



**USAID**  
FROM THE AMERICAN PEOPLE

# MICROENTERPRISE RESULTS REPORTING

ANNUAL REPORT TO CONGRESS  
FISCAL YEAR 2005



June 2006

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The cover photo features a credit union member sitting among the clay pots she and her family have made to sell at city markets. Each member of her pottery-making family belongs to Cooperativa de Ahorro y Credito San Jose de Punata, a credit union assisted by the World Council of Credit Unions, Inc. (WOCCU) program to serve the vast numbers of rural Bolivians without access to financial services.

PHOTO COURTESY OF CHRIS ZARCONI



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# ACRONYMS

<b>ACCION</b>	Americans for Community Cooperation in Other Nations
<b>ACDI/VOCA</b>	Agricultural Cooperative Development International/Volunteers in Overseas Cooperation and Assistance
<b>DA</b>	Development Assistance
<b>DCA</b>	Development Credit Authority
<b>CGAP</b>	Consultative Group to Assist the Poor
<b>CSH/HIV</b>	Child Survival and Health/Human Immunodeficiency Virus
<b>ED</b>	Enterprise Development
<b>ESF</b>	Economic Support Funds
<b>FIELD-Support</b>	Financial Integration, Economic Leveraging, Broad-Based Dissemination and Support Program
<b>FINCA</b>	Foundation for International Community Assistance
<b>FS</b>	Financial Services
<b>FSA</b>	Freedom Support Act
<b>FVP</b>	Funds that Benefit the Very Poor
<b>IGP</b>	Implementation Grant Program
<b>LAC</b>	Latin America and the Caribbean Region (USAID)
<b>LWA</b>	Leader with Associates
<b>MD</b>	USAID/Washington Microenterprise Development office
<b>MED</b>	Microenterprise Development
<b>MF</b>	Microfinance
<b>MFI</b>	Microfinance Institution
<b>MRR</b>	Microenterprise Results Reporting
<b>NGO</b>	Nongovernmental Organization
<b>PVO</b>	Private Voluntary Organization
<b>USAID/W</b>	United States Agency for International Development/Washington
<b>WOCCU</b>	World Council of Credit Unions



# INTRODUCTION

This report fulfills the provision in Section 258(a) of PL 108-484, the Microenterprise Results and Accountability Act of 2004, that each year, “the Administrator of the Agency, acting through the Director of the office, shall submit to the appropriate congressional committees a report that contains a detailed description of the implementation of this title for the previous fiscal year.”

Through three decades of foreign assistance, the United States Agency for International Development has refined its support strategies to the microenterprise/microfinance sector while increasing its levels of funding. This report presents some aspects of USAID’s FY 2005 microenterprise develop-

ment support in response to the reporting requirements included in PL 108-484. It was compiled by Microenterprise Results Reporting (MRR), USAID’s official system for tracking its microenterprise investments.

USAID focuses its assistance to the microenterprise sector strategically, in three areas: financial services, enterprise development, and enabling environment.<sup>1</sup> Financial services and enterprise support are critical for poor households and businesses, enabling them to respond to new economic opportunities, build household assets, or cope with emergencies and crises.

Improvements to the enabling environment allow microentrepreneurs to participate in mar-



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kets from which they have been excluded, increase their earnings and realize the benefits of international trade.

<sup>1</sup> **Microfinance** refers to the provision of financial services adapted to the needs of low-income people, especially the provision of small loans, the acceptance of small savings deposits and simple payments services needed by microentrepreneurs and other poor people.

**Enterprise development** services refers to the many interventions that help microenterprises start, survive and grow, including those that help them acquire skills and knowledge, gain access to financing and other inputs, and develop the commercial relationships with other firms (both micro-scale and larger firms) required to integrate into higher-value markets.

**Enabling environment** refers to activities that promote appropriate laws, policies, regulations and supervisory and administrative practices that expand access to diverse financial services for low-income people or improve entrepreneurial opportunities and the business environment in which microenterprises operate.

Although this is the first annual report required under Public Law 108-484, the Microenterprise Results and Accountability Act of 2004, some of the reporting requirements contained in that Act have been instated by previous microenterprise legislation and reported on in previous Annual Reports

to Congress. Many of those same reporting requirements are the subject of Congressional inquiries the Agency receives. These reporting needs are met through annual data collection and analysis carried out through USAID's Microenterprise Results Reporting (MRR) system.

This report is structured to give readers a clear sense of USAID's activities to implement the Microenterprise Results and Accountability Act of 2004. The following chart provides a guide to the reporting requirements and the pages of the report on which they are addressed:

reporting requirement item # (of 12)	language in the law	page
1	The number of grants, cooperative agreements, contracts, contributions, or other form of assistance provided under section 252 [the section of the law authorizing USAID to provide microenterprise assistance], with a listing of:	statistical annex A p.34
	(A) the amount of each grant, cooperative agreement, contract, or other form of assistance;	statistical annex A
	(B) the name of each recipient and each developing country with respect to which projects or activities under the grant, cooperative agreement, contract, contribution, or other form of assistance were carried out; and	statistical annex A
	(C) a listing of the number of countries receiving assistance authorized by section 252.	statistical annex A p. 34
2	The amount of assistance provided under section 252 through central mechanisms.	statistical annex B p. 39
3	The name of each country that receives assistance under section 256 [the section of the law pertaining to the Development Credit Authority and credit instruments] and the amount of such assistance.	Table 2 (p. 8)
4	The level of funding provided through contracts, the level of funding provided through grants, contracts, and cooperative agreements that is estimated to be subgranted or subcontracted, as the case may be, to direct service providers, and an analysis of the comparative cost-effectiveness and sustainability of projects carried out under these mechanisms.	funding through contracts, Table 3, p. 9; estimate of sub-obligated funds, p.11-14; comparative cost-effectiveness and sustainability of projects carried out under various mechanisms, p. 10-12
5	It is the sense of Congress that USAID should include in the report required by section 258 of the Foreign Assistance Act of 1961 (as added by section 6 of this Act) a description of all matching assistance (as described in paragraph (1)) provided for the prior year by recipients of microenterprise development assistance under such title.	p. 14

reporting requirement item # (of 12)	language in the law	page
6	The percentage of assistance furnished under section 252 that was allocated to the very poor based on the data collected using the certified methods required by section 254.	p. 14-16
7	The estimated number of the very poor reached with assistance provided under section 252.	p. 14-16
8	Information on the efforts of the Agency to ensure that recipients of United States microenterprise and microfinance development assistance work closely with nongovernmental organizations and foreign governments to identify and assist victims or potential victims of severe forms of trafficking in persons and women who are victims of or susceptible to other forms of exploitation and violence.	p. 16
9	An estimate of the percentage of beneficiaries of assistance under this title in countries where a strong relationship between poverty and race or ethnicity has been demonstrated.	p. 16-17
10	The process of developing and applying poverty assessment procedures required under section 254 [the section of the law outlining the requirement for USAID to develop client poverty assessment tools and require their use by awardees by October 2006].	p. 17-18
11	The results of the monitoring system required under section 253 [see A-D below].	p. 18-20
(A)	The monitoring system shall include performance goals for the assistance and expresses such goals in an objective and quantifiable form, to the extent feasible.	p. 19
(B)	The monitoring system shall include performance indicators to be used in measuring or assessing the achievement of the performance goals described in paragraph (1) and the objective of the assistance authorized under section 252.	p. 19
(C)	The monitoring system provides a basis for recommendations for adjustments to the assistance to enhance the sustainability and the impact of the assistance, particularly the impact of such assistance on the very poor, particularly poor women.	p. 20
(D)	The monitoring system adopts the widespread use of proven and effective poverty assessment tools to successfully identify the very poor and ensure that they receive adequate access to microenterprise loans, savings, and assistance.	p. 20
12	Any additional information relating to the provision of assistance authorized by this title, including the use of poverty measurement tools required by section 254, or additional information on assistance provided by the United States to support microenterprise development under this title or any other provision of law.	additional information on efforts to implement PL 108-487, p. 20-22; information on the poverty measurement tools, p. 17-18



# EXECUTIVE SUMMARY

This report fulfills 12 reporting requirements included in PL 108-484, the Microenterprise Results and Accountability Act of 2004. Key findings from USAID's implementation of these 12 requirements include:

- 1) In FY 2005, USAID funded 218 new and existing agreements in the form of grants, cooperative agreements, and contracts in 69 countries.
- 2) In FY 2005, microenterprise development central programming totaled \$21.9 million or 10 percent of total funds. This programming, from all funding accounts, complemented regional funding to Africa (\$37.1 million or 18 percent), Asia and Near East (\$74.8 million or 35 percent), Europe and Eurasia (\$35.3 million or 17 percent), and Latin America and the Caribbean (\$42.3 million or 20 percent). The Agency total for microenterprise funding in FY 2005 was \$211.4 million.



PHOTO COURTESY OF CHEMONICS, BEN FRASER, 2006

Members of the Kabara Women's Association weave baskets in Timbuktu, Mali. The USAID-funded Mali Finance project has trained association members in business management, which has helped them increase revenues and open a group bank account.

- 3) Through the use of credit guarantees, \$6.361 million in USAID funding has leveraged \$224 million in credit from the private sector for institutions serving microfinance clients.
- 4) In FY 2005, the amount of funds obligated directly to all non-profits was approximately 37 percent (\$78.2 million)

of total microenterprise support. This figure does not include the substantial sub-obligations that for-profit managing entities of umbrella programs make to non-profits. USAID is refining its ability to capture sub-obligations data. The Agency's recent study of microfinance umbrella mechanisms found

that, for microfinance umbrella programs, or for other USAID programs, neither the profit/non-profit status of the recipient, nor the type of award, is a factor in determining sustainability.

5) In FY 2005, \$27.6 million of USAID funds were matched by an additional \$9.2 million from other sources, such as private donations, multilateral funding, commercial and concessional borrowing, savings, and program income.

6) USAID can state with confidence that, in FY 2005, 37 percent of financial services funding (\$38.4 million), and 18 percent of enterprise development funding (\$19.4 million), benefited the very poor<sup>2</sup>. USAID assumes that a significantly larger share of microenterprise funding benefited very poor clients but cannot validate that assumption due to the poor fit between the mandated poverty loan proxy and the services that enterprise development institutions deliver to their clients.

7) The constraints associated with the mandated proxy of poverty loan size limit USAID's ability to estimate accurately its outreach to very poor clients. By using

newly developed poverty measurement tools in FY 2006, the Agency expects to be able to provide a more reliable estimate of the number of very poor clients it reaches through microenterprise support.

8) \$15 million of USAID's microenterprise funding in FY 2005 (7 percent) assisted victims of trafficking in persons and women who are particularly vulnerable to other forms of exploitation and violence.

9) From USAID's FY 2005 microenterprise portfolio, 38 percent of credit clients, 44 percent of savings clients, and 10 percent of enterprise development clients are from countries where a relationship between poverty and race or ethnicity has been demonstrated.

10) USAID facilitated the development of two poverty measurement tools that will be available to implementing partners by the congressionally mandated deadline of October 1, 2006.

11) USAID established and measured quantifiable performance indicators in FY 2005, substantially meeting or exceeding all targets

except that for the percent of funds benefiting the very poor. Performance was particularly strong in the number of clients served (44 percent above the target of 4.5 million) and the financial strength and sustainability of microfinance implementing partners.

12) USAID has developed new activities, systems and performance analysis measures to ensure thorough compliance with the law and its new requirements. For example, to direct funding to PVOs, the Agency established a microenterprise Leader with Associates mechanism with a funding ceiling of \$350 million over five years, expanding mission access to the microfinance and microenterprise development expertise of the non-profit community. Funds can be obligated through the new LWA (up to the \$350 million ceiling) to the extent that missions and other operating units choose to use this mechanism to implement activities. As with other umbrella arrangements, the LWA also allows for sub-obligations to host country microfinance and microenterprise development institutions.

2 "Very poor" as defined in the Microenterprise Results and Accountability Act of 2004 as people living on less than \$1/day (purchasing power parity) or in the bottom 50% of those living below their country's poverty line.

In FY 2005, USAID provided \$211.4 million from all accounts to microenterprise development programs worldwide (See Table 1).

## Reporting Requirement 1 A-C

### Funding

In FY 2005, USAID funded 218 new and existing agreements in the form of grants, cooperative agreements, and contracts in 69 countries. Statistical Annex A contains further details including a listing of countries receiving assistance, the amount of each award and the institutional recipient.

## Reporting Requirement 2

### Central Mechanisms

The amount of funding provided through central mechanisms in FY 2005 totaled \$21.9 million, as shown below.

CENTRAL	US\$ Millions
Microenterprise Development office	\$16.9
Private Voluntary Cooperation Office	\$ 5.0
<b>Total CENTRAL</b>	<b>\$21.9</b>

## Reporting Requirement 3

### Development Credit Authority

Using USAID's Development Credit Authority (DCA), USAID missions have been able to expand the capital base for microfinance by providing partial guarantees rather than grants. Such guarantees have been used by microfinance institutions (MFIs) to finance their growing portfolios and to encourage mainstream financial institutions, such as local commercial banks, to make loans to MFIs.

Table 2 presents the countries that have benefited through FY

**TABLE 1. SOURCES OF USAID FUNDS FOR MICROENTERPRISE BY APPROPRIATION ACCOUNT (US\$ MILLIONS), FY 1996-2005**

Fiscal Year	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
DA <sup>1</sup>	72.9	83.3	79.9	74.1	88.3	85.3	80.7	89.9	119.8	131.8
ESF <sup>2</sup>	16.1	24.5	33.9	33.0	25.2	27.9	48.1	28.4	17.7	37.3
FSA <sup>3</sup>	5.4	20.6	14.3	12.8	30.3	19.6	33.4	41.0	35.1	21.0
SEED/SAI <sup>4</sup>	4.7	24.8	4.6	13.0	9.2	7.6	6.7	14.5	13.9	14.2
CACEDRF <sup>5</sup>				3.2	8.0					
CSH/HIV <sup>6</sup>					0.8	0.5	0.5	1.0	0.6	0.4
Local Currency	12.2	11.8	12.4	17.3	8.8	13.7	18.6	4.8	10.0	6.7
<b>Total</b>	<b>111.4</b>	<b>165.0</b>	<b>145.1</b>	<b>153.4</b>	<b>170.6</b>	<b>154.6</b>	<b>188.0</b>	<b>179.6</b>	<b>197.1</b>	<b>211.4</b>

1 Development Assistance funds include the Development Fund for Africa. In 2005, DA also includes \$14.5 million in funds appropriated under the Andean Counternarcotics Initiative (ACI) and International Narcotics Control (INC) in Colombia and Peru as well as \$28.9 appropriated in Iraq through the Iraq Reconstruction and Relief Fund (IRRF).

2 Economic Support Fund

3 FREEDOM Support Act

4 Funds appropriated under the Support for Eastern European Democracy (SEED) Act, under Special Assistance Initiatives (SAI), or for Assistance for Eastern Europe and the Baltics.

5 Central America and Caribbean Emergency Disaster Recovery Fund

6 Child Survival and Health/HIV. While shown here, these funds have not been counted toward USAID's target of \$200 million, because they count toward another Congressional earmark.

**TABLE 2. DEVELOPMENT CREDIT AUTHORITY MICROFINANCE-RELATED GUARANTEES (US\$ MILLIONS), FY 2001-2005**

Region	Countries	Guarantee Subsidy	Loan Facility
Africa	East Africa	\$0.095	\$ 2.0
	Kenya	\$0.630	\$ 9.2
	Uganda	\$1.964	\$48.3
	South Africa	\$0.076	\$ 8.3
Asia/Near East	Morocco	\$0.489	\$27.0
	Philippines	\$0.007	\$ 0.8
Latin America/ Caribbean	Ecuador	\$1.230	\$17.4
	Guatemala	\$0.116	\$ 5.0
	Honduras	\$0.025	\$ 1.0
	Jamaica	\$0.244	\$ 8.5
	Mexico <sup>1</sup>	\$0.067	\$ 3.5
	Nicaragua	\$0.158	\$ 5.0
	Peru	\$1.132	\$28.0
Global	Worldwide	\$0.128	\$60.0
<b>Total</b>		<b>\$6.361</b>	<b>\$224.0</b>

1 The term on these guarantees expired in FY 2004.

2005 from the credit assistance made available under the Development Credit Authority. The amounts shown under “Loan Facility” are the funds available for lending to the microfinance or microenterprise sector as a result of partial guarantees provided by USAID.

## Reporting Requirement 4

### Obligations and Sub-obligations

The Microenterprise Results and Accountability Act directs USAID to report on “The level

of funding provided through contracts, the level of funding provided through grants, contracts, and cooperative agreements that is estimated to be subgranted or subcontracted, as the case may be, to direct service providers, and an analysis of the comparative cost-effectiveness and sustainability of projects carried out under these mechanisms.”

Table 3 presents a summary of how FY 2005 funds were obligated to institutions by type of institution. In FY 2005, the amount of funds obligated directly to all non-profits was

approximately 37 percent of total microenterprise support, which included funds to U.S.-based PVOs (16 percent), local NGOs (16 percent), cooperatives (2 percent), credit unions (2 percent) and research and educational institutions (1 percent).

The amount obligated to consulting firms was 51 percent of total funds, an increase from 38 percent in FY 2004. This increase is due largely to the initiation of large umbrella programs in some countries where local capacity is limited, and comprehensive, multi-level interventions are required for program success.

Missions sometimes implement microenterprise and microfinance activities through large umbrella programs in which a single awardee (either a consulting firm or a PVO/NGO) carries out a broad range of activities to boost economic opportunities for microenterprises or expand financial services for the poor. While managed by a single entity, the umbrella program in most cases is carried out by a consortium of partners that bring distinct expertise, given the breadth of skills required by the program. Typically, a portion of funds obligated to the lead implementer or “prime” recipient is then sub-contracted or sub-granted to other consortium members to carry out activities within their area of expertise. In addition, USAID often designates a substantial share of the overall funding for

**TABLE 3. USAID FUNDING FOR MICROENTERPRISE OBLIGATION RECIPIENTS, FY 2005<sup>1</sup>**

Institution Type	Obligation Amount <sup>2</sup> (US\$ millions)	Percent of Total (%)	Amounts for Contracts <sup>3</sup> (US\$ millions)
Bank	\$5.3	2.5%	0
Business Association	\$0.6	0.3%	0
Consulting Firm	\$106.7	50.5%	\$88.7
Cooperative	\$4.2	2.0%	\$1.0
Credit Union	\$5.2	2.5%	\$2.1
Finance Company	\$0.3	0.1%	0
For-Profit	\$2.6	1.2%	\$2.2
Government Agency	\$1.8	0.9%	0
NGO	\$33.5	15.8%	\$7.4
Non Bank Financial Institution	\$3.7	1.8%	0
Other	\$2.2	1.0%	\$0.5
PVO	\$34.6	16.4%	\$16.9
Research/Educational	\$1.5	0.7%	\$0.9
USAID <sup>4</sup>	\$9.2	4.3%	\$1.9
<b>Total</b>	<b>\$211.4</b>	<b>100.0%</b>	<b>\$121.6</b>
<b>Sub-categories:</b>			
NGO, PVO, COOP, CU	\$77.5	36.7%	\$27.4
Consulting Firms	\$106.7	50.5%	\$88.7
Other For Profits	\$11.9	5.6%	\$2.2
Total All Other Entities	\$15.3	7.2%	\$3.3
<b>Total</b>	<b>\$211.4</b>	<b>100.00%</b>	<b>\$121.6</b>

- 1 Please refer to pp. 12-14 for a discussion on what portion of the obligations here was sub-obligated to for-profit and non-profit partners.
- 2 Column shows obligations made to primary recipients, including umbrellas and apex organizations. Apex institutions are wholesale microfinance institutions that channel funds to retail lenders.
- 3 This does not include the amounts provided through cooperative agreements, grants and other mechanisms. It also does not include amounts that were sub-contracted or sub-granted through these contracts.
- 4 Obligations to USAID include those funds that were used for microenterprise project management and those for which specific implementing institutions had not yet been specified.

the program for sub-grants and sub-contracts to microfinance institutions, enterprise support organizations or other local service providers. In microfinance, USAID sometimes funds

specialized “apex organizations,” created specifically to channel technical and financial support to direct service providers, to strengthen the microfinance sector.

A microfinance umbrella program might provide targeted capacity-building support to many smaller financial institutions, initiate a credit information bureau, and work to

change laws and regulations that impede profitable delivery of financial services to the poor. An enterprise development umbrella program might work at all levels of a value chain that are critical to the earnings and livelihoods of poorer households; an agribusiness umbrella program, for example, might work to improve policies that impede the sector's competitiveness while facilitating new market linkages, support services for producers, formation of smallholder associations, and

improved availability of inputs, micro-irrigation and production technology. While consulting firms are more likely to have the requisite project management and technical capacity to coordinate complex umbrella programs with diverse interventions, non-profits often play key roles in umbrella programs, in some cases as the overall umbrella manager and in others as providers of specialized "niche" services such as organization of credit unions or village banking services.

### Cost-effectiveness, Sustainability and Sub-obligations

USAID uses a range of methods to implement its microenterprise support, including grants for a wide variety of purposes, partial credit guarantees through the Development Credit Authority, and Global Development Alliance<sup>3</sup> agreements. Moreover, USAID engages with a large number and wide variety of partners, including international PVOs (see Table 4), local NGOs, busi-

**TABLE 4. FUNDING TO PVO NETWORKS, FY 1997-2005**

PVO Network	Total USAID Awards (US\$ Thousands)	Average Annual Award (US\$ Thousands)
ACCION International	\$19,785	\$2,198
ACDI/VOCA	\$64,434	\$7,159
Aid to Artisans	\$21,769	\$2,419
CARE International	\$19,113	\$2,124
Catholic Relief Services	\$37,211	\$4,135
Cooperative Housing Foundation	\$38,965	\$4,329
Enterprise Works Worldwide	\$22,291	\$2,477
FINCA International	\$54,806	\$6,090
Mercy Corps	\$17,368	\$1,930
National Cooperative Business Association	\$25,476	\$2,831
Opportunity International	\$36,649	\$4,072
Save the Children Federation	\$32,213	\$3,579
TechnoServe	\$48,485	\$5,387
WOCCU	\$40,395	\$4,488
World Vision Relief and Development	\$14,113	\$1,568
<b>TOTAL Funding</b>	<b>\$493,073</b>	<b>\$54,786</b>

3 The Global Development Alliance (GDA) forges public-private alliances to stimulate economic growth, develop business and workforces, address health and environmental issues and expand access to education and technology.

ness and trade associations, credit unions and cooperatives, consulting firms, governments, commercial banks, rural banks, finance companies, non-bank financial institutions and research or educational institutions, among others.

The diversity of USAID's partners reflects its comprehensive strategy of working to strengthen institutions, the financial sectors and markets in which they compete, and the policy environments that circumscribe their potential. By drawing on a diverse pool of partners with a wide range of skills, working across the micro-, meso<sup>4</sup>- and macroeconomic levels, and tailoring its assistance to specific local conditions, USAID ensures that it can implement comprehensive programs efficiently and cost-effectively.

Whether an umbrella or single-purpose type of program design is more cost-effective depends on many factors, including the desired results, the maturity of the market and the capacity of the implementing partners.

USAID's recent study of microfinance umbrella programs focused (among other things) on their relative cost-effectiveness. Many of the findings apply to umbrellas but also more broadly to other agreements with for-profit and non-profit partners. (This study is

**TABLE 5. REPORTED SUB-OBLIGATIONS, FY 2005**

Institution Type	Amounts for sub-grants and sub-contracts <sup>1</sup> (US\$ millions)
Consulting Firm	\$10.1
Cooperative	\$0.5
Credit Union	\$0.5
For-Profit	\$0.3
NGO	\$2.8
Non Bank Financial Institution	\$0.1
PVO	\$3.2
Total	\$17.5

1 Column shows sub-grants or sub-contracts for technical assistance, purchase of commodities, loans, grants or guarantees.

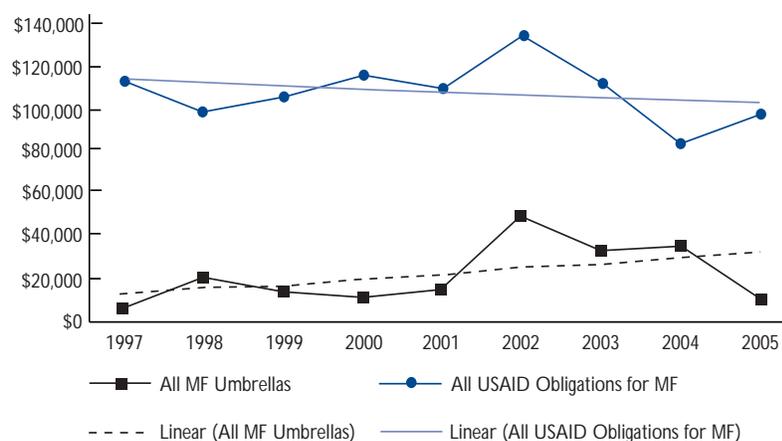
still in draft, and was recently reviewed by the advisory group, comprised of non-profit and for-profit practitioners, other donors, researchers, etc. Release to the general public is expected this summer.) The study's findings indicate that USAID-funded microfinance programs have been implemented successfully as both umbrella projects and as single-purpose projects by both for-profits and not-for-profits. Detailed analysis of the cost structures of not-for-profits and for-profits offers no evidence that these programs have been implemented inefficiently. Likewise, there is little evidence that either for-profits or not-for-profits are more cost effective in achieving project results. This study found that it is extremely difficult to directly compare cost-effectiveness

between organizations and projects across countries, and virtually impossible to draw broad, general conclusions about relative cost-effectiveness.

As shown in Figure 1, the amount of USAID support specifically for microfinance that flowed through umbrella agreements between FY 1997 and FY 2005 was less than 30 percent of new USAID obligations for microfinance, indicating that most USAID support for microfinance is still distributed through single-purpose programs, which are generally grants directly to not-for-profits. The share of microfinance funding programmed through umbrella programs during this period seems to have peaked at 37 percent of total USAID funding for microfinance in FY

4 "Meso economic level" refers to the supporting infrastructure that the financial sector requires for growth and stabilization. In microfinance, this includes information technology service providers, credit bureaus, rating agencies, professional networks and associations, as well as access to technical assistance and training.

**FIGURE 1: USAID FUNDING FOR MICROFINANCE BY MECHANISM (US\$ THOUSANDS) (SEPT. 1, 1997 – SEPT. 31, 2005)**



2002, while just 10 percent of FY 2005 funding was obligated through umbrella programs.

### Sustainability of Various Assistance Mechanisms

USAID's recent study of microfinance umbrella mechanisms found that, for microfinance umbrella programs, or for other USAID programs, the instrument is not a factor in determining sustainability. USAID uses contracts to procure goods or services to implement its own program, and cooperative agreements or grants to support or stimulate the recipient's program. The sustainability of the program is the result of sound analysis that ensures that benefits continue well beyond program subsidies. Umbrella programs are usually implemented under contracts rather than grants, as USAID perceives the need to exercise greater control over these large and complicat-

ed public investments. USAID staff has more control over the direction of programs implemented under a contract.

Microfinance umbrella projects generally aim to reduce dependence on donor funding and subsidized technical assistance by addressing the market-level constraints to mainstreaming microfinance for the poor. These constraints often take the form of lack of services on which MFIs rely. Umbrellas address these constraints by building locally available supporting services, and strengthening the policy, regulatory, or legal framework for microfinance. For the cases studied, nearly all of the institutions assisted experienced increased financial sustainability and growth. The study of umbrella mechanisms found that programs focused at the level of a single institution cannot be as effective as umbrella programs

at creating a financial system that permits greater and more sustainable access to financial services. Ultimately, the nature of the procurement mechanism — contract or grant/cooperative agreement — has no influence on the level of program sustainability.

### Sub-obligations

Recent refinements to USAID's MRR reporting system allow umbrella institutions to include more details on the various forms of assistance that may be transferred to local organizations via the umbrella institution. In particular, MRR requested umbrella institutions to report on the U.S. dollar equivalent of assistance (including technical assistance, loans, grants, guarantees, or equipment) disbursed in 2005. The data obtained for FY 2005 is reported in Table 5.

Analysis of the database of microfinance umbrellas compiled for the study indicates that since 1997, nearly 47 percent of total funding for microfinance umbrellas was sub-obligated; most of these sub-obligations go to not-for-profits and their local affiliates. In addition, although for-profits served as primes for the majority of the umbrella programs, not-for-profits and their affiliates received much of the in-kind technical assistance and training, as well as funding, associated with these programs.

Additional detail on the sub-contracts and sub-grants will eventually aid in providing a more comprehensive picture of the allocation of USAID funds. For FY 2005, the majority of umbrella awardees with agreements signed late in the fiscal year showed much of their funding still in hand at the time of reporting<sup>5</sup>; most of these funds will eventually be channeled to local organizations, but are not reflected in Table 5.

Sub-obligations, such as sub-contracts and sub-grants, are often a central component of microenterprise umbrella programs. Many different types of USAID award agreements involve subsequent sub-obligation of funds and delivery of services, commodities, etc. by the direct recipient to other organizations that thus benefit from USAID support without receiving obligations directly. Because umbrella programs managed by for-profits typically involve sub-obligations to non-profits, accurate data on the full amount of USAID microenterprise funding to each type of institution has remained elusive.

For the current reporting year, MRR requested additional information on the amounts allocated to local institutions through umbrella agreements, apexes or other types of wholesale institutions. Table 5 contains the data

on their sub-recipients that was provided by direct recipients of USAID funding. As noted earlier, the amount of detail provided by the direct recipients considerably understates the amounts that will benefit local organizations. The data on funding flows between for-profits (primarily consulting firms) and non-profits (primarily PVOs and NGOs) is also likely to be incomplete.

This is the first year for which MRR has attempted to collect data on sub-obligations for technical assistance as well as direct obligations. The data collection exercise and analysis proved far more difficult than anticipated. Reasons that the data is incomplete include the following:

- The terms “facilitator” (for enterprise development umbrellas) and “apex” or “wholesaler” (for microfinance umbrellas) may not have been interpreted by reporting institutions to apply to the full range and kinds of agreements MRR intended to capture, particularly non-apex umbrellas that involve cash/service transfers to direct service providers (e.g., a large private sector development program with a component that aims to strengthen business service providers to microenterprises and micro-scale producers);

- The MRR reporting request came too soon after the end of the fiscal year for many sub-agreements to have been finalized. That is, substantial funding amounts are sometimes obligated near the end of the fiscal year and the data request thus may come before the new activities - including sub-granted and sub-contracted activities - are operational, making it difficult or impossible for the MRR reporter to specify the ultimate recipients;
- Direct recipients were requested to report the “cost of assistance to local institutions,” but if the assistance (funding, equipment, commodities, technical services) had not yet been provided, the costs were not yet known at the time of reporting; furthermore, the full costs of such assistance (when it does not involve cash transfers) may be difficult to estimate;
- The direct costs of funding provided to local organizations, while easier to determine and report, may not include the full indirect costs of providing the sub-award;
- The value of technical assistance in particular is very difficult to capture.

The impact of these limitations on the quality of the sub-obliga-

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5 This is the case in several countries: in Egypt, where \$5.8 million of a \$6.0 million agreement is unallocated; in Barbados, where \$3.5 million of a \$4.1 million is unallocated; and in the Philippines and Uganda, where \$2.7 million and \$2.5 million, respectively, are unallocated. While these agreements were all with consulting firms, not all umbrella contractors are consulting firms; some are led by NGOs.

tions data is illustrated by USAID's support for microfinance in Iraq through an umbrella agreement with Louis Berger, Inc. This agreement is part of a \$35 million multi-year program that includes \$29 million in sub-grants to a combination of PVOs, indigenous Iraqi microfinance institutions (MFIs), an Iraqi loan guarantee company, and the World Bank-based Consultative Group to Assist the Poor (CGAP). Because these funds were not disbursed in FY 2005, they were not captured in the MRR system and are not presented in Table 5. The planned distribution of these funds is as follows: \$8 million to ACDI/VOCA, \$3 million to the Community Housing Fund, \$5.8 million to Relief International, and \$2.7 million to a group of indigenous MFIs that are being established in collaboration with the U.S. military. The Iraqi Company for Bank Guarantees Ltd., a non-bank financial institution, is being established with \$8.7 million, in part to enhance access to credit from private banks for MFIs; and CGAP will receive \$750,000 for short-term training of MFI staff and long-term training of trainers. Beyond this \$29 million, additional mission funds will go to training Iraqi bank and MFI staff, strengthening a banking association, and facilitating legal and policy reform.

In order to provide a more complete picture of sub-contracts

and funding and other services “passed through” to local institutions, for the FY 2006 report to Congress, USAID plans to refine and improve the survey instrument and perform additional checks on data completeness and accuracy. In particular, those receiving USAID obligations directly will be instructed to provide complete detail on all planned sub-agreements known at the time of reporting. In addition, a more specific definition of “umbrella program” agreements will be provided; estimates of indirect costs will be requested; and respondents will be asked to report the value of sub-contracts and sub-grants, the value of technical assistance they provide, and the value of commodities, equipment and in-kind assistance they provide, indicating the share of each that goes to direct service providers (the questionnaire will provide the definition of this term). While improvements to the system for FY 2006 are expected to provide some additional detail, it is doubtful that umbrellas will be able to provide a complete report on recently obligated funds unless sufficient time has elapsed from the signing of the funding agreement.

## Reporting Requirement 5

### Matching Assistance

USAID frequently requires that its funds for a particular purpose be matched by funds from other

sources, including the institution itself. In FY 2005, \$27.6 million of USAID funds were matched by an additional \$9.2 million from other sources. Matching funds from these sources may include funding from non-U.S. Government sources, including private donations, multilateral funding, commercial and concessional borrowing, savings and program income.

## Reporting Requirements 6-7

### Funds for Very Poor Clients

Because the Microenterprise Results and Accountability Act of 2004 extended the deadline for implementing new poverty assessment measures to October 1, 2006, MRR has used the measures established under the Microenterprise for Self Reliance Act of 2000 to determine the amount of FY 2005 funds directed to very poor clients. The 2000 Act mandated that at least one-half of all USAID funding support for microenterprise development directly benefit the very poor, and established a “poverty loan” proxy for estimating the poverty status of clients. Poverty loan thresholds were set (in 1995 US\$) at:

- \$300 in Asia, the Near East, and Africa
- \$400 in Latin America and the Caribbean
- \$1,000 in Europe and Eurasia

For microfinance institutions, the Funds Benefiting the Very Poor (FVP) is equal to the percentage of the total loan portfolio held in poverty loans. For enterprise development institutions, the FVP is equal to the percentage of clients estimated to hold outstanding poverty loans from any source. Table 6 shows the FVP for microfinance and enterprise development institutions in FY 2005. Because policy institutions do not report client data, they are excluded from Table 6.<sup>6</sup>

Figure 2 compares the values set for poverty loan sizes in 2005 dollars with 1995 dollars.<sup>7</sup> The poverty loan amounts of \$300,

\$400 and \$1000, established by the 2000 Act in 1995 dollars, would be equivalent to \$384, \$513, and \$1,282 in 2005. Because most institutions reporting data in 2005 reported on the 1995 poverty loan amount rather than the 2005 poverty loan amount, it likely contributes to an understating of the numbers of poverty loans and associated amounts of portfolio held by USAID-supported MFIs.

Table 6, which refers only to those institutions receiving FY 2005 obligations, presents the results of the calculation of funds for poverty lending using the proxy of poverty loan size. Using the poverty loan measure

established by Congress USAID does not meet the target of 50 percent of total microenterprise development funds directly benefiting very poor clients. For obligations to support financial services, the estimated funds for the very poor is 37 percent; for enterprise development obligations, the estimated FVP is 18 percent. The combined total for all FY 05 USAID obligations is 23 percent.

However, as has been discussed in prior annual reports, there is an important factor that undermines confidence in this conclusion. That is, when applied to enterprise development programs, the poverty loan proxy is

**TABLE 6. PERCENTAGE OF FUNDS BENEFITTING THE VERY POOR, FY 2005**

Bureau	Total Microenterprise Funding (US\$ millions)	Percent of Financial Funding For Poverty Lending	Percent of Enterprise Development Funding For Poverty Loan Clients	Percent of Total Funding Benefiting the Very Poor
Africa Bureau	\$32.0	78%	11%	20%
Asia/Near East Bureau	\$71.6	36%	13%	21%
Europe/Eurasia Bureau	\$26.8	16%	5%	9%
Latin America/Caribbean Bureau	\$38.9	35%	35%	35%
Central Bureaus	\$11.8	35%	22%	26%
Total all Bureaus <sup>1</sup>	\$181.1	37%	18%	23%

1 The total of \$181.1 million excludes funds for policy, USAID management support, pending agreements and activities for which there is no client data that can be used to determine whether the beneficiaries were 'very poor'.

6 The Microenterprise for Self-Reliance Act was amended in 2003 to define the very poor as either (1) those living in the bottom 50 percent of people below the official national poverty line or (2) those living on the equivalent of less than \$1 per day (adjusted for 1993 purchasing power parity). In compliance with the amended 2000 Act, USAID currently supports research to develop, test and certify tools for assessing the poverty levels of current or prospective microenterprise development clients. Beginning no later than October 1, 2006, USAID will require that institutions applying for microenterprise assistance document their service to very poor clients using one of the certified poverty assessment tools. In the meantime, the loan size thresholds specified in the Microenterprise for Self-Reliance Act of 2000 remain the operational proxy used to estimate the poverty status of clients of USAID-assisted microenterprise institutions.

7 The amounts shown for 2005 represent the value of U.S. dollars adjusted for inflation based on the Consumer Price Index.

a poor fit and yields data of questionable accuracy. In many cases, enterprise development institutions have been unable to comply with the request to report the number of poverty loans held by their clients. Despite the fact that the vast majority of clients of USAID-supported enterprise development activities are from poor, rural areas, the mandated measure effectively excludes many of them because the institutions serving them do not know whether they have poverty loans from a third party source. Many enterprise development awardees decline to respond to this portion of the MRR survey rather than report data they consider highly unreliable. MRR does not know whether these microentrepreneurs have access to financial services.

A second factor that influences the proportion of total USAID funds for the very poor is the low incidence of extreme poverty in the Europe and Eurasia region. In Kazakhstan<sup>8</sup>, for example, only 9.9 percent of the population is considered very poor, based on a nationally established poverty line. As has been noted before, USAID is working with a wide range of institutional types in the region, few of which work exclusively or primarily with those who meet the legislated definition of

“very poor” at the time they receive USAID funding. As funding in this region increases, it has a direct bearing on lowering the overall percentage of microenterprise funds that benefit very poor people.

The Microenterprise for Self-Reliance Act of 2004 directs USAID to report on the estimated number of very poor clients as well. The poverty loan proxy currently in use is the measure of funds benefiting the very poor (per the Microenterprise for Self-Reliance Act of 2000). Until that proxy is replaced with the poverty measurement tools, beginning October 1, 2006, USAID is constrained in reporting on the number of very poor clients. This is because MFIs do not keep records of numbers of very poor clients - they keep records of numbers and dollar amounts of what USAID designates as poverty loans. There is no way to reliably translate numbers of poverty loans to numbers of very poor clients.

## Reporting Requirement 8

### Funds to Assist Victims of Trafficking and Exploitation

As mandated under PL 108-484, for the first time USAID has requested additional infor-

mation from field missions on their efforts to ensure that recipients of USAID microenterprise and microfinance development assistance work closely with NGOs and foreign governments to identify and assist victims of potential or severe forms of trafficking in persons and women who are victims of or susceptible to other forms of exploitation and violence. Table 7 shows, by region, microenterprise funding obligated to microenterprise institutions specifically engaged in serving these groups.

One mission in Latin America/Caribbean and several missions in each of the other regions reported funding microenterprise institutions for activities that specifically serve these groups. They include Benin, Democratic Republic of Congo and Liberia in Africa; India, Mongolia, Nepal, Pakistan and the Philippines in Asia and the Near East; Armenia and Ukraine in Europe and Eurasia; and Guyana in Latin America/Caribbean.

## Reporting Requirement 9

### Poverty and Race/Ethnicity

As mandated by PL 108-484, USAID is now required to report “[a]n estimate of the per-

8 For more detail, see research undertaken by the IRIS Center, at the University of Maryland, “Developing and Testing Poverty Assessment Tools: Results from Accuracy Tests in Kazakhstan,” United States Agency for International Development, November 2005. This paper is available at [www.povertytools.org](http://www.povertytools.org).

**TABLE 7. USAID MICROENTERPRISE FUNDING TO ASSIST VICTIMS OF TRAFFICKING AND EXPLOITATION, FY 2005 (US\$ MILLIONS)**

Region	Financial Services & Enabling Environment (US\$ Millions)	Enterprise Development & Enabling Environment (US\$ Millions)	Total (US\$ Millions)
Africa	\$0.656	\$0.106	\$0.762
Asia/Near East	\$4.300	\$8.030	\$12.330
Europe/Eurasia	-	\$1.812	\$1.812
Latin America/Caribbean	\$0.115	\$0.185	\$0.300
Total	\$5.071	\$10.133	\$15.204

centage of beneficiaries of assistance under this title in countries where a strong relationship between poverty and race or ethnicity has been demonstrated.” In relation to this requirement, MRR requested information from USAID field missions in the FY 2005 survey. Table 8 reports on the number of microenterprise clients where missions report that a relationship between poverty and race or ethnicity has been demonstrated.

## Reporting Requirement 10

### Poverty Assessment Tools

The 2004 Act also requires this report to address:

- “The process of developing and applying poverty assessment procedures required under section 254 [the section of the law outlining the requirement for USAID to develop client poverty assessment tools and require their use by awardees by October 2006].”

The Microenterprise for Self-Reliance Act of 2000, as amended, mandated that half of all USAID microenterprise funds benefit very poor people, defined as those living on less than \$1 a day (adjusted for purchasing power parity), or those living in the bottom 50 percent of people below their country's poverty line. The lack of widely applicable, low-cost tools for poverty assessment has made it difficult for USAID to determine whether it is meeting these mandated targets. Therefore, the 2000 Act also requires USAID to develop and certify at least two tools for assessing the poverty level of its microenterprise clients.

The Microenterprise for Self-Reliance Act set October 2005 as the deadline for USAID-assisted microenterprise institutions to begin implementing the tools; subsequently, the Microenterprise Results and Accountability Act of 2004 extended that deadline to October 1, 2006. A rigorous effort involving methodologists,

academic advisors and practitioners has completed the development, testing and certification of two tools that can be implemented by partners beginning October 1, 2006. While USAID and its partners had hoped that these two tools that have been developed and certified for use at a regional or international level would predict client poverty status with acceptable accuracy, this has not proven to be the case. The testing process stipulated in the Act has yielded results that indicate that tools tailored to specific country (and even sub-national) characteristics will achieve significantly better accuracy.

Practitioner organizations selected on a competitive basis have received funding to field-test country-level tools to ensure that these instruments meet the law's practicality standard, i.e., that the diverse range of practitioners with which USAID works can comply at reasonable cost.

**TABLE 8. ESTIMATE OF CLIENTS IN COUNTRIES WHERE RELATIONSHIP BETWEEN POVERTY AND RACE OR ETHNICITY HAS BEEN DEMONSTRATED<sup>1</sup>**

Region	Country <sup>1</sup>	Borrowers <sup>2</sup>	Savings Clients <sup>2</sup>	Enterprise Development Clients
Africa	Mali	137,664	246,542	117
	South Africa	195,774	1,050	200
	Sudan	2,733	2,733	0
Asia	Nepal	62,710	58,381	38,259
	Tibet	0	0	34
Europe/Eurasia	Albania	0	0	316
	Serbia	2,758	2,758	6,335
Latin America	Bolivia	114,509	37,273	0
	Brazil	9,368	0	2,320
	Colombia	12,875	321,595	14,563
	Ecuador	659,714	414,979	0
	Guatemala	8,366	8,063	7,909
	Mexico	992,631	1,353,201	0
	Panama	0	0	859
	Peru	50,560	335,564	1,376
Total		2,249,662	2,782,139	72,288
As Percent of Total MED Clients Worldwide		38%	44%	10%

1 USAID mission staff reported that a relationship is known to exist in these countries. There may be other countries where such a relationship exists but has not been reported to MRR.

2 Borrowers and Savings Clients may refer to the same individuals in the case of some institutions that offer both services.

By October 1, 2006, country-specific tools will be available or in development for many countries, including those with the largest microenterprise development programs. USAID will continue to work in partnership with researchers and the practitioner community to develop and/or certify country-specific tools for all other countries in which USAID operates microenterprise programs. For more information about the process of developing, testing

and certifying the tools, go to [www.povertytools.org](http://www.povertytools.org).

## Reporting Requirement 11

### Performance Monitoring System

Several provisions of the 2004 Act address performance monitoring. These provisions read as follows:

(1) “The monitoring system shall include performance

goals for the assistance and express such goals in an objective and quantifiable form, to the extent feasible.”

(2) “The monitoring system shall include performance indicators to be used in measuring or assessing the achievement of the performance goals described in paragraph (1) and the objective of the assistance authorized under section 252 [of the Foreign Assistance Act of 1961, as amended].”

(3) “The monitoring system provides a basis for recommendations for adjustments to the assistance to enhance the sustainability and the impact of the assistance, particularly the impact of such assistance on the very poor, particularly poor women.”

(4) “The monitoring system adopts the widespread use of proven and effective poverty assessment tools to successfully identify the very poor and ensure that they receive adequate access to microenterprise loans, savings, and assistance.”

As a basis for the new performance monitoring system, USAID set the outreach performance goals and indicators for FY 2005 that appear in Table 9.

The count for microfinance clients is restricted to loan clients, as adding in clients for other financial services (savings, insurance, remittances) may result in double counting.

On a worldwide basis, USAID and its implementing partners substantially met or exceeded all targets except that for the percent of funds benefiting the very poor as measured by the loan size proxy. Performance was particularly strong in the number of clients served (44 percent above the target of 4.5 million) and financial strength of microfinance implementing partners.

FY 2005 is the last year for which the regionally-adjusted loan size proxy serves as the yardstick for measuring the extent of service to very poor clients.<sup>9</sup> Beginning with the FY 2006 MRR report, progress

toward targets will be determined through use of improved client poverty assessment tools currently under development by USAID. The loan size proxy has proven increasingly problematic in estimating service to very poor microenterprise and microfinance clients. Even for microfinance clients, many are gaining access to financial services other than loans, such as savings, insurance and affordable remittance services, limiting the relevance and utility of a metric based solely on loans. For those benefiting from diverse enterprise support, such as access to better markets and improved technologies, the loan size proxy is clearly not relevant, as they may not receive poverty loans from any source, or if they do, this fact may not be known to the enterprise development facilitator/service provider. This contributes to

**TABLE 9. PERFORMANCE GOALS AND RESULTS, FY 2005**

	Total # of Clients	Women Clients %	Rural Clients %	Funds Benefiting Very Poor Clients %	Financially Sustainable MFIs %
Microfinance					
FY 05 goal	3.8 million	60	40	50	50
FY 05 actual	5.8 million	61	45	37	58
Enterprise Development					
FY 05 goal	700,000	30	80	50	
FY 05 actual	694,649	29	95	18	
All clients					
FY 05 goal	4.5 million			50	
FY 05 actual	6.5 million			23	

The count for microfinance clients is restricted to loan clients, as adding in clients for other financial services (savings, insurance, remittances) may result in double counting.

9 See the section on “Funds for the Very Poor” which begins on p. 15.

the enterprise development figures shown in Table 9. As the share of funding for enterprise development activities has grown, this bias has in turn lowered the overall estimate of funds benefiting very poor clients, a marked trend noted over the past several years.

Another factor that affects the estimate of the extent to which USAID and its partners serve very poor clients is the geographic composition of microenterprise funding worldwide. As noted, the share of the population that meets the statutory definition is very small in some countries that have large microenterprise development programs, such as Ukraine.

With the phase-in of the poverty measurement tools, USAID expects to have a better basis on which to determine the extent of service to very poor clients for the full range of microenterprise development activities. This in turn will provide a better basis for identifying opportunities to prescribe specific actions to improve performance.

USAID is already taking steps to increase the extent of service to very poor clients. For example, competitive grant programs are focused specifically on identifying and supporting program models that promise to improve both the extent of service and the impact of that service on very poor microfinance and microenterprise clients. Intra-

agency working groups are identifying, testing and disseminating interventions that work for specific client segments that have a higher incidence of poverty, such as youth (including but not limited to orphans and vulnerable children), refugees and internally displaced persons, and residents of conflict-affected zones, remote rural communities, and areas with high HIV-AIDS incidence.

In addition to these programs, USAID is continuing intensive work with field missions on designing, implementing and assessing programs that apply the knowledge of how best to serve the very poor that is emerging from this focused experimentation and applied research. In FY05, the MD office systematized a process of reviewing, commenting on and concurring with mission strategic plans. These activities complement the function of the poverty measurement tools, which can provide missions' partner institutions with a sense of their overall outreach to very poor clients. These findings can contribute to this consultative process between missions and the MD office. Through collaboration, USAID's technical experts in microenterprise development can help missions apply best practices to their microenterprise programming. For example, extensive technical assistance to the Afghanistan mission resulted in a major new rural finance program that will extend credit, savings, and other

financial services and support to tens of thousands of smallholder producers and rural families that have extremely little access to finance and are likely to be poorer than those benefiting from other USAID programs on the ground.

## Reporting Requirement 12

### Additional Information

Since Congress passed the Microenterprise Results and Accountability Act of 2004 (PL 108-484), USAID has developed new activities, systems and performance analysis measures to ensure thorough compliance with the law and its new requirements.

As directed by the 2004 Act, USAID's Microenterprise Development office funded at \$16.9 million in FY2005, initiated new programs, including central programs designed specifically to strengthen its relationship with PVO partners and link them to missions.

### New Funding Programs

The new programs USAID has established include competitive grants through the two rounds of the Implementation Grant Program (IGP). The first, "Access to Financial Services for the Very Poor," will fund innovative approaches to increase access to financial services for the very poor, approaches that generate replicable processes,

tools and methodologies for use by the global microfinance industry. The second IGP competition, "Linking Economic Growth to Poor Households," focuses on approaches that foster the competitiveness of industries in which large numbers of very small firms participate, by improving microentrepreneurs' access to the finance, business services and knowledge they need to compete in growing markets, while ensuring that the poor who operate these very small firms benefit from participating in growing markets. The combined funding for these worldwide grant competitions is \$10 million, to be awarded to the top-ranking applicants.

USAID also conducted additional small grant competitions that supported innovation and funded training and dissemination of best practices for microfinance and microenterprise networks. The Agency provided additional funding to the Small Enterprise Education and Promotion (SEEP) Network for its competitive Practitioner Learning Program, which provides grants and technical assistance to PVOs and NGOs for innovative microfinance and enterprise development activities, while also convening them in a learning network to capture knowledge for participants and for the broader industry as well. Taken together, these new grant competitions respond to the provisions in the law concerning central programs and

emphasis on eligible implementing partners.

In FY 2005, USAID also created a new microenterprise Leader with Associates (LWA) mechanism to achieve the policy goals reflected in the law, by enhancing USAID's access to the microfinance and microenterprise development expertise of the non-profit community and offering USAID missions a new and cost-effective option for carrying out work in this field. The activity, entitled Financial Integration, Economic Leveraging, Broad-Based Dissemination and Support Program, or FIELD-Support, establishes a mechanism by which a non-profit or consortium of partners can provide services directly to USAID missions as well as other offices and operating units within USAID/Washington through Associate awards.

The FIELD-Support LWA was awarded at the end of FY 2005. The Agency provided \$2 million in start-up funds for the base "leader" agreement for activities that address these objectives. In addition, USAID Missions and USAID/W offices and operating units are able to enter into "associate" cooperative agreements, up to the LWA's ceiling of \$350 million over the five-year period. Funds can be obligated through the new LWA (up to the \$350 million ceiling) to the extent that missions and other operating units choose to use this mecha-

nism to implement activities. As with other umbrella arrangements, the LWA also allows for sub-obligations to host country microfinance and microenterprise development institutions. The LWA provides a streamlined procurement mechanism for missions to partner with NGOs and PVOs to meet growth and poverty alleviation goals, as an attractive alternative to working with contracts and for-profit firms.

Its primary objectives include:

1. Strengthening the economic status and security of poor households;
2. Promoting economic growth that benefits poorer households and communities by supporting the access of micro and small enterprises (MSEs) to market opportunities;
3. Promoting the development of financial systems that are accessible to all and meet the diverse needs of MSEs and poor households; and
- 4 Improving the national, regional, or local enabling environment to boost the productivity, earnings, and competitiveness of MSEs.

FIELD-Support is off to a strong start, with initial mission associate awards in the pipeline. Design and implementation of the LWA is one of a number of steps USAID has taken to ensure that it has access to the best possible combination of

partners with which to implement its microenterprise programs.

To comply with the new statutory requirement that the Microenterprise Development office concur in strategies of USAID missions and bureaus that include microenterprise and microfinance components, MD staff has engaged with regional bureaus and missions

to conduct thorough reviews of proposed strategies and activities. The office's staff has been proactive as well in meeting the related provision in the law, i.e., that the office provide support and technical assistance to missions in developing new strategy elements and components. In the past year, for example, the microenterprise staff has provided on-site assistance to missions including Afghanistan,

Pakistan, Indonesia, Mexico, Haiti, Brazil, Albania, the Central Asian Republics, Azerbaijan, Serbia, Morocco, Egypt, Jordan, India, Sri Lanka, Sudan, Liberia, Uganda, Tanzania and South Africa. The staff has also provided extensive virtual technical support in both strategy and activity design for diverse missions, including Iraq.

# Annex A: Institutions with Amounts of FY 2005 Funding by Bureau

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Annex A: Institutions with Amounts of FY 2005 Funding by Bureau  
(US\$'000s)

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
<b>AFRICA</b>				
	AFRICA Bureau	EcoLogic Finance/East Africa	FINANCE	95
<b>Total AFRICA Bureau</b>				<b>\$95</b>
	Angola	CLUSA Cooperative League of the United States/Angola	ED	589
		WV World Vision/Angola	ED	602
<b>Total Angola</b>				<b>\$1,191</b>
	Benin	CARE Cooperative for Assistance and Relief Everywhere/Benin	FINANCE	385
		CRS/Benin	FINANCE	52
<b>Total Benin</b>				<b>\$437</b>
	Burkina Faso	CRS/BF Catholic Relief Services-USCCB/Burkina Faso	FINANCE	744
<b>Total Burkina Faso</b>				<b>\$744</b>
	DR Congo	PACT, Inc. Partners Acting Together/DR Congo	FINANCE	271
<b>Total DR Congo</b>				<b>\$271</b>
	Ethiopia	ACDI/VOCA/Ethiopia	ED	200
		ACSI Amhara Credit and Saving Institute/Ethiopia	FINANCE	300
		Chemonics International, Inc./Ethiopia	ED	300
<b>Total Ethiopia</b>				<b>\$800</b>
	Ghana	ADRA Adventist Relief Agency/Ghana	ED	1,483
		OICI Opportunities Industrialization Centers International/Ghana	ED	193
		TNS/G TechnoServe/Ghana	ED	3,946
<b>Total Ghana</b>				<b>\$5,622</b>
	Guinea	Enrma Expanded Natural Resources Management/Guinea	ED	871
<b>Total Guinea</b>				<b>\$871</b>
	Kenya	KBL K-Rep Bank, Ltd./Kenya	FINANCE	207
		KDA K-Rep Development Agency/Kenya	FINANCE	300
		Kenya BDS/Kenya	ED	1,186
		SOAG SOAG/Kenya	FINANCE	860
<b>Total Kenya</b>				<b>\$2,553</b>
	Liberia	AED Academy for Education Development/Liberia	ED	106
<b>Total Liberia</b>				<b>\$106</b>
	Madagascar	Chemonics International, Inc./Madagascar	ED	350
<b>Total Madagascar</b>				<b>\$350</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION
				AMOUNT
	Malawi	Chemonics International, Inc./Malawi	FINANCE	345
		Chemonics International, Inc./Malawi	FINANCIAL POLICY	345
		Chemonics International, Inc./Malawi	ED	480
		DAI Development Alternatives, Inc./Malawi	ED	660
		Land O'Lakes, Inc./Malawi	ED	260
		NASFAM National Smallholders Farmers' Association of Malawi/Malawi	ED	600
		OIBM Opportunity International Bank of Malawi/Malawi	FINANCE	161
			<b>Total Malawi</b>	<b>\$2,851</b>
	Mali	Microenterprise Support		848
		Chemonics International, Inc./Mali	ED	2,000
			<b>Total Mali</b>	<b>\$2,848</b>
	Mozambique	ACDI/VOCA Mozambique/Mozambique	ED	626
		ADRA/Mozambique	ED	50
		Africare Mozambique Africare/Mozambique	ED	50
		AWF/Mozambique	ED	162
		CARE/Mozambique	ED	50
		CLUSA Cooperative League of the United States of America/Mozambique	ED	625
		CTA Confederation of Business Associations/Mozambique	ED	250
		DAP II World Vision/Mozambique	ED	50
		FEMA/Mozambique	ED	38
		FHI/Mozambique Food For The Hungry International/Mozambique	ED	50
		Save the Children/Mozambique	ED	50
		TechnoServe, Inc./Mozambique	ED	670
			<b>Total Mozambique</b>	<b>\$2,671</b>
	Nigeria	PRISMS Promoting Improved MSME Services Project/Nigeria	FINANCE	500
			<b>Total Nigeria</b>	<b>\$500</b>
	Senegal	Microenterprise Support		600
		Agreement Pending	ED	1,335
		IRG International Resources Group/Senegal	ED	600
			<b>Total Senegal</b>	<b>\$2,535</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION
				AMOUNT
	Sierra Leone	ARC American Refugee Committee/Sierra Leone	ED	127
			<b>Total Sierra Leone</b>	<b>\$127</b>
	South Africa	VEGA Volunteers for Economic Growth Alliance/South Africa	ED	500
			<b>Total South Africa</b>	<b>\$500</b>
	Sudan	Chemonics International, Inc./Sudan	FINANCE	2,000
			<b>Total Sudan</b>	<b>\$2,000</b>
	Tanzania	Microenterprise Support		163
		Agreement Pending	ED	1,628
		ApproTEC Appropriate Technologies for Enterprise Creation/Tanzania	ED	50
		DAI Development Alternatives, Inc./Tanzania	ED	600
			<b>Total Tanzania</b>	<b>\$2,441</b>
	Uganda	ACDI/VOCA/REAP II/Uganda	ED	68
		Barclays Bank/Uganda	FINANCE	172
		Centenary Rural Development/Uganda	FINANCE	156
		Chemonics/APEP/Uganda	ED	1,154
		Chemonics/SCOPE/Uganda	FINANCIAL POLICY	146
		DAI/PRIME/WEST Productive Resources Investment for Managing the Environment/Western Reg./Uganda	ED	1,399
		Land O'Lakes/Uganda	ED	90
		Nile Bank/Uganda	FINANCE	220
		Rural SPEED Chemonics/Rural SPEED/Uganda	FINANCE	2,500
		Stanbic Bank Uganda, Ltd./Uganda	FINANCE	301
		Standard Chartered Bank Uganda, Ltd./Uganda	FINANCE	530
		UMU Uganda Microfinance Union/Uganda	FINANCE	121
			<b>Total Uganda</b>	<b>\$6,857</b>
	Zambia	CLUSA-PROFIT Co-operative League of the USA - Production, Finance and Technology Program/Zambia	ED	400
		DAI Development Alternatives International/Zambia	ED	200
			<b>Total Zambia</b>	<b>\$600</b>
	Zimbabwe	LEAD Trust Leveraging Economic Assistance for Development Trust/Zimbabwe	ED	178
			<b>Total Zimbabwe</b>	<b>178</b>
			<b>Total AFRICA</b>	<b>\$37,148</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
<b>ANE</b>				
	Bangladesh	IRG International Resources Group/Bangladesh	ED	12
		IRIS/JOBS University of Maryland/Bangladesh	ED	18
		WI MACH Winrock International Management of Aquatic Ecosystem through Community Hu./Bangladesh	FINANCE	74
		WI (MACH) Winrock International (Management of Aquatic Ecosystem through Community Hu./Bangladesh	ED	39
		World Fish Center/Bangladesh	ED	500
<b>Total Bangladesh</b>				<b>\$643</b>
	East Timor	DAI/East Timor	FINANCE	288
		DAI/East Timor	ED	86
<b>Total East Timor</b>				<b>\$374</b>
	Egypt	AERI/Egypt	ED	6,000
<b>Total Egypt</b>				<b>\$6,000</b>
	India	ACDI/VOCA/India	ED	1,400
		CHF Cooperative Housing Foundation International/India	FINANCE	700
<b>Total India</b>				<b>\$2,100</b>
	Indonesia	Agreement Pending	ED	317
		BAH Booz Allen Hamilton/Indonesia	FINANCIAL POLICY	825
		Danamon/Indonesia	CREDIT	250
		Development Alternatives Inc./SENADA/Indonesia	FINANCIAL POLICY	300
		GIAT/Nathan MSI Growth through Investment And Trade/Indonesia	FINANCIAL POLICY	330
		NCBA National Cooperative Business Association/Indonesia	CREDIT	7,500
		NCBA National Cooperative Business Association/Indonesia	ED	2,500
		The Asia Foundation/Indonesia	MED POLICY	875
		VEGA Volunteers for Economic Growth Alliance/Indonesia	MED POLICY	30
<b>Total Indonesia</b>				<b>\$12,927</b>
	Iraq	LBG/TSG JV Louis Berger Group/The Services Group Joint Venture/Iraq	CREDIT	28,886
<b>Total Iraq</b>				<b>\$28,886</b>
	Jordan	AMIR Program Achievement of Market-Friendly Initiatives and Results Program/Jordan	FINANCE	420
		AMIR Program Achievement of Market-Friendly Initiatives and Results Program/Jordan	ED	2,107
<b>Total Jordan</b>				<b>\$2,527</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
	Mongolia	Gobi Initiative-Phase II Mercy Corps and PACT, Inc./Mongolia	ED	1,800
			<b>Total Mongolia</b>	<b>\$1,800</b>
	Morocco	AMOS Association de Microfinance Oued Srou/Morocco	FINANCE	7
		New Business Environment/Morocco	FINANCE	200
			<b>Total Morocco</b>	<b>\$207</b>
	Nepal	IDE International Development Enterprises/Nepal	ED	800
		Save the Children US/Nepal	ED	982
		WE World Education Incorporated/Nepal	ED	400
		WI Winrock International/Nepal	ED	100
			<b>Total Nepal</b>	<b>\$2,282</b>
	Pakistan	KB Khushalibank/Pakistan	FINANCE	1,000
		PPAF Pakistan Poverty Alleviation Fund/Pakistan	FINANCE	3,000
		SAS Shorebank Advisory Services/Pakistan	FINANCE	500
			<b>Total Pakistan</b>	<b>\$4,500</b>
	Philippines	Agreement Pending	FINANCIAL POLICY	60
		Carana Corporation/Philippines	FINANCIAL POLICY	500
		Chemonics International, Inc./Philippines	FINANCE	2,730
		WOCCU/CUES-Phils. World Council of Credit Union, Inc./Credit Union Empowerment & Strengthen/Philippines	FINANCE	1,250
			<b>Total Philippines</b>	<b>\$4,540</b>
	RDM/A	TBF The Bridge Fund/Tibet	ED	81
		University of Rhode Island University of Rhode Island/ASIA Region	FINANCE	136
		Winrock STC Winrock International/Tibet	FINANCE	100
			<b>Total RDM/A</b>	<b>\$317</b>
	West Bank /Gaza	DAI/West Bank /Gaza	ED	2,750
		SC Save the Children USA/West Bank /Gaza	FINANCE	4,950
			<b>Total West Bank/Gaza</b>	<b>7,700</b>
			<b>Total ANE</b>	<b>\$74,803</b>
<b>E &amp; E</b>				
	Albania	DAI Development Alternatives, Inc./Albania	ED	938
		PSHM Partneri Shqiptar ne Mikrokredi/Albania	FINANCE	262
			<b>Total Albania</b>	<b>\$1,200</b>
	Armenia	DAI Development Alternatives, Inc./Armenia	ED	144
		EBRD European Bank for Reconstruction and Development/Armenia	ED	1,500
			<b>Total Armenia</b>	<b>\$1,644</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION
				AMOUNT
	Belarus	CNFA/Belarus Citizens Network for Foreign Affairs (CNFA)/Belarus	ED	10
		EBRD/Belarus European Bank for Reconstruction and Development/Belarus	FINANCE	98
		EF Eurasia Foundation/Belarus	ED	38
			<b>Total Belarus</b>	<b>\$146</b>
	Central Asian Republics (CAR )	ACDI/VOCA CAMFA/EE Region	FINANCE	154
			<b>Total CAR</b>	<b>\$154</b>
	Croatia	DAI Development Alternatives, Inc./Croatia	ED	3,407
			<b>Total Croatia</b>	<b>\$3,407</b>
	Kazakhstan	ACDI/VOCA CAMFA/EE Region	FINANCE	1,368
		BearingPoint, Inc./Kazakhstan	MED POLICY	342
		EBRD/KSBP European Bank for Reconstruction and Development/Kazakhstan Small Business/Kazakhstan	FINANCE	210
		Pragma Corp/Kazakhstan	ED	261
		Pragma Corp/Kazakhstan	FINANCE	40
			<b>Total Kazakhstan</b>	<b>\$2,221</b>
	Kosovo	KCBS Kosovo Cluster and Business Support/Kosovo	ED	300
			<b>Total Kosovo</b>	<b>\$300</b>
	Kyrgyzstan	ACDI/VOCA CAMFA/EE Region	CREDIT	445
		Ard, Inc./Kyrgyzstan	MED POLICY	43
		BearingPoint, Inc./Kyrgyzstan	ED	306
		BearingPoint, Inc./Kyrgyzstan	FINANCIAL POLICY	42
		BearingPoint, Inc./Kyrgyzstan	MED POLICY	397
		IFDC International Fertilizer Development Center/Kyrgyzstan	ED	501
		IRT Investment Round Table Public Association/Kyrgyzstan	FINANCIAL POLICY	92
		Land Reform/KG Chemonics International/Kyrgyzstan	MED POLICY	70
		LARC/Kyrgyzstan	ED	195
		MSFF EBRD Micro and Small Finance Facility Kyrgyzstan/Kyrgyzstan	FINANCE	931
		Pragma Corp./Kyrgyzstan	MED POLICY	212
		Pragma Corp./Kyrgyzstan	ED	126
		USAID Legal Infrastructure For a Market Economy Project, implemented by ARD/Checchi/Kyrgyzstan	ED	119
		USAID Legal Infrastructure For a Market Economy Project, implemented by ARD/Checchi/Kyrgyzstan	MED POLICY	27
			<b>Total Kyrgyzstan</b>	<b>\$3,506</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
	Macedonia	WOCCU World Council of Credit Unions, Inc./Macedonia	FINANCE	500
			<b>Total Macedonia</b>	<b>\$500</b>
	Moldova	BIZPRO-Moldova Development Alternatives, Inc./Moldova	FINANCIAL POLICY	46
		BIZPRO-Moldova Development Alternatives, Inc./Moldova	MED POLICY	451
		Chemonics/Moldova Chemonics International, Inc./Moldova	ED	340
		CNFA Citizens Network of Foreign Affairs/Moldova	ED	183
		Eurasia Foundation/Moldova	ED	25
		FinCom Bank/Moldova	FINANCE	45
			<b>Total Moldova</b>	<b>\$1,090</b>
	Montenegro	Cooperative Housing Foundation CHF/Montenegro	ED	573
		International Relief and Development IRD/Montenegro	ED	245
			<b>Total Montenegro</b>	<b>\$818</b>
	Romania	CHF International/Romania	FINANCE	800
			<b>Total Romania</b>	<b>\$800</b>
	Russia	ACDI/VOCA/Russia	FINANCE	600
		DAI Development Alternatives, Inc./Russia	FINANCE	1,080
		DAI Development Alternatives, Inc./Russia	FINANCIAL POLICY	720
			<b>Total Russia</b>	<b>\$2,400</b>
	Serbia	ACDI/VOCA CDRA/Serbia	ED	2,350
		ADF America's Development Foundation/Serbia	ED	937
		Booz Allen Hamilton/Serbia	ED	471
		CHF Cooperative Housing Foundation/CRDA/Serbia	ED	1,141
		IRD International Relief and Development, Inc./CRDA/Serbia	ED	1,025
		MCI Mercy Corps International/Serbia	ED	1,225
			<b>Total Serbia</b>	<b>\$7,149</b>
	Tajikistan	ACDI/VOCA CAMFA/EE Region	FINANCE	460
		ARD/CHECCHI/Tajikistan	MED POLICY	90
		BearingPoint, Inc./Tajikistan	FINANCIAL POLICY	100
		BearingPoint, Inc./Tajikistan	MED POLICY	101
		EBRD European Bank for Reconstruction and Development/Tajikistan	FINANCE	291
		Pragma Corp/Tajikistan	ED	64
			<b>Total Tajikistan</b>	<b>\$1,106</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
	Turkmenistan	Pragma Corporation/Turkmenistan	ED	54
			<b>Total Turkmenistan</b>	<b>\$54</b>
	Ukraine	Abt Associates Inc/Ukraine	MED POLICY	305
		ATCI Pragma Corporation/Access to Credit Initiative/Ukraine	FINANCIAL POLICY	110
		BIZPRO-DAI/Ukraine	MED POLICY	569
		Chemonics Urban/Rural Land Titling Initiative/Ukraine	MED POLICY	2,261
		Chemonics-LED/Ukraine	FINANCIAL POLICY	290
		Chemonics-LED/Ukraine	MED POLICY	290
		CLC Emerging Markets Group/Ukraine	FINANCIAL POLICY	588
		CURE/UREP Center for Ukrainian Reform Education/Ukraine	MED POLICY	168
		Eurasia Foundation/Ukraine	ED	94
		FMI Financial Markets International, Inc./Ukraine	FINANCIAL POLICY	533
		FMI Financial Markets International, Inc./Ukraine	MED POLICY	533
		LOL AMP-Land O'Lakes/Ukraine	ED	1,003
			<b>Total Ukraine</b>	<b>\$6,744</b>
	Uzbekistan	ACDI/VOCA CAMFA/EE Region	FINANCE	580
		BearingPoint, Inc./Uzbekistan	MED POLICY	78
		Pragma/Uzbekistan	ED	74
		WOCCU World Council of Credit Unions, Inc./Uzbekistan	FINANCE	1,290
			<b>Total Uzbekistan</b>	<b>2,022</b>
			<b>Total E&amp;E</b>	<b>\$35,261</b>
	MD	ACDI/VOCA/Worldwide	ED	765
		Agreement Pending	FINANCE	50
		Agreement Pending	ED	47
		ATA Aid to Artisans/USA	ED	30
		Chemonics International, Inc./Malawi	FINANCE	600
		Chemonics International, Inc./USA	FINANCE	675
		Chemonics International, Inc./USA	ED	116
		CPM Caja Popular mexicana/Mexico	FINANCE	500
		DAI Development Alternatives, Inc.	FINANCIAL POLICY	22
		DAI Development Alternatives, Inc.	ED	1,275
		DAI Development Alternatives, Inc.	FINANCE	946
		DAI Development Alternatives, Inc./Brazil	ED	390
		EMDAP Emerging Markets Development Assistance Program/Worldwide	FINANCE	390

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
<b>CENTRAL</b>				
		Emerging Markets/Worldwide	FINANCIAL POLICY	50
		IBM (Formerly PriceWaterhouseCoopers)/Worldwide	FINANCE	75
		IBM Business Consulting Services/South Africa	FINANCIAL POLICY	200
		IRIS Center for Institutional Reform and the Informal Sector/Worldwide	FINANCIAL POLICY	860
		LWA Leader with Associates/Worldwide	FINANCIAL POLICY	225
		MD Office of Microenterprise Development/Worldwide	FINANCIAL POLICY	1,486
		MEDA Mennonite Economic Development Associates/Pakistan	ED	256
		Mercy Corps International/Azerbaijan/Azerbaijan	ED	250
		SEEP Network/Worldwide	FINANCIAL POLICY	1,150
		The QED Group, LLC/Worldwide	MED POLICY	3,780
		Triple Trust Organization/South Africa	ED	500
		Weidemann Assoc./Worldwide	MED POLICY	2,291
			<b>Total MD</b>	<b>\$16,929</b>
	PVC	AAC/MIS Americas Assoc of Coops/Mutual Insur. Soc/Worldwide	FINANCE	475
		ACDI/VOCA/Worldwide	ED	710
		CHF Cooperative Housing Foundation	ED	399
		Freedom from Hunger/USA	FINANCE	176
		IDE International Development Enterprises/Worldwide	ED	244
		NCBA National Cooperative Business Association/USA	ED	166
		PADF Pan American Development Foundation/LAC Region	FINANCE	100
		Plan International/Worldwide	FINANCE	183
		SEEP Network/Worldwide	FINANCE	452
		TechnoServe/Worldwide	ED	593
		TMI The Mountain Institute/Worldwide	ED	191
		World Council of Credit Unions/Worldwide	FINANCE	750
		WR World Relief/Worldwide	FINANCE	334
		WV World Vision Relief and Development/Worldwide	FINANCE	227
			<b>Total PVC</b>	<b>5000</b>
			<b>Total CENTRAL</b>	<b>\$21,929</b>
<b>LAC</b>				
	Bolivia	DAI DAI PREMIER/Bolivia	FINANCIAL POLICY	1,056
		WOCCU World Council Of Credit Unions/Bolivia	FINANCE	448
			<b>Total Bolivia</b>	<b>\$1,504</b>

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
	Brazil	CRS Catholic Relief Service/Brazil	FINANCE	50
		DAI Development Alternatives Incorporated/Brazil	ED	755
		DAI Development Alternatives Incorporated/Brazil	MED POLICY	100
			<b>Total Brazil</b>	<b>\$905</b>
	Colombia	ACDI/VOCA Colombia	ED	2,000
		ATA Aid to Artisans/Colombia	ED	1,000
		Chemonics International/Colombia	ED	6,000
		CHF Cooperative Housing Foundation/Colombia	FINANCE	532
		CHF Cooperative Housing Foundation/Colombia	ED	1,850
		IOM International Office of Migration/Colombia	FINANCE	514
		IOM International Office of Migration/Colombia	ED	371
		PADF Panamerican Development Foundation/Colombia	FINANCE	1,053
		PADF Panamerican Development Foundation/Colombia	ED	186
			<b>Total Colombia</b>	<b>\$13,506</b>
	Ecuador	Banco Procredit Sociedad Financiera Ecuatorial/Ecuador	FINANCE	346
		SALTO/DAI Strengthen Access to Microfinance and Liberalization Task Order/Ecuador	FINANCE	451
		WOCCU/Ecuador	FINANCE	500
			<b>Total Ecuador</b>	<b>\$1,297</b>
	El Salvador	Agreement Pending	FINANCE	100
			<b>Total El Salvador</b>	<b>\$100</b>
	Guatemala	AGEXPRONT/Guatemala	ED	185
		STC Save The Children/Guatemala	ED	204
			<b>Total Guatemala</b>	<b>\$389</b>
	Guyana	Carana Corporation/Guyana	FINANCE	15
		Carana Corporation/Guyana	FINANCIAL POLICY	100
		Carana Corporation/Guyana	ED	65
		Carana Corporation/Guyana	MED POLICY	120
			<b>Total Guyana</b>	<b>\$300</b>
	Haiti	ATA Aid to Artisans/Haiti	ED	547
		DAI/FINNET Financial Services Network Project/Haiti	FINANCE	1,800
		DAI/HAP/Haiti	ED	120
		FINCA/Haiti	FINANCE	200
		Fonkoze Fondasyon Kole Zepol/Haiti	FINANCE	517
			<b>Total Haiti</b>	<b>\$3,184</b>
	Honduras	Fintrac, Inc./Centro de Desarrollo de Agronegocios/Honduras	ED	1,000
			<b>Total Honduras</b>	<b>\$1,000</b>
	Jamaica	Agreement Pending	ED	1,530

BUREAU	MISSION	INSTITUTION	FUNCTION	OBLIGATION AMOUNT
		CARANA Corporation/Barbados	FINANCE	4,150
		DAI/Jamaica	ED	5,830
		NCB National Commercial Bank, Ltd./Jamaica	FINANCE	214
			<b>Total Jamaica</b>	<b>\$11,724</b>
	Mexico	Microenterprise Support		427
		CPM Caja Popular Mexicana/Mexico	FINANCE	400
		CRS/Mexico	FINANCE	421
		Proyecto AFIRMA Acceso al Financiamiento Rural para la Microempresa (AFIRMA), Development AI/Mexico	FINANCE	1,040
		Proyecto AFIRMA Acceso al Financiamiento Rural para la Microempresa (AFIRMA), Development AI/Mexico	FINANCIAL POLICY	260
			<b>Total Mexico</b>	<b>\$2,548</b>
	Nicaragua	ADRA/Nicaragua	FINANCE	200
		CRS Catholic Relief Services/Nicaragua	FINANCE	500
		PCI Project Concern International/Nicaragua	FINANCE	205
			<b>Total Nicaragua</b>	<b>\$905</b>
	Panama	ACDI/VOCA/Panama	ED	1,066
		AED Academy for Educational Development/Panama	ED	500
			<b>Total Panama</b>	<b>\$1,566</b>
	Peru	CARITAS Juli	FINANCE	1,500
		Chemonics/Peru	ED	1,020
		CMAC Piura/Peru	FINANCE	201
		CMAC Sullana/Peru	FINANCE	208
		COPEME Consorcio de organizaciones privadas de promocion a la pequena y micro em/Peru	ED	280
		EDPYME CONFIANZA EDPYME CONFIANZA S.A./Peru	FINANCE	92
		Nathan Associates, Inc./Peru	MED POLICY	100
			<b>Total Peru</b>	<b>3,401</b>
			<b>Total LAC</b>	<b>\$42,329</b>
			<b>Grand Total</b>	<b>\$211,470</b>
<b>Total Number of Awards</b>				<b>218</b>
<b>Total Number of Countries</b>				<b>69</b>

\* MED POLICY = Enterprise Development Policy

\*Central Bureau awards fund activities worldwide

\* Total number of awards equals the number of new and existing agreements funded in FY 2005

# Annex B: Microenterprise Funding by Bureau, FY 2005 (US\$ '000s)

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BUREAU	MISSION	FINANCE	FINANCIAL POLICY	ENTERPRISE DEVELOPMENT	ENTERPRISE DEVELOPMENT POLICY	TOTAL
<b>AFRICA</b>						
	AFRICA Bureau	\$95	\$0	\$0	\$0	\$95
	Angola	\$0	\$0	\$1,191	\$0	\$1,191
	Benin	\$437	\$0	\$0	\$0	\$437
	Burkina Faso	\$744	\$0	\$0	\$0	\$744
	DR Congo	\$271	\$0	\$0	\$0	\$271
	Eritrea	\$0	\$0	\$0	\$0	\$0
	Ethiopia	\$300	\$0	\$500	\$0	\$800
	Ghana	\$0	\$0	\$5,622	\$0	\$5,622
	Guinea	\$0	\$0	\$871	\$0	\$871
	Kenya	\$1,367	\$0	\$1,186	\$0	\$2,553
	Liberia	\$0	\$0	\$106	\$0	\$106
	Madagascar	\$0	\$0	\$350	\$0	\$350
	Malawi	\$506	\$345	\$2,000	\$0	\$2,851
	Mali	\$0	\$0	\$2,848	\$0	\$2,848
	Mozambique	\$0	\$0	\$2,671	\$0	\$2,671
	Namibia	\$0	\$0	\$0	\$0	\$0
	Nigeria	\$500	\$0	\$0	\$0	\$500
	Senegal	\$0	\$0	\$2,335	\$200	\$2,535
	Sierra Leone	\$0	\$0	\$127	\$0	\$127
	South Africa	\$0	\$0	\$500	\$0	\$500
	Sudan	\$2,000	\$0	\$0	\$0	\$2,000
	Tanzania	\$0	\$0	\$2,441	\$0	\$2,441
	Uganda	\$4,000	\$146	\$2,711	\$0	\$6,857
	Zambia	\$0	\$0	\$600	\$0	\$600
	Zimbabwe	\$0	\$0	\$178	\$0	\$178
	<b>Total AFRICA</b>	<b>\$10,220</b>	<b>\$491</b>	<b>\$26,237</b>	<b>\$200</b>	<b>\$37,148</b>
<b>ANE</b>						
	Afghanistan	\$0	\$0	\$0	\$0	\$0
	Bangladesh	\$74	\$0	\$569	\$0	\$643

BUREAU	MISSION	FINANCE	FINANCIAL POLICY	ENTERPRISE DEVELOPMENT	ENTERPRISE DEVELOPMENT POLICY	TOTAL
	East Timor	\$288	\$0	\$86	\$0	\$374
	Egypt	\$0	\$0	\$6,000	\$0	\$6,000
	India	\$700	\$0	\$1,400	\$0	\$2,100
	Indonesia	\$7,750	\$1,455	\$2,817	\$905	\$12,927
	Iraq	\$28,886	\$0	\$0	\$0	\$28,886
	Jordan	\$420	\$0	\$2,107	\$0	\$2,527
	Mongolia	\$0	\$0	\$1,800	\$0	\$1,800
	Morocco	\$207	\$0		\$0	\$207
	Nepal	\$0	\$0	\$2,282	\$0	\$2,282
	Pakistan	\$4,500	\$0	\$0	\$0	\$4,500
	Philippines	\$3,980	\$560	\$0	\$0	\$4,540
	RDM/A	\$236	\$0	\$81	\$0	\$317
	Tibet	\$0	\$0	\$0	\$0	\$0
	West Bank /Gaza	\$4,950		\$2,750	\$0	\$7,700
	<b>Total ANE</b>	<b>\$51,991</b>	<b>\$2,015</b>	<b>\$19,892</b>	<b>\$905</b>	<b>\$74,803</b>

**E&E**

	Albania	\$262	\$0	\$938	\$0	\$1,200
	Armenia	\$0	\$0	\$1,644	\$0	\$1,644
	Azerbaijan	\$0	\$0		\$0	\$0
	Belarus	\$98	\$0	\$48	\$0	\$146
	Bulgaria	\$0	\$0		\$0	\$0
	CAR Central Asian Republics	\$154	\$0	\$0	\$0	\$154
	Croatia	\$0	\$0	\$3,407	\$0	\$3,407
	EE Bureau		\$0	\$0	\$0	\$0
	Georgia		\$0	\$0	\$0	\$0
	Kazakhstan	\$1,618	\$0	\$261	\$342	\$2,221
	Kosovo		\$0	\$300		\$300
	Kyrgyzstan	\$1,376	\$134	\$1,247	\$748	\$3,505
	Macedonia	\$500	\$0	\$0	\$0	\$500
	Moldova	\$45	\$46	\$548	\$451	\$1,090

BUREAU	MISSION	FINANCE	FINANCIAL POLICY	ENTERPRISE DEVELOPMENT	ENTERPRISE DEVELOPMENT POLICY	TOTAL
	Montenegro	\$0	\$0	\$818	\$0	\$818
	Romania	\$800	\$0	\$0	\$0	\$800
	Russia	\$1,680	\$720	\$0	\$0	\$2,400
	Serbia	\$0	\$0	\$7,149	\$0	\$7,149
	Tajikistan	\$751	\$100	\$64	\$191	\$1,106
	Turkmenistan	\$0	\$0	\$54	\$0	\$54
	Ukraine	\$0	\$1,521	\$1,097	\$4,126	\$6,744
	Uzbekistan	\$1,870	\$0	\$74	\$78	\$2,022
	<b>Total E&amp;E</b>	<b>\$9,154</b>	<b>\$2,521</b>	<b>\$17,649</b>	<b>\$5,936</b>	<b>\$35,260</b>

### LAC

	Bolivia	\$448	\$1,056	\$0	\$0	\$1,504
	Brazil	\$50	\$0	\$755	\$100	\$905
	Colombia	\$2,099	\$0	\$11,407	\$0	\$13,506
	Ecuador	\$1,297	\$0	\$0	\$0	\$1,297
	El Salvador	\$100	\$0	\$0	\$0	\$100
	Guatemala	\$0	\$0	\$389	\$0	\$389
	Guyana	\$15	\$100	\$65	\$120	\$300
	Haiti	\$2,517	\$0	\$667	\$0	\$3,184
	Honduras	\$0	\$0	\$1,000	\$0	\$1,000
	Jamaica	\$4,364	\$0	\$7,360	\$0	\$11,724
	LAC Bureau	\$0	\$0	\$0	\$0	\$0
	Mexico	\$2,203	\$345	\$0	\$0	\$2,548
	Nicaragua	\$905	\$0	\$0	\$0	\$905

BUREAU	MISSION	FINANCE	FINANCIAL POLICY	ENTERPRISE DEVELOPMENT	ENTERPRISE DEVELOPMENT POLICY	TOTAL
	Panama	\$0	\$0	\$1,566	\$0	\$1,566
	Peru	\$2,001	\$0	\$1,300	\$100	\$3,401
	<b>Total LAC</b>	<b>\$15,999</b>	<b>\$1,501</b>	<b>\$24,509</b>	<b>\$320</b>	<b>\$42,329</b>
<b>CENTRAL</b>						
	MD	\$3,236	\$3,993	\$3,629	\$6,071	\$16,929
	PVC	\$2,697		\$2,303		\$5,000
	<b>Total CENTRAL</b>	<b>\$5,933</b>	<b>\$3,993</b>	<b>\$5,932</b>	<b>\$6,071</b>	<b>\$21,929</b>
	<b>GRAND TOTAL</b>	<b>\$93,297</b>	<b>\$10,521</b>	<b>\$94,219</b>	<b>\$13,432</b>	<b>\$211,469</b>

ANE Asia and Near East

E&E Europe and Eurasia

LAC Latin America and the Caribbean

MD Microenterprise Development Office

PVC Private Voluntary Cooperation Office

RDM/A Regional Development Mission/Asia





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