

MABS-M PROGRAM
Microenterprise Access to Banking Services in Mindanao

**FOURTH QUARTERLY
PERFORMANCE MONITORING REPORT**

October 1 - December 31, 1998

Submitted by:

Chemonics International Inc.
Davao City, Mindanao, Philippines

In association with:

Rural Bankers Research and Development Foundation Inc.

January 1999

Under Contract No. 492-C-00-98-00008-00
United States Agency for International Development
Office of Economic Development
Manila, Philippines

EXECUTIVE SUMMARY

Through directed technical assistance, training, and limited commodity support to a minimum of 20 rural or cooperative rural banks, the MABS-M program is intended to bring about a sizable expansion of banking services—both loans and deposits—to microenterprises and other groups at lower socio-economic levels in Mindanao.

This document serves as the Program's *fourth Quarterly Performance Report*, covering the period October 1 through December 31, 1998. It also describes work planned for the coming quarter. During this reporting period, MABS-M operated with Lief Doerring as acting chief of party (COP) for the month of October, followed by Raika Quinones for 4 weeks in November. The new COP, Phil Broughton, arrived November 29.

Accomplishments and activities during this reporting period:

- Fielded the new Chief of Party, Phil Broughton, on November 29. To ensure a smooth transition to new leadership, Mr. Doerring returned to MABS for the month of December, working closely with Mr. Broughton to bring him up to speed on all the program issues.
- Based on the action plans contained in the participant bank agreements (PBAs), MABS began working with the 4 pilot banks. Activities included training, outreach, commodity procurement, and the set-up of the microfinance unit within each bank.
- Introduced the Monitoring and Evaluation system into participating banks.
- Screened interested rural and cooperative rural banks for inclusion in the rollout phase. A short-list of interested and qualified banks was compiled at the end of November. Based on this shortlist, 19 rural banks and 2 cooperative rural banks were approved by the Management Committee for advancement to the institutional assessment stage. Streamlined institutional assessments and rapid market appraisals will be conducted with these banks beginning in March 1999.
- Completed and submitted the following reports: (1) Survey of the extent to which rural banks already practice microfinance, (2) two case studies on microfinance practices in the Philippines, including the PAICOP cooperative in Panabo and informal moneylending practices, (3) Funding sources study, (4) a summary of the cashflow lending and microfinance loan pricing regional workshops, and (5) a report on the RB Talisayan microfinance seminar on deposit mobilization practices.

For the Fifth Quarter, January 1 through March 31, 1999, MABS-M will:

- Continue working with the four pilot banks. Activities have been streamlined to focus on achieving direct, measurable results by the end of the pilot phase.

- Design and develop a standardized package of technical assistance, training, and microfinance loan and deposit products to offer rural and cooperative rural banks in the rollout phase.
- Finalize the computerized monitoring and evaluation (M&E) system.
- Deepen MABS-M outreach to the remaining 50 banks not yet reached by MABS-M, inviting them to apply to be a participating bank in the rollout phase.
- Develop and submit a second annual workplan and a revised life-of-project workplan by the end of March 1999.
- Finalize the selection of a consultant to fill the deputy position on MABS. Mely Agabin will continue to fill the position from January to March, 1999.
- Finish and submit all outstanding reports, including the final two case studies and the deposit mobilization policy brief.

I. Contractor's Report

A1. Background

The Microenterprise Access to Banking Services in Mindanao (MABS-M) program is a USAID-financed effort jointly implemented by the Rural Bankers Association of the Philippines (R-BAP), the Rural Bankers Research and Development Foundation Incorporated (RBRDFI), and the Office of the Presidential Assistant for Mindanao (OP-MIN). Technical assistance, training, and program management are provided by Chemonics International, a firm contracted by USAID. The MABS-M program is one of the principal elements of USAID/Philippines' efforts to accelerate the economic transformation of Mindanao through expanded participation of Mindanao's lower income groups in more productive activities.

MABS-M is directed at bringing about a sizable expansion of banking services—both lending and savings—to microenterprises and other groups at lower socio-economic levels in Mindanao. Through MABS-M efforts, a minimum of 20 rural and community rural banks will be encouraged and assisted to significantly increase the services they provide to the microenterprise sector. It is intended that these efforts will demonstrate to participating banks that it can be sensible and profitable to offer services to the microenterprise sector as a regular part of their portfolios. In turn, it is expected that the successful example of participating banks will encourage all banks to look seriously at servicing the microenterprise market.

MABS-M oversight. MABS-M receives overall program guidance from a Steering Committee, composed of the Executive Director of the RBRDFI, a USAID representative, the RBAP President, the President of the Federation of Mindanao Rural Banks, and the Presidential Assistant for Mindanao. This committee identifies focal areas for program coverage and formulates and concurs with major policies that guide the MABS-M program.

Additionally, MABS-M receives guidance and support on implementation matters from a Management Committee. This committee is comprised of the Executive Director of the Mindanao Economic Development Council (MEDCO) representing OP-MIN and the USAID Cognizant Technical Officer (CTO). The Management Committee approves all expenditures from the \$2 million MABS-M Special Activities Fund (SAF), which is used to facilitate the implementation of the activities to be carried out under MABS-M, including special studies, training, commodity and technical support, incentive schemes, and procuring services of organizations or individuals needed to carry out specialized tasks.

The OP-MIN office was abolished by the new GOP administration early in the fourth quarter. Until such time as a new MABS-M government counterpart is designated by the GOP, MABS-M continues to report to MEDCO.

Finally, MABS-M and the MABS-M Management Committee are given regular input from a private sector Bankers Advisory Committee. This committee is composed of the Executive Director of the RBRDFI, the President of the Confederation of Rural Bank in

Mindanao, and one elected representative from among the MABS-M participating banks.

The MABS-M program got underway in January 1998, and is expected to have a life of four years, with the option to extend for an additional two years. It is a cost-plus-fixed-fee (CPFF) completion contract. The estimated cost for the performance of the work required in the contract, exclusive of fixed fee, is \$6,091,503. The fixed fee is \$302,095. The estimated cost plus fixed fee is \$6,393,598. Of that amount, \$5,300,000 is currently obligated. The contract budget is broken down into two Contract Line Item Numbers (CLINS), one for Expanding Access to Banking Services (\$4,393,598) and the other for the Special Activities Fund (\$2,000,000).

A2. Expected Results

- A minimum of 20 rural banks and/or community rural banks from throughout Mindanao will receive MABS-M assistance.

The MABS-M program will assist these banks to:

- Expand their portfolios to include at least 500 new microenterprise loans each, with a total of at least 8,000 new borrowers among all participating banks.
- Enroll 1000 new microenterprise depositors, with at least 15,000 new depositors among all participating banks.

As a measure of sustainability and impact beyond the life of the MABS-M program:

- At least half of the participating banks will have decided to make microenterprise services a continuing and significant part of their portfolios, and will have taken the steps required to properly and profitably service the microenterprise market.

A3. Current Core Activities: MABS-M Activity

Per the revised June 1998 workplan, the contractor is responsible for ensuring that these major components are addressed:

1. Institutional Strengthening
2. Training
3. SAF Initiatives
4. Monitoring and Evaluation
5. RBRDFI
6. Project Management

With the new COP's input, the June 1998 workplan was further revised in December, detailing tasks in each of the core activity areas through June 1999. A formal second year workplan, as well as a revised life-of-project workplan, will be developed during the fifth quarter

and be submitted to the Management Committee for approval in March 1999. A copy of the current revised workplan, approved by the Management Committee on December 9, 1998, is included here in Annex A. (Note: It was agreed in the December ManCom meeting that certain RBRDFI activities such as the Strategic Planning Consultancy and the possible introduction of a newsletter would be delayed, and this change has been reflected in the workplan in Annex A. Similarly, it was agreed that a training session for rollout banks would be delayed until later in the 5th quarter and this change is also reflected in the workplan in Annex A).

The December 1998 revised workplan incorporates three main changes:

- 1.) After consensus was reached with the Management Committee and the Bankers Advisory Committee, the latest workplan officially moves the assessment of the pilot phase to April 1999, the month immediately following the end of the 6-month pilot phase. This will allow for objective assessment of the MABS results achieved with the pilot banks.
- 2.) In conjunction with the decision to conduct the formal pilot phase assessment in April, the new COP streamlined the MABS-M activities between now and then to focus on achieving strong results with each of the pilot banks. As part of this decision, the rollout of MABS services to additional banks was delayed from January until April, with institutional assessments of pre-qualified banks beginning in March.
- 3.) To prepare for the rollout phase, the new COP will work with the MABS team to use the rest of the pilot phase to design and prepare a standardized package of technical assistance, training, and loan and deposit products to offer banks in the rollout phase. With this standardized package in hand, MABS should be able to reach many more banks than originally planned through more efficient use of time and resources.

Below, each of the MABS component activities are summarized, highlighting tasks accomplished in the fourth quarter, and tasks planned for the fifth quarter (January 1 - March 31, 1999) as part of the workplan revised by the new COP in December:

1. Institutional Strengthening

This component of MABS-M incorporates Participating Bank (PB) activities includes, but is not limited to, PB selection, diagnostic evaluations, organizational and human resource development, systems development and installation, loan and savings product development, preparation of manuals, and marketing.

Tasks completed in Quarter 4:

1. Task One: Select Group II participating banks; send Letters of Intent. Using revised

selection criteria approved by the ManCom, MABS-M began shortlisting qualified and interested banks from all over Mindanao. In October, letters requesting applications were sent to 85 rural banks in Mindanao, including 11 of the 15 cooperative rural banks. Additionally, the MABS-M team visited 53 banks and invited other banks to participate in the rollout at each of the five regional workshops conducted by Boypee Panganiban. By the November 10 deadline, thirty-five (35) banks applied, including the submission of their 1995-1997 financial statements.

Of these 35 banks, 13 (Group A) passed both the pre-screening and the short-listing criteria. Two of these banks are cooperative banks, both in Region X. Another 8 banks (Group B) passed the pre-screening criteria, but were minimally deficient in one of the four financial criteria. The final 14 banks (Group C) did not satisfy the “In good standing with the BSP” criterion and were deficient in one of the four financial screening criteria.

All of the screening results were presented to the MABS-M Management Committee at the December 9, 1998 meeting. At this meeting, two related decisions were made in conjunction with the agreement to delay the rollout and the pilot phase assessment until April:

- ❑ First, the Management Committee approved the MABS-M recommendation to proceed with institutional assessments of the 21 Group A and B banks. This will begin in March 1999.
- ❑ Second, while MABS-M outreach to rural banks reached a sizable number of the banks in Mindanao during the fourth quarter—85 of 141 potential banks—there are still approximately 55 rural and cooperative rural banks which have not officially been given the opportunity to apply to participate in MABS-M, either as part of the pilot or the rollout. Therefore, in December, MABS-M sent letters, brochures, and MABS-M information to each of these banks to invite them to apply by January 15, 1999.

Given the changed timeline of rollout activities, Letters of Intent were not sent to any banks. Instead, in January, MABS-M will send informational letters to each of the 35 banks that applied, notifying them of the revised timeline, and of their pre-qualification status.

2. Task Two: Conduct individual pilot bank market studies. Summarizing the market data gathered for us in each of the pilot bank market areas by subcontractor, Trends, MBL, individual pilot bank market studies were completed in the fourth quarter. This survey information was provided directly to each pilot bank, and was used to design market-driven loan and deposit products. It is planned to eventually consolidate the market data into one comprehensive report on microenterprise in Mindanao.

Tasks to be completed in the Fifth Quarter. MABS-M plans to complete the

following tasks under the institutional strengthening component in the fifth quarter:

1. *Task One: Select Group II Participating Banks; Send Letters of Intent.* As mentioned above, this task will continue into the fifth quarter. By the end of January, MABS-M will have contacted every rural bank in Mindanao to assess their interest and appropriateness for participating in the rollout phase of the program. Twenty-one banks have already been pre-qualified and approved by the Management Committee as candidates for the institutional assessment. Letters of intent (LOIs) will be sent to each bank, notifying them of MABS-M's intention to include them as a participating bank, barring any seriously negative findings in the institutional assessment process.
2. *Task Two: Prepare Draft Participating Bank Operations Manual.* As part of the standardized package of technical assistance, training, and loan and savings products to be offered to rollout banks, MABS-M will develop a draft operations manual covering the standardized loan and deposit products during the fifth quarter. In December, an international short-term consultant, Ms. Joanna Ledgerwood, was forwarded to USAID for approval to assist in this task. She will also be considered for the 2-year deputy position, still open on MABS-M.
3. *Task Three: Conduct Institutional Assessments and Systems Diagnostics - Group II Participating Banks.* Using the streamlined institutional assessment tool, MABS-M will conduct institutional assessments of the pre-qualified banks in March, beginning with the 21 banks approved by the Management Committee in December 1998. Additional banks will be screened and forwarded to the ManCom for approval in the 5th quarter. The MABS-M MIS specialist will conduct the systems diagnostic and gap analysis on each of these banks, also beginning in March, 1999. This task will continue into the 6th quarter.

2. Training

Training incorporates formal course work, workshops, seminars, on-the-job training, internships, study tours, and other capacity-building initiatives. Although training is funded through the SAF, for purposes of planning and monitoring, the MABS-M program addresses training activities separately.

Tasks completed in Quarter 4:

1. *Task One: Deliver formal training program to pilot banks.* Using the action plans created with each bank for the 6-month pilot phase, MABS-M continued delivery of the formal training program begun in Quarter Three. These training activities were focused by the new COP to ensure the timely implementation of appropriate products, procedures and documentation, the development of a disciplined "culture" of repayment among bank staff and microfinance clients, and the attainment of strong quantitative results by the end of March 1999. During the quarter, this included intensified on-the-job training of microfinance and other bank staff as well as senior management on the importance of and

procedures required for a disciplined approach to microfinance, savings mobilization, MIS, client outreach and selection, and loan processing and follow-up. MABS training of the pilot banks was expanded such that all banks received 3 - 4 days of training per week.

Tasks to be completed in the next quarter:

1. *Task One: Deliver formal training program to pilot banks.* On-the-job training will continue this quarter. The focus will be on institutionalizing a new “microfinance” culture among the pilot banks, finalizing the microfinance products, procedures and documentation, ensuring that pilot bank microfinance and other branch staff are adequately trained, and setting and following up on performance goals for the pilot banks and microfinance staff. This activity will be done throughout the whole of Quarter 5, continuing into the first quarter of 1999.
2. *Task Two: Organize/conduct study tour.* In January, MABS-M will conduct two related study tours to the New Rural Bank of San Leonardo (NRBSL). The first will involve the managers/presidents of each of the MABS-M pilot banks, while the second will involve the microfinance loan officers from each bank. The activity will be cost-shared with the banks through the SAF. The SAF request will be sent to the Management Committee the first week of January.
3. *Task Three: Develop standardized package of technical assistance, training, and loan and deposit products to be offered to rollout banks.* Maximizing the efficiency of MABS staff and the impact of the MABS project requires the development of a standardized package of technical assistance, training, and loan and deposit products and a standardized approach to working with rural banks. In the fifth quarter, based in large part on our experience working with the pilot banks, MABS will complete development of this package.
4. *Task Four: Deliver microfinance “best practices” seminar to participating banks.* Rollout banks will be targeted for a seminar that will focus on one or more microfinance best practices which, in the opinion of MABS staff working with pilot banks, will contribute most to the success of the banks’ MABS initiative.

3. SAF Initiatives.

SAF initiatives incorporate a variety of incentives such as procurement of equipment and salary support for participating banks, training, and bank-specific technical assistance. Individual initiatives are programmed by the MABS-M team and approved by the ManCom.

Five SAF initiatives were approved by the ManCom in the fourth quarter:

- SAF No. 10, Participating Bank Agreement (PBA) assistance.* This SAF included the equipment, salary costs, and promotional costs as MABS-M’s commitment

under each pilot bank's PBA.

- ❑ *SAF No. 11, publication of "Barefoot Banker," a book on microfinance by Boypee Panganiban.* SAF No. 11 covers the editing, printing, and launching of Mr. Panganiban's book, facilitating an umbrella agreement between Mr. Panganiban and the RBRDFI.
- ❑ *SAF No. 12, short-term research assistant services to assist with rollout bank application processing and screening.* One research assistant was hired to assist in the inputting of the data from the financial reports, as well as additional financial and research assistance.
- ❑ *SAF No. 13, Meeting with the Regional Rural Bank Federations.* The meeting was held in Davao City and was attended by the presidents of the seven regional federations, the officers of RBAP and RBRDFI, MEDCO, and by the MABS-M team..
- ❑ *SAF No. 14, Enhancement to MicroBanker.* Based on the gap analyses conducted earlier, the RBRDFI and MicroBanker/Philippines were contracted to make programming changes needed for use in each bank's microfinance MIS system and to install MABS' M&E system within the MIS system in each bank.

A SAF tracker is used by MABS to monitor SAF expenditures. It is current through the end of Quarter 4 and included here in Annex B.

Expected SAF requests in the next quarter:

- ❑ *Study tour to the New Rural Bank of San Leonardo (NRBSL).* MABS-M will request funds to send pilot bank managers and microfinance staff in two separate study tours to the NRBSL. The tour will focus on specific microfinance systems and practices in place in the bank.
- ❑ *Regional Training Workshops.* MABS-M anticipates organizing and conducting one or more training workshops targeted at candidate rural and cooperative rural banks during the fifth quarter.

Other SAF requests, as identified by the MABS-M team and approved by the ManCom, may occur during the Fifth Quarter.

4. Monitoring and Evaluation.

Monitoring and evaluation includes activities relating to the selection of performance indicators and the establishment of monitoring and evaluation systems for use by the individual participating banks, the MABS-M team, and the RBRDFI. In addition, special studies, briefs,

impact assessments, and other evaluations are included in this component.

Tasks completed in Quarter 4:

1. *Task One: Introduce the Monitoring and Evaluation system.* During the fourth quarter, MABS put in place an interim M&E system to track pilot bank results. Interim results will be presented at the February ManCom meeting.
2. *Task Two: Study, Microfinance Banking Practices.* Two of the five case studies on microfinance practices were completed in the fourth quarter and were submitted to the ManCom under separate cover: Informal Moneylending Practices and a study of the Panabo Agro-Industrial Cooperative (PAICOP). Two others will be completed by early January: CARD bank and RB Talisayan. The fifth case study of the New Rural Bank of San Leonardo (NRBSL) was cancelled, as MABS-M is supporting the publication of the book "Barefoot Banking," which covers the same information.
3. *Task Three: Study, Funding Sources for Rural Banks.* The funding sources study was completed in the fourth quarter, and submitted to the ManCom under separate cover. It comprises a listing of the various sources of funds available for rural banks to access. Plans to distribute and/or sell this information source to rural banks is under discussion and will be incorporated into the work of strategic planning specialist during February.
4. *Task Four: Rural Bank software development feasibility analysis.* Beginning in mid-November, Mr. Peter Glibbery started assessing the feasibility of MABS-M developing its own software for rural banks. His work will continue into the first quarter of 1999. This work was not originally included in the revised June workplan, but was added after discussions with USAID, the Management Committee, and the RBRDFI.

Tasks to be completed in the fifth quarter:

1. *Task One: Rural Bank software development.* In time for the international MicroBanker meeting to be held in Davao in February, short-term MIS Specialist, Peter Glibbery, will have completed a design specification for presentation at the meeting. It is hoped that MABS can find a way to work with the FAO/GTZ to incorporate these specific rural bank MIS specifications into the Windows-based version of MicroBanker currently being developed by FAO/GTZ. Alternatively, if FAO/GTZ is unwilling to work with MABS or will not allow MicroBanker/Philippines access to the core program of the new software, MABS may seek USAID approval to use SAF funds to develop its own software by continuing the work of Mr. Glibbery.
2. *Task Two: Introduce Monitoring and Evaluation systems.* Slightly behind schedule due to extended negotiations with MicroBanker/Philippines, the computerized monitoring and evaluation system will be put in place in February, as soon as the RBRDFI and MicroBanker/Philippines finish the MicroBanker programming enhancements needed by

the MABS system. Once in place, monthly results reports will be submitted to the ManCom. This will include final agreement on the specific definitions and parameters of all of the performance indicators, such as size of microenterprise loan, size of deposit, new borrower, new saver, etc.

5. RBRDFI.

All initiatives dealing with the development and strengthening of the RBRDFI, including training specifically directed to this organization, will be programmed under this component.

It was initially planned to begin providing organizational development assistance to the RBRDFI during the fourth quarter. However, this was delayed to overlap with the planned RBAP/RBRDFI apex bank meeting to be held in February or March. It is now listed below in tasks for the upcoming quarter.

Tasks to be completed in the fifth quarter:

Task One: Conduct organizational assessment. Using either a local or international short-term specialist, MABS-M will conduct an organizational assessment of the RBRDFI. We will work closely with the RBRDFI executive director both in selecting the consultant and in conducting the assessment.

Task Two: Formulate/agree on strategic development plan. The same short-term consultant will work with the RBRDFI to formulate a strategic development plan. This plan will build on the RBRDFI's existing services, identifying key fee-based and revenue generating products and services for the RBRDFI to add to its service menu. This activity is planned to begin in February. If deemed appropriate, this may include the development and launching of an RBRDFI newsletter.

6. Program Management.

Program management takes into account meetings, project evaluations, report submission, visits by Chemonics' home office staff, and other activities related to overall project management. It also includes the ManCom assessment of the pilot phase of MABS-M, whereby a decision will be made whether or not to continue the program.

Tasks completed during the fourth quarter:

1. *Task 1: Submit Third Quarterly Performance Monitoring Report.* The third quarterly performance monitoring report was completed and submitted to USAID in October 1998.
2. *Task 2: Long-term Staff Hire.* A banking analyst position was created and added to the MABS-M long-term team. It was filled in mid-October by Mr. Mateo Ty, and will run for the life of the project. Mr. Ty had already conducted some short-term work for

MABS. He reports directly to the chief of party.

3. *Task 3: Home Office Staff Consultancies to MABS-M.* Two home office employees conducted work in the field on behalf of MABS-M during Quarter 4:
 - Lief Doerring, project manager, continued to serve as MABS-M acting COP for the month of October and the last two weeks of December.
 - In November, project administrator Tori Paide returned for 3 weeks to assist acting COP Raika Quinones with management and administration duties until the arrival of Phil Broughton, new COP, on November 29.
5. *Task Five: Field the new COP.* Mr. Broughton was brought out for COP interviews from October 2-4, and subsequently approved by USAID and the Management Committee. He was fielded full-time beginning November 29, with a 3-week break from December 19 to January 6 to return to the States to pack out and assist his family in coming out to the Philippines.
6. *Task Six: Perform the annual inventory of commodities.* All commodities and project equipment were inventoried during December. A summary was sent to the USAID CTO and contracts office.

Tasks to be completed in the fifth quarter:

1. *Task One: Submit Fourth Quarter Performance Monitoring Report.* The fourth quarter report will be submitted to USAID at the end of January 1999.
2. *Task Two: Submit revised Life-of-Project workplan and second annual workplan.* The current workplan is completed through March 1999. Under the direction of Mr. Broughton, a second year workplan will be submitted to USAID in March 1999. Mr. Broughton will also oversee the revision of the Life-of-Project workplan, incorporating lessons learned from the pilot phase. This will also be submitted to USAID in March 1999. Programmatically, it made sense to develop the workplans after the pilot phase is completed. Additionally, this postponement allows the new COP to get fully up to speed before needing to plan out the second year of MABS-M activities.

A4. Performance

The following results were achieved during the fourth quarter:

- Work was begun with each of the pilot banks. Initial results—new microenterprise borrowers and savers—have already been achieved, as per the figures shown in Annex C.

- ❑ The new COP, Phil Broughton, was approved and fielded.
- ❑ The first series of formal training workshop with pilot banks, held in Davao, Cagayan de Oro, Butuan, General Santos, and Dipolog, were completed in November. Nearly 500 rural bank management and staff members from over 80 rural banks attended the workshops.
- ❑ MABS-M solicited interest in the rollout phase from over 80 additional rural banks. Thirty-six submitted letters of interest and 1995-1997 financial statements. Of those interested, 21 were pre-qualified and approved for institutional assessments by the Management Committee.
- ❑ Under the guidance of the new COP, the workplan was revised through the end of March. Activities were streamlined to focus on the achievement of substantive results in each of the pilot banks by the end of March 1999.

A5. Statement of Work

No circumstance has changed which would require modification in any of the elements of the statement of work contained in Section C of the MABS-M contract.

B. Administrative Information:

Contract Data: Total Estimated Cost	\$ 6,393,598
CLIN #1	Total Estimated Cost
1. Expenditures (October 1 - December 31, 1998)*	\$ 4,393,598
2. Cumulative Expenditures to date:	\$ 354,488
3. Remaining unexpended balance:	\$ 1,191,717
	\$ 3,130,116 (71.25%)
CLIN #2	Total Estimated Cost
1. Expenditures (October 1 - December 31, 1998)*	\$ 2,000,000
2. Cumulative Expenditures to date:	\$ 78,044
3. Remaining unexpended balance:	\$ 121,097
	\$ 1,878,903 (93.95%)

*November and December are invoiced amounts, not yet paid by USAID.