

BUSINESS GROWTH INITIATIVE

Quarterly Report 1 FY 2011



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J.E. Austin Associates
Management Systems International (MSI)

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Section I. Introduction

The Business Growth Initiative (BGI) Project began September 2006 and is entering the third and final option year for this five year activity. In its last year, BGI will seek strategic partnerships and activities that will solidify its legacy as a key resource for USAID staff and a center of excellence in business development.

Due to changes in the project's scope, BGI will no longer be undertaking activities in research and technical support efforts, or knowledge management activities. Remaining activities for year 5 are mission support activities.

Objectives

The goals and objectives of the BGI project have changed for Year 5; greater emphasis and attention will be given to direct Mission and Bureau support through requests for activities and buy-ins, and working toward a capstone event to culminate BGI's work at the end of the project. However, the project specific objectives have not changed.

Specific objectives are:

- 1) Improve enterprise development project designs and implementation to reflect best practices;
- 2) Conduct further research on trends and specific aspects of enterprise development;
- 3) Produce and disseminate research reports on specific topics of interest to Missions and to the broader audience for enterprise development;
- 4) Promote the application of these best practices in enterprise development through technical assistance to Missions to aid in improving design of enterprise development projects and through conducting seminars and workshops; and
- 5) Provide technical assistance in the design and implementation of pilot demonstration projects in targeted Missions that will exemplify the application of best practices in enterprise development.

To support these objectives the contract anticipates the services to be provided will include:

- 1) Improved program/project **designs** utilizing best practices in enterprise development in at least four Missions per year;
- 2) At least two **research** projects per year on specific aspects of enterprise development;
- 3) At least one **pilot demonstration projects** (PDPs) per year in Missions with a demonstrated interest generated from outreach to those Missions.

Section II. Summary of Accomplishments for Q1 of FY 2011

Detailed below are accomplishments from this quarter:

- BGI held a successful international four-and-a-half day workshop for USAID economic growth officers in Bangkok, Thailand. The group of over forty officers was trained on theoretical and practical approaches to enterprise development practices.
- BGI completed a MEASURE diagnostic survey for USAID Indonesia. The survey examined four sectors in Indonesia: garments, automobiles, electronics and home furnishings.

- BGI began the initial steps of MEASURE Plus – a follow on to the MEASURE activity for USAID Indonesia. A team leader and group of senior consultants and research associates were secured at the end of quarter 1.
- Work began in Indonesia on November 30 for an ICT sector assessment in Indonesia, led by Mike Ducker of J.E. Austin Associates. His final report was drafted and near completion at the end of quarter 1.
- BGI completed a research report: *Mongolia Economic Growth Assessment* for USAID/Mongolia. The report aimed to assess and suggest recommendations for strengthening Mongolia's single-sector economy.

Section III. Organization and Staffing

Team member meetings with the COTR have been an effective tool and the program manager meets with the COTR at the minimum every two weeks.

1. Outreach and Communications Strategy

In quarter 1, BGI begin to meet with and implement a transition plan for the BGI Web portal to the new USAID EGAT website. It is anticipated that this activity will be completed in quarter 2.

2. Weidemann Associates Resources

Chuck Yesolitis was approved as a level II resource for upcoming BGI activities. Elina Pavlova was approved to provide additional administrative support as a level III resource for the project. Applied Knowledge Group, an independent technology firm, was removed as the primary source of IT help and assistance for the BGI Knowledge Management Portal. The site will be hosted by

Section IV. Program Activities

Year five activities are driven by: budget restrictions, the illustrative Asia and Middle East (A&ME) Bureaus scope of work, activities that support USAID/Indonesia, and establishing the BGI legacy for the end of the project.

1. Improved Program/Project Designs for Missions

Based on direct feedback and new inquiries for service, BGI is now recognized as a quality mechanism for providing research and implementation support. Support activities will focus on the A&ME and Indonesia buy-in's, and will implement cost sharing mechanisms when feasible.

A. Asia and Middle East Bureaus (A&ME)

The objective of this activity is to support economic growth programs in the A&ME Bureaus and Missions by carrying out and disseminating research and supporting activities on topics and issues regarding economic growth programs. Regional analyses will also provide state-of-the-art knowledge on critical economic growth programs and development policy issues facing the A&ME Bureaus and Missions. Finally, program support will provide A&ME senior management and Mission support for EG strategy development and program design and implementation across the regions.

Complete update to the Middle East Economic Profiles, started in Year 4.

In this quarter, BGI continued to provide support to the Bureaus by updating the Middle East Economic Profiles. Countries completed in this quarter were:

- Egypt

- West Bank/Gaza
- Jordan
- Morocco
- Lebanon
- Yemen
- Iraq

USAID/Mongolia Economic Growth Sector Assessment, started in Year 4.

In addition, the A&ME Bureau, in conjunction with USAID/Mongolia, completed an economic growth assessment in Mongolia.

Provide strategic support to USAID/Indonesia EG office through the PIE SOW ; Indonesia Mission Buy-In

The USAID/Indonesia Mission approached BGI in quarter 4 of Year 4 for support into fiscal year 2011. The objectives of this activity are to provide the Mission with support in accomplishing its overarching Strategy for 2009-2014. Illustrative activities are four-fold for the buy-in:

- Conduct a MEASURE assessment to assess the state of enterprises in Indonesia, particularly compared to other regional countries. **Completed in quarter 1.**
- Examine other economic sectors that affect enterprises including: non-bank financial sector, labor law, trade, and the business enabling environment. **Started in quarter 1, to be completed in quarter 2.**
- Conduct an assessment of the ICT environment and issues. **Started in quarter 1, to be completed in quarter 2.**
- Provide support for the follow-on to the Global Engagement Summit. **Planned for quarter 3.**

Vietnam STAR evaluation

Details of this activity are in negotiation. It is anticipated that BGI will provide a Team Leader and additional support for an evaluation of the Vietnam STAR projects and their impact on the Vietnam economy. **This activity is planned for quarter 2.**

B. USAID Mission Support

BGI continues to actively pursue work for improved project/program designs that are demand driven and based on direct or indirect requests for support, interviews with program or Mission staff, and knowledge of when project/program decisions will be made. With approval from the COTR, we will contact and work with appropriate Mission personnel to define in detail the support needed in the concept development, design or evaluation of a program/project. In this quarter, BGI completed two Mission Support activities.

- BGI was asked by USAID/Mongolia to conduct an economic growth assessment, with aims of receiving recommendations on how to improve and diversify their current single-sector economy.
- BGI conducted a MEASURE diagnostic survey for USAID/Indonesia. The survey results will be incorporated into a follow-on activity for Indonesia, MEASURE Plus, which will occur in quarter 2.

Activities for quarter 2, year five:

- BGI will continue to assist USAID/Indonesia with an activity called MEASURE Plus. Building on the results from the MEASURE completed in quarter 1, BGI will analyze four sectors in Indonesia: labor law, business enabling environment, trade and investment and non-bank finance. BGI will work to recommend specific policy initiatives that can be implemented in these sectors to ultimately increase employment.
- BGI will begin discussions with USAID/Indonesia to also provide them with logistical support for an Entrepreneurship Summit.
- BGI will also implement an evaluation of the Vietnam STAR project, with funding from the A&ME 2010 buy-in.

C. Trainings and workshops

BGI continues to provide assistance to USAID personnel through trainings and workshops. The Weidemann staff worked with the RDMA in Thailand to plan and implement a four- and-a-half day training for enterprise development officers on November 15-19, 2010. The event had a wide turnout with nearly 40 FSN's and DLI's present from all over the world, and received positive feedback. The AM&E bureau contributed to this activity. This activity was completed in quarter 1.

2. Tools and Guidelines

A. Enterprise Development Diagnostic Tool

USAID/Indonesia requested that a MEASURE be conducted in three regions covering four sectors: garments, automobiles, electronics, and home furnishings. The MEASURE survey was completed in quarter 1.

3. Research Activities/Papers

As part of its core mission, BGI publishes original research to enhance the discussion of best practices in enterprise development.

A. A&ME Bureaus

Seven final economic profiles were completed for the A&ME Bureaus: Egypt, West Bank/Gaza, Jordan, Morocco, Lebanon, Yemen and Iraq.

An economic growth assessment was published for USAID/Mongolia.

An ICT sector assessment was published for USAID/Indonesia.

B. Innovation and Entrepreneurship

No new activities occurred in quarter 1.

Activities planned for quarter 2, year five:

- To follow on to the Business Innovation Center Pilot Activity (BICPA) that began in Year 4, BGI is exploring the option of hosting the delegates of Morocco to the Research Triangle Park, in collaboration with RTI International. This new venture will continue to be explored in quarter 2.

4. *Seminars/Workshops*

A. International Workshops

BGI continues to implement overseas workshops to promote best practices and train USAID field staff.

- From November 15-19, 2010 BGI held a 4.5 day training for USAID economic growth officers in Bangkok, Thailand. The event was considered a great success.

B. Capstone Event

No activities were conducted to plan for a final capstone event, but discussions will resume towards the end of quarter 2.

5. *Pilot Demonstration Projects*

Pilot demonstration projects are services provided to USAID Missions. Missions interested in conducting short experimental pilot activities with the purpose of using a pilot design in direct program implementation can receive BGI support in the design and monitoring and evaluation of activities.

- The Weidemann Associates project staff began initial phases of the Business Innovation Centers activity to take place under the President's Global Engagement Initiative in Year 4. Morocco was selected as the pilot country. The purpose of this activity is to establish a Business Innovation Center Pilot Alliance (BICPA) that will support entrepreneurship and the dissemination of innovation in Morocco. In quarter 1 of Year 5, BGI began exploring the option of bringing Moroccan delegates to Research Triangle Park to learn from a unique, successful business innovation center.
- Last year, BGI successfully completed a pilot activity with the University of Maryland's Robert H. Smith School of Business. The event featured a graduate-level paper competition granting students the opportunity to develop a creative, new public-private alliance for the tourism sector in Asia. This year in quarter 1, BGI explored the possibility of a new pilot activity with UMD and USAID/Sri Lanka. This pilot activity would involve a student-led trip to Sri Lanka to assist businesses improve and grow. BGI began discussions and planning with both UMD and the Sri Lankan Mission in quarter 1, and will continue them in quarter 2.

Section V. Knowledge Management System

Knowledge Management (KM) was a core service in the BGI project from years 1 through 4. Specific objectives of the KM system were:

- Capture, provide custodianship, and perform taxonomy of all information, data, analysis, and any other written material produced under the BGI project.
- Create a standard framework for knowledge creation, sharing and vetting.
- Disseminate lessons learned, best-practices, and professional training in appropriate multimedia formats.
- Provide technical-support and outreach to USAID Missions, client country decision-makers, and other domestic US and international development and support organizations.
- Coordinate donor and KM linkages, create and support "Communities-of-Practice."

Knowledge is generated and shared in many ways. The above described activities are and will be generating knowledge about best practices in enterprise development. Disseminating

knowledge includes the traditional methods of distributing published reports, presentations in workshops and seminars, and teleconferencing of BGI personnel with USAID personnel.

As the BGI project enters its final year, the Knowledge Management portal is being transferred back to USAID. The transfer began late in quarter 1 and will continue in quarter 2. This activity will be considered fulfilled and completed with the transfer of information and data to USAID.

Annex 2: Reports and Documents Completed in Quarter 1

- Economic Profiles for the Middle East Bureau region completed this quarter:
 - Egypt
 - West Bank/Gaza
 - Jordan
 - Morocco
 - Lebanon
 - Yemen
 - Iraq
- *Mongolia Economic Growth Assessment* research report finalized.
- *Indonesia ICT Access* research report field work was completed.

Annex 3. Project Results Matrix for Year 5, Q 1

Project Outcomes	Expected Results	Accomplishments Q 1	Planned Activities for Quarter 2
Improved program/project designs for missions	4 per year	1. MEASURE Indonesia	1. MEASURE Plus 2. Vietnam STAR
Conduct Research Projects	2 per year	1. <i>Mongolia Economic Growth Assessment</i> was finalized. 2. <i>Indonesia ICT Access</i>	1. MEASURE Plus
Develop and Disseminate Technical Note and Notes from the Field	4 per year	None	None planned
Convene Seminars/Workshops on Best Practices	3 domestic, one international	1. Economic Growth Officers training in Bangkok, Thailand November 15-19	None planned
Implement Pilot Demonstration Projects for Missions	1 per year	1. Business Innovation Center Pilot Activity/Study Tour collaboration with RTI	1. BIC Study Tour collaboration with RTI planning to continue
Additional Reports, Publications and Activities.		1. <i>Indonesia ICT Access</i>	1. UMD Sri Lanka activity