

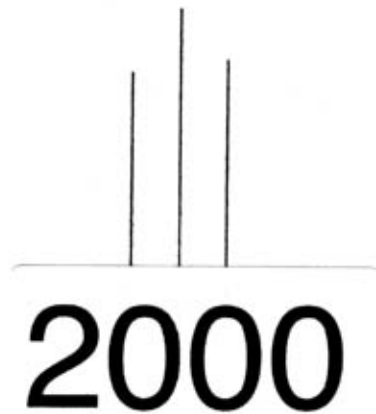
Vol : 12
Quarterly Report
July 2000 - Sept. 2000

Quarterly Report

For

JOBS/IRIS Project

July 2000 – September 2000



JOBS

**A USAID FUNDED INITIATIVE
ASSISTING ENTERPRISES TO
CREATE EMPLOYMENT**

Job Opportunities and Business Support Program (JOBS)

Cooperative Agreement number 388-A-00-97-00013-00

Implementing Agency : United States Agency for International
Development/Bangladesh

Coordinating GOB Agency : Ministry of Industries

Coordinating GOB Entities : Ministry of Planning
Bureau of NGO Affairs
Palli Karma-Sahayak Foundation
Economic Relations Division, Ministry
of Finance

Implementing Contractor : IRIS Center of University Research Corporation
International
University of Maryland

QUARTERLY REPORT NUMBER 12

July – September 2000

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Note: This is the first Quarterly Report prepared in the 'new' format as determined by USAID/Dhaka. As this is a new format, which will emphasize by quarter achievements and results, comparisons to previous quarters are difficult due to the 'old' format of reporting activity and results. However, subsequent Quarterly Reports will reflect more comparisons of quarters, FY year-to-date (YTD) totals, and status to R4 benchmarks for the FY.

I. Introduction

The following Quarterly Report will provide a fundamental accounting of activities and measured achievements for the JOBS Project from July – September 2000. Besides Project management changes, both at JOBS and USAID, the Project was quite busy and stayed on target in meeting its goals and objectives of SMME development, increased sales, and employment creation; the primary focus of the Project to-date.

One month into the quarter the Project experienced a change in management with Mr. Reid Lohr replacing Mr. Anthony Dalglish as the Project Director. At the same period, Mr. Alamgir was hired by USAID and became the Project's primary contact and management link with USAID. During the last two months of the quarter a major emphasis was put on restructuring the JOBS internal organization in an effort to fully integrate all aspects of its three major programs, SME, ME and Policy. Though much of the initial efforts have been completed and the building blocks put into place, the transition process is continuing. The Project has begun to evolve into one that has a greater outreach to the overall aspects of the Bangladeshi economy and is emphasizing 'genuine' sustainability of its activities and recipients.

Much of the last two months was spent working one-on-one with individual Team Leaders to realistically analyze past performance and opportunities in an effort to develop a revised approach and direction for Project intervention. The outcome of these efforts and the first phase of the Project's transition have been detailed in the development of the Business Action Plans and Budgets/Work Plans for FY 2001. These were developed in such a manner to emphasize a concerted transition towards a fully integrated Project while still keeping focused on the individual needs and mechanisms to maximize the Project's potential and achieve all its benchmarks. During this process, joint collaboration stakeholders that will participate in the further development and future direction of JOBS have been initially identified. Negotiations are currently underway to finalize the Project's relationships with each.

During the quarter the JOBS significantly increased its level of assistance in the area of training, in addition to regular follow-up and performance monitoring. This increased emphasis was concentrated primarily on:

- Completing ongoing skill development trainings
- Entrepreneurship Development and Business Management (EDBM)
- Preparing the 'ground' for more advanced level training
- Training of Trainers (TOT)
- Continuing participation in major international trade fairs
- The expansion of the Projects Market Linkage activities
 - Domestic – SMME development
 - ME to SME for distribution channels
 - SME export development
 - Refinement and expansion of 'cluster' concepts
- Increased emphasis on product development
- Methodologies for quality controls consistency

II. Major Target Achievements - Highlights

Despite the management challenges (philosophical, organizational and operational), achieving major target objectives and benchmarks for FY 2000, and in many cases surpassing them marked the last quarter; total full time job growth was the only exception. The analyst chart is attached.

The Project plans to build upon these successes and will soon be positioned to achieve even more substantial results, qualitative and quantitative, as it moves through FY2001. The FY 2001 Strategic Action Plan provides a view of this new direction that is being built upon the Projects successes.

During the quarter our success at the Birmingham Fair allowed the Project to beat previous estimates for export and total sales increase. In the area of training, all programs were successfully completed, despite contract delays at the beginning and intermediately throughout the year. Steps are currently being taken to reduce the amount and severity of these delays for FY 2001.

The major achievements include:

- Participation in the Birmingham Gift Trade Fair with four export oriented handicraft producers. This was our first major success in the UK market with the firms receiving orders worth \$150,000 with more expected with subsequent follow-up.
- Conducted three product development and block printing trainings. This was a follow-up of the vegetable dyeing training held last quarter. Special business management counseling will follow next quarter.
- Completed basic hand-made footwear development training to 60 women in Savar in association with the Savar Women Development Samity. In the coming quarter, advance training will be conducted in an effort to link trainees with export oriented footwear firms. This is the first training of its kind in the footwear sector.
- Completed training for 115 workers in the Surma Footwear Limited by the Footwear Design and Development Institute (FDDI) from India. Surma Footwear, addressing a long-standing problem of lack of skilled human resources, subsequently employed all 115.
- Completed development of forty new designs for four export oriented enterprises so as to compete in the ISF Fair in Japan in the next quarter. A designer with expertise of the Japanese market provided the assistance.
- Completion of survey report on "Operation and Lease Financing".
- Negotiations with Prime, SIBL and Islamic Bank to set up special cells for facilitating access to credit and providing loans utilizing 'moveable assets'.
- Assisted Prime Bank to introduce a loan scheme for SME financing.
- Completed three Bank Officer Training courses on "Understanding and Financing the Special Needs of SMEs."
- Completed six bank SME client training courses on "Strengthening Business and Marketing" using the CEFE development model. Trainings were in Naogaon, Charghat, Faltala, Chuknagar, Mymensingh, and Comila. These completed the financial TA with the Agrani-MEDU Program.

- Distributed over 5,000 copies of “Bank Loan Application Procedures Handbook” to appropriate enterprises, Banks, NGOs, Associations and Chambers of Commerce.
- Initiated relationship building with key players and stakeholders in support of IT agenda for Bangladesh.
- Began meetings with top-level government officials and industry leaders to formulate strategies on e-commerce policy direction.
- Assisted USAID on ITC study and presented overview of IT sector initiatives.
- Designed and completed the promotional items and related media activities for upcoming Exhibition on Vegetable Dyed Products & Leather Accessories.
- Conduct successful field trip and information sharing workshop with visiting ILO team.
- Began production of documentary / educational video on Vegetable Dyeing.
- Began development of a monthly newsletter concept to emphasis qualitative results and overall impacts of JOBS technical assistance and activities.
- Began media relationship building on Project activities involving EC/ICT and SMME development with newspapers and leading journals.

Skill Development Training completed during the quarter and YTD for JOBS SMME recipients.

Activities	Report of Current FY (per recipient days)			Target (YTD)	% Target Achieved
	Achievement up to last quarter (YTD)	Achievement current quarter	Total (end of current quarter		
EDBM Training	14,004	30,264	44,268	45,102	98*
TOT on EDBM	420	360	780	780	100
Vegetable Dyeing	0	425	425	300	142
Footwear	3600	15,750	19,350	29,250	66**
Handloom - Handicraft	240	310	550	550	100
Bakery	160	40	200	200	100

(* Course was started late due to unforeseen delays and target projections from IVS. Course is currently being implemented and will be completed during 1st quarter of FY 2001)

(** Three month training at Madina Footwear was delayed due to procedural and contract delays. The training program has commenced effective September 27, 2000 and will be completed by the end of the 1st quarter of FY 2001).

of loans disbursed to 7,665 JOBS assisted enterprises by the JOBS stakeholders

Activities	Report of Current FY		
	Achievement up to last quarter (Oct '99-June '00)	Achievement current quarter	Total - YTD
# of loans disbursed	Male 2,017 Female 3,039 Total 5,056	Male 402 Female 603 Total 1,005	Male 2,419 Female 3,642 Total 6,061

Note: More loans were disbursed to female recipients than males due principally to MFI program requirements. However, these enterprises hired primarily males thus reflecting a variance when compared to total Job Growth on the R4 Recap.

**III. Highlight Activities for 1st Quarter of FY 2001
(October – December 2000)**

A detailed plan for FY 2001 activities and direction has been provided in the Strategic Business Action Plan/Work Plan. The following is a summary of the focus of the Projects major activities for the first quarter of this FY. All programmatic activities for the quarter, as well the year, have been designed in keeping with the overall Project goals, objectives and direction. During the first quarter of the new FY these will concentrate on the following areas:

- Specialized training on skill development
- Emphasis on product development and design development
- Explore potential international markets
- New marketing channel for local producers
- Strengthening linkage programs
- Identify new prospective sectors
- Expansion of potential clients in activity sectors
- Identification of possible 'new' sector intervention
- Increasing collaboration with 'stakeholders' and other donors
- Conditioned development and implementation of Policy agenda
- Initiate expansion of SMME activities to the "Hill Tracts" region
- Begin relationship building with the Chittagong Chamber of Commerce
- Develop MOU with FBCCI on TA and joint advocacy issues

A more detailed focus of activities and specific direction during the quarter will be primarily centered on these areas:

SME Activities:

Footwear:

- Skill development training – Footwear (APEX) 150 Workers

- Local cluster training – Footwear (Shafipur) 50 Trainees
- Training on pattern making – Footwear ✕ 20 Trainees
- Local cluster training at Daudkandi – Footwear ✕ 50 Trainees
- Advanced training at Savar Cluster – Footwear 60 Trainees
- Trade Fair in Japan – Footwear \$300,000 projected

Textile:

- Reactive and Vat Dyeing – Textile 10 Trainees
- Designing Training – Textile 15 Firms

Leather Goods:

- Training in APEX Leather Craft – Leather 100 Workers
- Local cluster training at Munshiganj – Leather 150 Workers

Handicraft:

- Vegetable Dyeing – Handicraft 20 Trainees
- Basic Business Management Training – Handicraft 20 Trainees

Trade Fairs:

- Exhibition of Vegetable dyed items & leather 10 Firms
- Gulshan Trade Fair 110 Firms

ME Activities

- Finalization of eight (8) new contracts/sub-awards/MOU for TA
 - BURO Tangail
 - TMSS CDS
 - Shakti Foundation
 - BRAC
 - Proshika
 - WAVE
 - Private Commercial Banks - 2
- Finalize the contractual procedures for organizing skill development training to entrepreneurs utilizing local government identities
- Begin Training of Trainer (TOT) EDW & Supervisor refresher course for:
 - Proshika SEED 30
 - BURO Tangail 30
- Start Entrepreneurship Development and Business Management Training to:
 - Proshika SEED Entrepreneurs 200
 - TMSS 200
 - BURO Tangail 200
 - CDS 100
- Begin initial Training of Trainer (TOT) to EDW's and Supervisors of:
 - BRAC 40
 - TMSS 25
 - Shakti Foundation 20
 - Wave 20
 - CDS 20
- Various specialized Skill Development training 125 ✕

Communications and Public Relations Activities

- Recruitment of at least 2 persons for the Project Communications Team to help capture down stream and qualitative impacts of TA
- Identify contractors and begin production of monthly of the JOBS Newsletter
- Complete the JOBS Brochure, translate into Bangla and print
- Follow-up on the Policy Advocacy Journalist's Award Program
- Determine status and impact benefits of AMEX Entrepreneur of the Year
- Co-chair and implementation of SME Team with the PR for Trade Fairs
- Implementation of marketing activities in conjunction with EID 'Fashion Festival'

Policy Activities

E-Commerce & ICT:

- Media Campaign/Mass Awareness Program in collaboration with TechBangla
- Completion of the JOBS commissioned study on e-commerce possibilities in Bangladesh
- Technical assistance program for JOBS clients with e-commerce
- Finalize the details of "E-Commerce: Bridging the Crevice" the International Conference to be held in DHAKA on E-Commerce scheduled for January
- Culmination of "Programming Contest" with Computer-Jagat

Access to Credit – SME:

- Begin work with Allen Welsh on need for 'Collateral Law' and possible establishment of 'Collateral Registry'
- Complete report on "Opportunity to Improve Business Credit: Effective Moveable Property Financing"
- Seminar/Workshop on "Opportunity to Improve Business Credit: Effective Moveable Property Financing"
- Collaborate with BIBM to help guide target banks to properly implement loan schemes based on moveable assets
- Meeting with prospective leasing companies to expand the concept of lease financing coverage to SMEs
- Completion and review of Lease Financing Survey

Loan Facilitation – SMME:

- Institutional relationship with Prime Bank through their SME credit cell and LPG program to access capital for SMMEs based access to credit agenda
- Institutional relationship for entrepreneurship development program and access to capital for SMMEs utilizing collateral free and movable assets based lending by signing MOUs with:
 - Social Investment Bank limited (SIBL)
 - Dutch-Bangla Bank
 - Islamic Bank Bangladesh
- Institutional relationship with National Bank through LPG program to access to capital for SMEs
- Begin training for 25 private commercial bank staff of SME lending
- Initiate organization of a SMME seminar/workshop on policy advocacy and networking

JOBS - R4 Recap
Strategic Objective 5 - Growth in Agribusiness and Small Business
Period: Last Quarter FY 2000 (July-Sept.) & YTD FY 2000

Reporting Period	YTD- June 2000	July-Sept. 2000	FY 2000 Total	Benchmark
SO Indicator				
1. Sales growth (million \$)	7.20	1.48	8.68	8.47
2. Exports growth (million \$)	0.07	0.02	0.09	0.07
3. Jobs growth (Total)	9,996	550	10,546	12,931
Male	6,544	338	6,882	6,650
Female	3,422	242	3,664	5,896
IR Indicator				
5.1 More market-oriented policies, laws and regulations				
1: # of new market oriented policies, laws, regulations & practices adopted	3	0	3	3
5.2 Stronger business support institutions				
1: Value of capital provided by USAID assisted financial intermediaries	1.12	0.75	1.87	0.38
2: # of IFIs supported	29	(same IFI's) 29	29	55
5.3 Stronger market/product development				
1: # of enterprises that enter new geographic markets	9	4	13	2
2: # of enterprises that introduce new products/services	5	3	8	n/a
5.4 Improved products and services				
1: # of enterprises that improve product/service quality	5	5	10	n/a
2: # of enterprises that reduce unit production costs	7	7	14	n/a
5.5 Increased access to capital				
1: Value of capital raised from all external sources.	0.22	0.01	0.23	0.22
OTHERS				
# of enterprises/household assisted	7,005	660	7,665	5,470
Male	2,885	300	3,185	1,658
Female	4,120	360	4,480	3,812
\$ expended (in million)	1.482	0.536	2.018	

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