expenses is expected to continue to be met from donor funds, the long run future of the programme could depend on the organisation's financial self-sustainability. Under the proposed new agreement K-MAP's financial self-sustainability will therefore continue to be improved on two fronts. There will be sustained efforts to increase revenue generation. Linked to this, there will also be vigorous cost control measures in order to stem expenditure growth. The efforts to increase revenue will incorporate increases in both fees and charges. These increases will be accompanied by attractive incentive benefits for members, clients and counsellors.

While K-MAP's Charter is to provide subsidized support to SSEs, the organisation strongly believes that the clients, as the key beneficiaries under the programme, are the most reliable base on which to secure K-MAP's long term financial self-sustainability.

The present mode of client registration fees will therefore be modified and a new fee structure introduced.

It is proposed that workshop/seminar fees be increased within the next few years as set out in the following table:-

Duration and Place of workshop or seminar	Present	Proposed Fees
One day workshop in Nairobi	1,000/=	1,200/=
Three day workshop	2,500/=	3,500/=
One day workshop outside Nairobi	900/=	1,200/=

This compares favourably with the current charges of the Kenya Institute of Management and other similar organizations who are at present charging:-

Duration of workshop	Present Charge
1 day workshop	1,700/=
3 day workshop	5,000/=

A new membership fee structure that introduces annual subscription, and categories of members has also been implemented as follows:-

Class of Members	Membership Fee	Annual Subscription
Patron	Over 20,000	3,000
Member	10,000 - 20,000	2,500
Associate Member	2,000 - 10,000	1,000

To attract organizations to apply for K-MAP's membership, a specific package of incentives will be designed. Among other things, potential member companies will be advised of the following:

- ⊙ Counselling can also be a learning process for the counsellor, providing them with the training and experiences to handle their own specific situations, as well as assisting their fellow employees handle their problems.
- ⊙ Counsellors will be trained on counselling techniques, thus enhancing their own skills, and could be beneficial to their own employment situations.
- ⊙ Member companies could also benefit from the various training experts from abroad, and could utilize them for their own training needs.

Besides the above, more specific incentives will be offered and every effort will be made to keep members informed on K-MAP activities. Members will also be encouraged to make suggestions on how K-MAP programmes could be improved.

Production and sale of reading materials and audio cassettes will be stepped up with introduction of more titles.

K-MAP will also undertake consultancy services on behalf of organisations and NGOs. The consultancy will be done by K-MAP's registered consultants, with the secretariat providing only co-ordination facilities. This service is a potential income earning activity which takes but little of the secretariat's time, and efforts will be intensified to obtain further profitable consultancies.

Finally, existing K-MAP's activities will be monitored continually and new activities will only be undertaken after a careful screening to ensure that they offer the maximum contribution and support to the organisation's main objective. K-MAP intends to achieve 80% self-sustainability by 1999, which includes in-kind contribution of K-MAP counsellors and Board Members.

11. REQUEST FOR USAID SUPPORT

This proposal requests for USAID funding for the following activities:

11.1. MANAGEMENT COUNSELLING

The main objective of this activity is to provide one-to-one management counselling, group counselling and workshop training to micro and small scale entrepreneurs, in order to enhance their managerial and technical skills.

This activity involves management and technical experts in the private sector who voluntarily share their experiences and expertise with owner/managers of micro and small scale enterprises.

√ This activity has been K-MAP's core activity since inception, and all other K-MAP programmes are designed to incorporate the counselling activity.

K-MAP will continue to recruit clients and counsellors as well as design appropriate strategies to motivate its counsellors to continue providing the service. The existing data base will also be refined and updated to ensure efficient provision of services.

Due to the increasing demand for its services, and the need for expanding the existing outreach, K-MAP will also open two branch offices, to take the service closer to the beneficiaries. These offices will be coordination centres and will also organise training workshops and other revenue generating activities to make them achieve self sustainability.

K-MAP will also emphasise on recruiting potential and existing women entrepreneurs by collaborating with various institutions, in order to encourage women into mainstream K-MAP activities.

11.2. RESEARCH AND INFORMATION

The main objective of this activity will be to gather and document information on innovative and cost effective strategies to provide non-financial services to the micro-enterprise sector.

This activity will involve conducting comparative studies on innovative SME promotion programmes; tracer studies; sub-sector analysis and as well as conduct studies on business potentialities in specific cluster areas.

This activity will not only benefit K-MAP, but will also strengthen its capability to provide relevant and updated information to the clients as well as to USAID.

The information generated from these studies will be documented and disseminated at various forums and will also be available to institutions interested in SME development.

The following log frame of K-MAP activities to be funded by USAID provides other detailed information.