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MICROENTERPRISE RESULTS REPORTING

QUARTERLY REPORT:

APRIL – JUNE 2011

JULY 2011

This publication was produced for review by the United States Agency for International Development. It was prepared by DAI.

MICROENTERPRISE RESULTS REPORTING

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Program Title:	Microenterprise Results Reporting
Sponsoring USAID Office:	USAID/EGAT/PR/MD
Contract Number:	Contract EEM-I-00- 07-0009-00; Task Order AID-OOA-TO-10-00050
Contractor:	DAI/Nathan Group (DNG), implemented by DAI
Subcontractor:	QED Group, LLC
Date of Publication:	July 2011
Author:	Alexis Curtis

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LIST OF ACRONYMS

CO	Contracting Officer
COTR	Contracting Officer's Technical Representative
MRR	Microenterprise Results Reporting
USAID	United States Agency for International Development
DNG	DAI/Nathan Group - joint venture
GBTI II	Global Business, Trade and Investment II
PAT	Poverty Assessment Tool
DCA	Development Credit Authority
MD	Office of Microenterprise Development
EGAT	Bureau of Economic Growth, Agriculture, and Trade
PAICO	Policy Analysis, Implementation and Communications (PAICO) Program
LPA	Bureau for Legislative and Public Affairs

INTRODUCTION

The current Microenterprise Results Reporting (MRR) contract is a 32 month activity, starting on Sept 27, 2010 and ending on May 26, 2013. MRR is contracted to the DAI/Nathan Group joint venture (DNG) through Task Order number AID-OOA-TO-10-00050 under the Global Business, Trade and Investment II (GBTI II) IQC, (EEM-I-00-07-0009-00). With full approval from Nathan Associates and the DAI/Nathan Group, DAI is performing as lead contractor on MRR. QED Group, LLC is subcontractor to DAI.

Through the Microenterprise Results Reporting (MRR) system and project, USAID collects and analyzes funding data on its global investments and impact in microenterprise development, and is able to respond to Congress's requirements in this regard. In 2000, the US Congress signed the Microenterprise for Self-Reliance and Anti-Corruption Act – establishing microenterprise development as an integral part of US foreign assistance strategy. Not only does MRR produce USAID's annual Microenterprise Results Report to Congress, but it responds to inquiries about USAID's microenterprise investments – conducting various kinds of data analysis and reporting. The project maintains the MRR website, an integrated web-based database to collect and process accurate, timely information from missions and partners on funding, institutional data, results, and other requirements (www.mrreporting.org). The MRR project has four main tasks: a) Tracking of Estimated and Actual Obligations; b) Microfinance, Enterprise Development and Enabling Environment Institution Tracking; c) USAID Microenterprise Results Reporting; d) Microenterprise Results Reporting Website. The core MRR project team consists of two full time people; Team Leader Alexis Curtis of DAI and Information Systems Specialist Ruth Speyer of QED, and two part time people; QED's Database Specialist Gang Liu and Information Systems Specialist Stephanie Parker, with additional administrative and technical support provided as needed by both DAI and QED's home offices.

QUARTERLY PERFORMANCE

PROJECT MANAGEMENT

All aspects of MRR Project Management are on track, and the project is well in synch with the activities and project management timetable in **Annex A – Project Timeline**.

Deliverables

The MRR project submitted the following two deliverables during the quarter, per the deliverables schedule below:

- Deliverable #3 - annually updated database and annotated tables on USAID funding of microenterprise development and support institutions for microfinance and business services;
- Deliverable # 5 - annually updated historical series on USAID microenterprise funding;
- Deliverable # 6 - annual report on the Agency's microenterprise activity.

MRR project deliverables		Date submitted
1.	operations manual detailing the process for data collection, validation, analysis, and report writing within two months after award. The operations manual shall be updated annually;	11/19/2010
2.	annual work plan within two months after award outlining major MRR activities and milestones. The work plan shall be updated at least annually or more frequently if needed;	11/19/2010
3.	annually updated database and annotated tables on USAID funding of microenterprise development and support institutions for microfinance and business services;	06/30/2011
4.	updated list of all institutions receiving USAID assistance for microenterprise development within six months after award;	03/31/2011
5.	annually updated historical series on USAID microenterprise funding;	06/30/2011
6.	annual report on the Agency's microenterprise activity, the contents of which will vary by year but generally will include: a narrative description of the USAID supported microenterprise activities, key results achieved by the Agency, a summary of the MRR data, and statistical annexes on key aspects of the programs	06/30/2011
7.	updated MRR web site easily accessible on both the intranet and internet within six months after award;	03/31/2011
8.	ten to twenty data reports/analyses per year for posting on any USAID website, as directed by the COTR; and	ongoing
9.	quarterly reports highlighting the major achievements and challenges from the reporting period.	ongoing

TASK A – TRACKING OF ESTIMATED AND ACTUAL OBLIGATIONS

Task A was completed earlier in the project year. The first phase of MRR’s annual Fiscal Year data collection is to track USAID obligations by reaching out to USAID Missions and Offices who may have obligated funding towards microenterprise programming during FY 2010. The team conducted Mission-level data collection from November 2010 through March 2011.

During the Mission-level data collection phase, the project runs the MRR Help Desk to support Missions in the process of entering data, checks for data completeness and consistency, cross-checks data for plausibility against previous years, and produces data verification reports to confirm and finalize each all data in collaboration with each Mission’s primary MRR contact person.

In total, MRR captured \$261,923,016 in microenterprise related funding obligations during FY 2010. Detailed information on all reported funding is contained in **Annex B: FY 2010 Funding by USAID Bureau**.

The Congressional earmark for microenterprise for FY 2010 was \$265,000,000. With the total reported funding to MRR of \$261,923,016, USAID was \$3,076,984 short of meeting the Congressional earmark for microenterprise in FY 2010. The MRR team conducted an analysis of reported funding to MRR in previous years and found that in the past 10 years, USAID has met the Congressional earmark 60% of the time. The table below includes the Congressional earmark and the MRR reported funds dating back to 2001.

Fiscal Year	FY2001	FY2002	FY2003	FY 2004	FY2005 (directive)	FY2006 (directive)	FY2007	FY2008	FY2009	FY2010
Earmark	\$155	\$155	\$175	\$200	\$200	\$200	N/A	\$245	\$245	\$265
Reported Funds	\$154	\$188	\$179	\$197	\$211	\$216	\$193	\$259	\$260	\$262

As noted in the table above, there was not a Congressional earmark for microenterprise in FY 2007. However, in 2005 and 2006, there was a \$200,000,000 directive in the joint conference report, but not within the Congressional appropriations legislation itself. This kind of funding is sometimes referred to as a “soft earmark.”

USAID Missions are also invited to report on estimated funding that is projected for the next fiscal year. A total of fourteen Missions reported on estimated microenterprise funds for FY 2011 with a total of \$ 40,443,113 in projections. **Annex C – FY 2011 MRR Projections** includes any FY 2011 microenterprise funding projections reported during the FY 2010 MRR annual reporting cycle.

TASK B – MICROFINANCE, ENTERPRISE DEVELOPMENT AND ENABLING ENVIRONMENT INSTITUTION TRACKING

The second phase of MRR data collection includes microfinance, enterprise development, and enabling environment institution outreach and tracking. During this phase, MRR collects results data from USAID implementing partners and their sub-recipients in order to report to Congress on the impact and outreach of USAID's investments in microenterprise programming during the given fiscal year. For work under Task B, the MRR team reaches out to all of the partner institutions identified by USAID Missions during Mission-level data collection between November 2010 and March 2011. The MRR team also incorporates partner data related to USAID's Poverty Assessment Tool (PAT) implementation as well as Development Credit Authority (DCA) utilization.

Two members of the MRR team (Ruth Speyer and Alexis Curtis) attended the Poverty Assessment Tool (PAT) training held in Washington DC from April 17 – 20th. This allowed for increased collaboration between the MRR PAT team, and improved support to USAID partners reporting to MRR on PAT implementation.

For FY 2010, partner-level data collection was launched on March 15th 2011 with a partner data submission deadline of March 31. As of March 31st, only about 40% of surveyed partners had submitted their data, so the MRR team focused heavily on partner follow up during the April - June 2011 quarter. With the MRR Annual Report to Congress due to Congress on June 30th of each year, the team closed out FY 2010 partner level data collection in mid-June. By this time, the team had achieved more than a 75% response rate – surpassing previous year response rates ranging from 66 – 70%.

The FY 2010 MRR Annual Report to Congress presents aggregated partner-level results for USAID's Enterprise Development, Microfinance and Enabling Environment for Microenterprise Development activities globally. Now that the report has been officially submitted to Congress, it will be printed in hard copy and report posted on the MRR website (www.mrreporting.org) during the July - September quarter.

TASK C – USAID MICROENTERPRISE RESULTS REPORTING PUBLICATIONS

Each year, USAID submits a report to Congress on the Agency's microenterprise activities and results from the previous Fiscal Year. On June 14th, the MRR team shared the first draft of the FY 2010 MRR Annual Report to Congress with USAID. Over the following weeks, the team incorporated comments and feedback from various USAID offices, including the Office of Microenterprise Development (MD),

the Bureau of Economic Growth, Agriculture, and Trade (EGAT), the Policy Analysis, Implementation and Communications (PAICO) Program, and the Bureau for Legislative and Public Affairs (LPA). USAID officially submitted the report to Congress in mid-July.

The team also prepares smaller reports and responds to other MRR-related queries throughout the year. As of June 30th, the team prepared the following items in response to USAID queries:

10/27/2010: analysis of USAID microenterprise obligations in Afghanistan and the MENA region between FY 2003 – FY 2009

11/18/2010: analysis of USAID funding towards livestock, dairy and other animal husbandry activities worldwide in FY 2009

02/10/2011: list of all USAID partners and their sub-recipients (reported in FY 2009) prepared for the MD office in response to an inquiry from Results Educational Fund.

03/10/2011: analysis of the following Congressional directives for the MD office in preparation for meeting with Congressional staff:

1. Increase investment in microfinance in Africa

Analysis of FY 2010 Mission-level data showed a 70% increase in investment in microfinance in Africa, from \$18,705,088 reported in FY 2009 to \$31,855,830 reported in FY 2010.

2. Make up to 25 percent of funding available to build institutional and human capacity of microfinance institutions

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

3. Dedicate at least 50 percent of microfinance and microenterprise funds for grants and cooperative agreements to not-for-profit networks, practitioner institutions, and non-governmental organizations (NGOs).

Analysis of FY 2010 Mission-level data showed that 71% of microfinance and microenterprise funds were allocated towards grants and cooperative agreements.

4. Increase outreach to women, and the poor and very poor who are currently without access to financial services.

The MRR team was not able to analyze this directive for FY 2010, as this data is collected during the partner phase – therefore was not yet available at the time of the request.

5/57/2011: analysis of rural client percentages in Enterprise Development and Microfinance for the Bureau of Food Security

TASK D – MICROENTERPRISE RESULTS REPORTING WEBSITE

Website Hosting

The Microenterprise Results Reporting website was substantially rebuilt under the previous Task Order, and is now a much more efficient and user-friendly system than its previous iteration. During the first two quarters of the current MRR Task Order, the old and new MRR websites continued to be hosted at Peer1 Hosting. The MRR team decided to sustain the previous MRR website in order to conduct some final data migration from the old website to the new. Having done so, on March 28th, DAI requested that Peer1 close out the old server and website – both of which went offline as of April 11th (per Peer 1's 14 day cancellation policy). From April onwards, the MRR project maintains only one server with Peer 1. The transition was smooth, and the website continues to run without any complications.

Website maintenance

DAI has issued a one year Purchase Order to IT firm WolfeReiter for maintenance of the MRR website. WolfeReiter built the current MRR website under the previous MRR Task Order, and managed the data migration from the old website to the new. Additionally, members of DAI's Office of Information Management and Technology (OIMT) have advised the MRR team on website maintenance and will continue to provide support as needed.

Data Migration

Under the previous MRR Task Order, data from the previous website was migrated to the new. Before closing out the old website and server, the current MRR project chose to address some outstanding data migration issues in order to assure maximum functionality of the new website in terms of allowing partners to access their prior years' data. The project contracted Wolfe-Reiter to conduct this final data migration work in February, and Wolfe-Reiter successfully completed the requirements in March. Due to incompatibility in software coding across the websites, and to the evolution in MRR surveys over the years, there are some cases where pieces of legacy data may not display in the new website. The team determined that the level of migration accomplished was satisfactory given the following:

- There is a high expense involved in continuing to pursue these rare cases as only highly literate software programmers can perform such investigative work – some of which was estimated to require a minimum of 8 hours per issue;
- There is a high cost associated with continuing to host the old website on a separate server;

- The cases in question only present in partner level data from 2008 and prior;
- In no way does the website present incorrect data (there are merely cases where a field may be blank instead of displaying data that was entered in the previous website).

The MRR team considers this data migration to be complete and to be successful. A full copy of the previous website – both web programming code and all data – has been saved on the new Peer 1 server, so full data is still available dating back to 2006.

KEY CONSTRAINTS AND OTHER ISSUES

USAID Mission buy-in on the role of MRR and the MRR process

During the Mission-level data collection phase, the MRR team found that many USAID Missions and Offices were not clear on the purpose and/or role of MRR. While the MRR team addressed any such cases, it is worth exploring a broader approach to increasing USAID Mission and Office awareness surrounding MRR. Greater USAID understanding and buy-in would allow for increased efficiency in reporting, and possibly for greater aggregated numbers, (in terms of obligated funds reported at the Mission level, and even potentially in terms of impact and outreach data at the partner level). The MRR team is committed to supporting USAID in improving Mission and Office understanding surrounding MRR.

Partner buy-in on the role of MRR and the MRR process

While MRR did achieve a greater partner-level response rate for the FY 2010 annual report than was achieved in previous years, there is still room for improvement here. While many partners do submit their data in a timely and accurate manner, others are non-responsive, delayed, and/or submit incomplete/incorrect data. Through the MRR help desk, the MRR team works consistently to support partners in their reporting process, but improved buy-in at the partner level would also increase response and accuracy rates in partner reporting. The MRR team will propose some suggestions to USAID on how to improve both Mission and partner-level buy-in during the next round of MRR reporting for FY 2011.

ANNEX A – PROJECT TIMELINE

MRR Tasks	Performance Period											
	FY 2011 (reporting on FY 2010)											
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sep
Task A - Tracking of Estimated and Actual Obligations												
A.1 Update operations manual	●	●	●									
A.2 Update and maintain point-of-contact information for Missions and Operating Units	●	●	●									
A.3 Update and distribute instructions to Missions	●	●	●									
A.4 Provide help desk support to Missions		●	●	●	●							
A.5 Obtain and review estimated and actual obligation data		●	●	●	●							
A.6 Resolve data problems				●	●	●						
A.7 Promote Mission data collection in Connections and on microLINKS		●	●	●								
A.8 Finalize obligations data entry				●	●							
Task B - Microfinance, Enterprise Development, and Enabling Environment Institution Tracking												
B.1 Assign appropriate questionnaire (ED, MFI, Policy) to implementing partners				●	●	●						
B.1.1 Update contacts				●	●							
B.1.2 Assign questionnaires to partners				●	●	●						
B.1.3 Send instructions to institutions				●	●	●						
B.2 Provide help desk support to institutions				●	●	●	●	●				
B.3 Follow-up with institutions to improve response rates				●	●	●	●	●				
B.4 Ensure data accuracy through data cleaning & identify priority indicators for review				●	●	●	●	●	●			
B.5 Finalize obligation data entry				●	●	●	●	●				
Task C - USAID Microenterprise Results Reporting Publications												
C.1 Collect supporting information and prepare draft report								●	●	●		
C.2 Develop, produce, and disseminate the annual report								●	●	●	●	
C.3 Prepare statistical annexes								●	●	●	●	●
Task D - Microenterprise Results Reporting Web Site												
D.1 Maintain the MRR website and database	●	●	●	●	●	●	●	●	●	●	●	●
D.2 Refine MRR services	●	●	●	●	●	●	●	●	●	●	●	●
D.3 Develop new capabilities, as required	●	●	●	●	●	●	●	●	●	●	●	●
D.4 Address ad hoc inquiries for analysis	●	●	●	●	●	●	●	●	●	●	●	●
D.5 Other tasks as assigned	●	●	●	●	●	●	●	●	●	●	●	●
Poverty Tools and DCA												
Work with IRIS to develop appropriate procedures for PAT data collection		●	●	●	●							
Work with IRIS to develop language for Missions on PAT	●	●	●	●	●							
Adapt questionnaires to include new PAT questions			●	●	●							
Determine which institutions will report on PAT and assign questionnaires			●	●	●							
Share PAT results data with IRIS								●	●	●		
Contact DCA to obtain information on guarantees							●	●				
Project Management												
Submit annual work plan	●	●										
Conduct regular meetings with Activity Manager	●	●	●	●	●	●	●	●	●	●	●	●
Manage project finances, including budget management and invoicing	●	●	●	●	●	●	●	●	●	●	●	●
Manage subcontractors, vendors, and consultants	●	●	●	●	●	●	●	●	●	●	●	●
Prepare quarterly accrual reports			●	●		●	●		●	●		●
Develop quarterly progress reports				●	●		●	●		●	●	
Conduct regular database and system backups	●	●	●	●	●	●	●	●	●	●	●	●

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