



JOBS ASSISTING ENTERPRISES TO CREATE EMPLOYMENT

An innovative USAID initiative implemented by the IRIS Center at University of Maryland.

April 09, 2003



Mr. Allen Fleming
Enterprise Development Office
U.S. Agency for International Development
Bangladesh

Subject: First Quarter Report 2003

Dear Mr. Fleming,

I am enclosing copies of JOBS PROJECT's Quarterly Report for the first quarter (October - December 2002) of FY 2003, for your review.

Even at these initial stages, you will notice that JOBS continues to outperform on its self-stated goals. At this rate of success, we expect to meet most of our objectives well in advance of our timetable.

We recognize that our task is far from complete and we hope to work ever harder to provide an even better return on USAID's "investment" in JOBS as the year progresses.

Thank you for your continuing support and feel free to call me for any clarifications.

Best regards,

A. Imran Shauket

cc. Honorable Secretary, Ministry of Industries
Honorable Secretary, Ministry of Planning
Additional Secretary-2, ERD
Joint Chief, Ministry of Industries
Assistant Chief, Ministry of Industries
Deputy Chief, America Desk, ERD
Director, IRIS Center, Univ. of Maryland

Jobs Opportunities and Business Support Program (JOBS)

Cooperat **JOBS PROJECT** 00013-00

**IMPLEMENTED BY THE IRIS CENTER
AT THE UNIVERSITY OF MARYLAND**

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
Pall Karna-Sahayak Foundation
Economic Relations Division

FY 2003

Implementing Partner IRIS Center
University Research Corporation International

First Quarter Report

(October 1, 2002 – December 31, 2002)

QUARTERLY REPORT NO. 31
(1st Quarter of FY2003)

IRIS Center
University Research Corporation (URCI)

JOBS

**A USAID FUNDED ECONOMIC
AND ENTERPRISE DEVELOPMENT INITIATIVE
ASSISTING BUSINESSES TO CREATE EMPLOYMENT**

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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 Planning
Implementing Partner	IRIS Center University Research Corporation International University of Maryland, USA

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IRIS Center
University Research Corporation (URCI)
JOBS Project Bangladesh
House #1-A, Road #23
Gulshan-1, Dhaka – 1212
info@jobsiris.dhaka-bd.net

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R4 Indicators

- Working to build stronger business support institutions that will continue to function as BDS providers long after JOBS leaves the scene and
- Working with the Government of Bangladesh (GoB), Non-Governmental Organizations (NGOs), financial and business institutions, and the private sector to advocate for more market-oriented policies, laws, regulations and practices.

JOBS' interventions are channeled through five distinct but inter-related programs. Their achievements, a few of which are summarized below, are elaborated on in the full report that follows.

SME Development Program

The SME team provided numerous training programs to assist workers in six sectors – Home Textiles, Light Electrical, Leather Goods, Handmade Paper, Personal Protective Equipment, and Footwear – expand their skills, improve their products, establish linkages with lead buyers, and enter new markets. Representatives of the Home Textile, Leather Goods, and Personal Protective Equipment sectors were or are being assisted with their preparations to attend major trade fairs in Germany, the United Kingdom, and Australia. The result of our efforts has been that we have facilitated the export sales to the tune of \$5.5 million in the first quarter alone. These sales are already more than 50% of the targeted yearly sales of \$9.3 million committed by us.

Executive Summary

The success of the ME team's technical assistance and business development services.

As The JOBS Project enters its sixth year promoting business enterprise development through its innovative, "top down, bottom up" approach, the benefits to Bangladesh's small and medium size businesses continue to accrue. We have been actively involved this year in applying our "holistic" approach to SMME development. Our success has given us a market lead and recognition which has led us to be inundated by visitors, consultants and colleagues who are interested in learning about JOBS support of sub sectors growth thru our successful cluster development model. We are pleased to report that we have been increasingly working in close collaboration with various donors and projects including World Bank/IFC funded SEDF, DFID-led consortiums DBSM, GTZ, ILO, DANIDA, SDNP, BRAC and many more. The synergies established among the projects are thus leading to maximum utilization of resources through sharing of best practices and by preventing the duplication of our efforts.

JOBS' enterprise development efforts are focused in three areas:

- Working with selected enterprises in targeted sectors to enhance their performance in the areas of marketing, production, quality control, financial documentation and management, and sales generation;
- Working to build stronger business support institutions that will continue to function as BDS providers long after JOBS leaves the scene; and
- Working with the Government of Bangladesh (GoB), Non-Governmental Organizations (NGOs), financial and business institutions, and the private sector to advocate for more market-oriented policies, laws, regulations and practices.

JOBS' interventions are channeled through five distinct but inter-related programs. Their achievements, a few of which are summarized below, are elaborated on in the full report that follows.

SME Development Program

The SME team provided numerous training programs to assist workers in six sectors – **Home Textiles, Light Electrical, Leather Goods, Handmade Paper, Personal Protective Equipment, and Footwear** – expand their skills, improve their products, establish linkages with lead buyers, and enter new markets. Representatives of the Home Textile, Leather Goods, and Personal Protective Equipment sectors were or are being assisted with their preparations to attend major trade fairs in Germany, the United Kingdom, and Australia. The result of our efforts has been that **we have facilitated the export sales to the tune of \$5.5 million** in the first quarter alone. These sales are already more than 50% of the targeted yearly sales of \$9.3 million committed by us.

conference in Washington which was jointly organized by the State Department, USAID and
ME Development Program led by the Minister for MOSICT

ME Development Program

The success of the ME team's technical assistance and business development services, provided to clients working in the **Handicraft, Weaving, Sewing and Embroidery, Handmade Footwear, Livestock Rearing and Dairy, and Agriculture** sectors, is testified to by the significant increases in sales they have experienced. While the team continues to work with MEs affiliated with MFIs and NGO's, of particular promise is its work with 11 new private, non-governmental ME clusters engaged in the weaving, handicrafts, handmade footwear and electrical goods sectors. The positive results of this new focus on private sector clusters are made clear by the fact that NGOs and international development agencies are beginning to adopt the approach. In the first quarter alone, **we have been able to facilitate approximately \$1million in domestic sales**, while we have also assisted 455 enterprises/households, which account for a majority of our FY 2003 target of 675.

Training

The training team continues to develop new and fine-tune its established training modules to the benefit of Non-Governmental Organizations, Micro Finance Institutions, Income Generating Activities, and the other JOBS teams as well. Among the current courses the team offers are Entrepreneurship Development and Business Management, Competency Based Economy Through Formation of Enterprise, Training Design and Improving Facilitation Skills Curriculum, Management Development Training, Basis Training of Trainers on Fundamental Issues of Training, Organizational Development Training, Training on Monitoring and Evaluation, and Gender and Enterprise Development Training. In the model of a true BDS provider, **the training team has organized "pay for service" EDBM courses and has been contracted by ILO to deliver training to 24 staff members for a fee of \$10,000.**

Micro Policy and Market Linkage

The Micro Policy and Market Linkage team provided assistance to farmers working in apiculture and general agriculture in the Rangamati and Chittagong areas and continued its efforts to facilitate financing for its SME clients, including the Modhupur Pineapple Association. It is noteworthy to mention that in the interest of maximum utilization of resources and to bring about increased efficiency in operations, **it has been determined this quarter to merge the Market Policy team within the SME and ME teams.**

E-Commerce and ICT

The E-Commerce and ICT team co-sponsored the BASIS Soft Expo 2002 to highlight the capabilities of Bangladesh's software and IT service providers, and facilitated the attendance of six local software companies to COMDEX 2002 in Las Vegas last fall. The team continues to advocate for the IT Act and to promote E-Government in Bangladesh through its work with the Law Commission and the Ministry of Science and ICT. During this quarter, the ICT team established the website for the Law Commission, and facilitated the well publicized and successful participation of a delegation from Bangladesh in the e-Governance

conference in Washington which was jointly organized by the State Department, USAID and USTDA. The delegation was lead by the Minister for MOSICT.

Operational Support Services

Of particular note this quarter are the efforts of the Operational Support Service team to support the Bangladesh Judicial Reform Project, assist Pathfinder International set up its new office, and support the finance section of ATDP-II. At the same time, its superb management of JOBS resources is starting to result in savings in the form of unexpended funds which is expected to contribute to JOBS/USAID's continued leadership role in the area of SMME development in Bangladesh beyond September 2003.

Home Textile Sector

- *Jamshed's T-shirt Project, Narayanganj:* JOBS' objective in this cluster is to create a skilled labor force in Jamshed, ensuring direct employment through training. Last quarter the SMEs were organized Advanced Skill Development Training for 40 workers in association with T-shirt #2 Prathamak T-shirt Society. The training, held from September 8 to December 7, 2002, addressed color and design techniques and trends and product diversification. The cluster is now working at capacity to meet its export orders.
- *Satranj Cluster, Moulvibazar, Rangpur, Nisbatganj:* is famous for Satranj rugs, made in the village for thousands of years. JOBS is working to promote the rugs in export markets by giving technical assistance to members of the Karipanyas cluster to improve their product and get linkages to international markets. Advanced Skill Development Training for 50 villagers started in October and will end on January 27th, 2003.
- *Preparation for DOMOTEX-2003, Hannover, Germany:* In the coming quarter, two clients from the floor covering cluster will be attending the DOMOTEX-2003 fair in Hannover, Germany, the world's number one floor covering show. JOBS has been assisting them to develop product quality and complete official formalities and through the successful participation, JOBS is hoping to introduce Bangladesh manufactured woven floor coverings for the first time in Europe.

Light Electrical Sector

- *Training with Energies:* Three training sessions, two in Dhaka and one in Chittagong, were held for 73 electricians, forming six basic technical teams.
- *Comprehensive Technical Training from Germany, Sreki:* Five comprehensive technical training programs with 10 technicians in each started in December 2002. The programs are designed both to meet the demand for more knowledge about solar powered production units and to enable technicians to work effectively in rural areas, doing general electrical work and repairing household electronics.

SME Development Program

Last quarter, the SME program devoted the major part of its efforts to locating both competitive new sectors and innovative projects in existing sectors. Interesting new developments were explored in the handmade paper and light electrical sectors, while activities in existing sectors continued apace, with impressive results in terms of export sales generation. Some of the major achievements for the quarter are highlighted below.

Major Achievements by Sub Sector:

Home Textile Sector

- Jamdani Cluster, Rugganj, Narayangan: JOBS' objective in this cluster is to create a skilled labor force in Jamdani, ensuring direct employment through training. Last quarter the SME team organized Advanced Skill Development Training for 40 weavers in association with Tarabo #2 Prathomik Tanty Samity. The training, held from September 8 to December 7, 2002, addressed color and design techniques and trends and product diversification. The cluster is now working at capacity to meet its export orders.
- Satranji Cluster, Nisbetganj, Rangpur: Nisbetganj is famous for Satranji rugs, made in the village for thousands of years. JOBS is working to promote the rugs in export markets by giving technical assistance to members of the Karupannya cluster to improve their product and get linkages to international markets. Advanced Skill Development Training for 50 villagers started in October and will end on January 27th, 2003.
- Preparation for DOMOTEX-2003, Hanover, Germany: In the coming quarter, two clients from the floor covering sector will be attending the DOMOTEX-2003 fair in Hanover Germany, the world's number one floor covering show. JOBS has been assisting them to develop product quality and complete official formalities and through the successful participation, JOBS is hoping to introduce Bangladesh manufactured woolen floor coverings for the first time in Europe.

Light Electrical Sector

- Training with Energypac: Three training sessions, two in Dhaka and one in Chittagong, were held for 75 electricians, focusing on basic technical issues.
- Comprehensive Technical Training with Grameen Shakti: Five comprehensive technical training programs with 10 technicians in each started in December 2002. The programs are designed both to meet the demand for more knowledge about solar powered production units and to enable technicians to work effectively in rural areas, doing general electrical work and repairing household electronics.

- Cluster Training in Association with Micro Electronics Ltd.: JOBS is working to develop unskilled and semi-skilled workers in core cutting, coil making, and single phase transformer assembly at a new electrical cluster in Savar. These skills are needed in all electrical and electronic component production, and demand for them is increasing. This cluster will provide a micro electronics hub in the area, supplying these necessary skills and creating employment opportunities for 50 men and women.

Leather Goods Sector

- Rangamati Cluster: In November 2002, JOBS, in association with Sarvodaya, initiated skill development training that enabled workers in this cluster to produce gifts and stationery for local and foreign markets. During the three-month training, 40 unskilled workers, including 32 women, learned to produce purses, folders, passport holders, binders and other items from leather, tribal textiles, jute, bamboo, and wood.
- Preparations for Spring Fair, 2003 in Birmingham, UK: The SME team is preparing to facilitate the participation of Creation Limited, Folk International, Apex Leather Craft and Aryana Craft Limited in the prestigious Giftware Fair, held in Birmingham, UK, from February 2nd to 6th, 2003.

Handmade Paper Sector

- Handmade Paper Product Cluster, Sirajganj and Tongi: The program recently opened two new clusters in association with Creation Pvt. Ltd., a leading firm in this sector. JOBS provided a month of advanced skill development training for 30 women in the Tongi Cluster, which produces handmade paper products, in October and November 2002. This cluster provides backward support linkage with Creation. The training addressed color and design techniques and trends and product diversification.
- Handmade Paper Cluster, Mymensingh: JOBS is providing technical and marketing assistance to this new cluster, developed in association with BRAC. Almost 140 workers, 90% of them women, are being trained on handmade paper and paper product production. After only three months of training, the cluster has already started supplying Aarong and other leading stores, and with continued design and product development training, will soon be able to reach export markets.

PPE Sector

- Assistance for Conformite European (European Standards) CE Marking: Last quarter JOBS provided technical assistance to Superior Footwear, Apex Leather Craft, and Zedkay Corporation to achieve CE marking. This achievement will make our clients and their products more marketable and desirable in the international market. The firms hope to get CE marking this year and are expected to enter the \$25 billion European market in 2004.

Footwear Sector

- Technical training for Kishorgonj Cluster: After its successful work with the first Kishorgonj cluster, JOBS developed a second cluster to cater to the increasing needs of this market. 50 unskilled workers, currently being trained on handmade men's shoe production, will be linked to the market upon completion of their training.
- Technical training for Shingair Cluster: JOBS developed this cluster in association with RMM International to create backward support linkage for the footwear industry. 80 unskilled women are now being trained on handmade footwear production for markets in Italy and the UK.

Plans for Next Quarter

Light Electrical Sector

- Training with Energypac: Three more training sessions on basic technical issues will be given to 75 more electricians in Dhaka, Sylhet, and Khulna in the coming quarter.
- Comprehensive Technical Training with Grameen Shakti: The five comprehensive technical training programs begun in December 2002 will continue, with 10 technicians in each batch. The training programs will meet the demand for more knowledge about solar powered production units and enable technicians to do general electrical work and repair household electronics in rural areas.
- Cluster Training in Association with Micro Electronics Ltd: After the first month of training on core cutting for members of this electrical cluster in Savar, the trainees will move to Mirpur to study coil and single phase transformer making. These skills are needed in all electrical and electronic component production, and demand is increasing daily. This cluster will provide an electronics hub in the area, supplying these necessary skills and creating employment opportunities for 50 men and women.
- Comprehensive training in association with Silicon Valley: The project plans to introduce comprehensive technical training in association with Silicon Valley for 25 trainees. Specialization in three different product categories will be provided, according to local demand, to develop entrepreneurship and to supply the lead buyers.

Leather Goods Sector

- Advanced Rangamati Cluster: After the successful completion of basic training, the project will initiate advanced training for this cluster. 40 unskilled persons, including 32 women, will receive additional training on the production of purses, folders, passport holders, binders and other items using leather, tribal textiles, jute, bamboo, and wood.

- *Skill development training*: The project, in association with Devtec Ltd., will provide skill development training to 20 unskilled workers to enable them to produce export quality goods and provide backward linkage support to lead companies.
- *Technical training with Apex Leathercraft*: Technical training and assistance in developing product samples for the Australian market will be provided to the sector, targeting a leather gifts fair this June in Australia.
- *Designer development training with FID*: In the coming quarter JOBS plans to start designer development training for 30 individuals, enabling them to create new designs for different international markets. The targeted product lines will include corporate gifts and fashionable leather products.

Handmade Paper Sector

- *Advanced technical training for Mymensingh Cluster*: After successfully completing the first phase of training, we are now planning advanced technical training on handmade paper production for this cluster.

PPE Sector

- *Assistance for A+A, Dusseldorf, Germany*: Last quarter JOBS provided technical assistance to Superior Footwear, Apex Leather Craft, and Zedkay Corporation to achieve CE marking. These firms hope to get CE marking by this quarter to facilitate their participation in this large PPE fair in Germany.

Footwear Sector

- *Advanced Technical training for Kishorgonj Cluster*: After successful completion of the first phase of training, the project plans to further develop the Kishorgonj cluster through advanced technical training catering to market needs. 50 semi-skilled workers will improve their skills in handmade men's shoe production. These workers will be then linked to markets.
- *Advanced Technical training for Shingair Cluster*: This cluster will get advanced training in association with RMM International to create backward support linkage for the footwear industry. 80 unskilled women are now being trained on handmade footwear production for markets in Italy and the UK.
- *Skill development training in association with Cosmic Jute and Leather Ind.*: The project plans to open a cluster in association with Cosmic Jute and Leather Inc. in Uttara. 50 workers will be trained to develop their skills in handmade footwear production and to create backward support linkages.
- *Advance skill development training for Bay Footwear Ltd.*: Semi-skilled workers associated with Bay Footwear will receive advanced level skill development training

on cutting, sewing, lasting, pattern making and finishing from a trainer hired from India.

- **Advance skill development training for Phulhar Footwear Ltd.:** Semi-skilled workers employed by Phulhar Footwear Ltd. will receive advanced level skill development training on cutting, sewing, lasting, pattern making, packaging, weaving, and finishing from a trainer hired locally.
- **Advanced Technical training for Rangpur and Nilphamary Clusters:** The project plans to further develop these clusters through advanced technical training to cater to the growing needs of the market. After this advanced training, 60 workers will be skilled in handmade men and women's sandals and will be linked to the market.

During the quarter, the ME team visited numerous clusters and also successfully designed and implemented Business Associations (BAs) with two new NGOs with 50 member MFAs involved in producing embroidered and printed material made of jute and cotton. By the end of the quarter, 52 NGOs and four international development agencies had adopted JOBS' ME development concept.

The program worked in six subsectors, focusing primarily in exploring regional markets and increasing sales, targeting growth-oriented producers with defined markets, sufficient demand and backward linkages with potential lead firms.

Major Achievements

Handicrafts Sector (bamboo, cane, plastic, palm fiber and jute products)

Ten handicraft clusters consisting of 213 MFAs were provided technical assistance and BDS services. The assistance included basic design development, graph drawing, stitching, color matching, proper use of dyes, and product quality development. BDS services covered appropriate market identification, product cost and profit analysis, and access to potential markets to ensure fair marketing of products. JOBS' assistance has helped these MFAs penetrate competitive markets with quality products. During October and November 2002, six clusters out of ten had total sales of \$77,457 compared to previous sales of \$33,993.

Footwear Sector (weaving, design, stitching and printing)

The 15 clusters consisting of 377 MFAs identified this quarter have shown continuous growth, both in terms of products sold and new markets captured. JOBS' technical assistance and BDS services helped improve product quality, facilitated access to regional markets, and solved the problem of product volume. Local buyers are now getting continuous supplies according to demand and MFAs are providing products that meet buyers' specifications. Recently, three clusters were able to produce 1,500 embroidered and printed saris needed to meet special orders worth over \$190,000. In October and November 2002, nine clusters made total sales of \$368,213, compared to previous sales of \$247,671.

ME Development Program

The achievements of JOBS' Micro Enterprise Development team's integrated program interventions became apparent this quarter. These efforts focus on the development of private sector business clusters with promising micro enterprises to facilitate access to regional markets and increase their contribution to the regional economy. This is a significant addition to the traditional approach of supporting NGO-affiliated MEs. This new, more focused approach involves working directly with MEs operating independently within their geographic regions/districts. The program is now working with nine private sector clusters headed by nine potential lead buyers to create opportunity for the respective businesses.

During the quarter, the ME team assisted numerous clusters and also successfully designed and implemented Business Associations (BAs) with two new NGOs with 50 member MEs involved in producing embroidered and printed material made of jute and cotton. By the end of the quarter, 82 NGOs and four international development agencies had adopted JOBS' ME development concept.

The program worked in six subsectors, focusing primarily on exploring regional markets and increasing sales, targeting growth-oriented products with defined markets, sufficient demand and backward linkages with potential lead firms.

Major Achievements

Handicrafts Sector (bamboo, cane, pottery, palm fiber and jute products)

Ten handicraft clusters consisting of 253 MEs were provided technical assistance and BDS services. The assistance included basic design development, graph drawing, stitching, color matching, proper use of dyes, and product quality development. BDS services covered appropriate market identification, product cost and profit analysis, and access to potential markets to ensure fair marketing of products. JOBS' assistance has helped these MEs penetrate competitive markets with quality products. During October and November 2002, six clusters out of ten had total sales of \$72,463 compared to previous sales of \$53,999.

Weaving Sector (weaving, design development and printing)

The 15 clusters consisting of 377 MEs facilitated this quarter have shown continuous growth, both in terms of products sold and new markets captured. JOBS's technical assistance and BDS services helped improve product quality, facilitated access to regional markets, and solved the problem of product volume. Lead buyers are now getting continuous supplies according to demand and MEs are providing products that meet buyers' specifications. Recently, three clusters were able to produce 3,500 embroidered and printed saris needed to meet special orders worth over \$190,000. In October and November 2002, nine clusters made total sales of \$368,213, compared to previous sales of \$247,671.

During the past quarter, EDWs completed six EDT courses attended by 150 MEs from six
Sewing and Embroidery Sector (garments, bed covers, shawls)

After receiving skill development training jointly organized by JOBS and the recipient organizations, 150 members of six sewing and embroidery BAs are providing quality products to regional markets. The training covered design, drawing, cutting, and stitching, and helped them produce the types of products markets are demanding, resulting in bigger orders from buyers. These clusters have generated sales of \$63,538 in October and November 2002, compared to previous sales of \$46,288.

Handmade Footwear (sandals)

Two clusters consisting of 50 MEs producing handmade sandals are improving the quality of their products through a comprehensive 90-day training program on design, stitching, spray coloring, finishing, setting, and fitting of ladies' and men's sandals. The lead firms are supervising the training. The firms are enthusiastic about new opportunities to expand markets to other district towns. After one month of training, the participating MEs have started selling their products, reinvesting the proceeds in raw materials needed for further training.

Livestock Rearing and Milk Production

One hundred milk-producing MEs in four different clusters were provided BDS to mobilize local resources, identify alternate markets, conduct demand, supply analysis and cost pricing. This assistance has helped them participate collectively in wholesale markets and benefit from the increased sales. Over a two-month period three of the associations had generated sales of \$7,494, compared to previous sales of \$3,976. The local office of the GOB Livestock Department is initiating a vaccination program and providing continuous counseling services on disease control.

Agro-Based Sector (banana and vegetable cultivation)

JOBS' assistance has enabled banana and the vegetable cultivators access wholesale markets to which they sell their products collectively. They are also provided continuous technical support from the Agriculture Extension Department. During the first two months of the quarter the growers had total sales of \$31,117, compared to previous sales of \$29,021.

Assistance to Individual MEs

JOBS provides follow-up and counseling services to MEs and continuously monitors the performance of the Enterprise Development Workers (EDWs) of the partnering organizations delivering the services. During the first two months of the quarter, these MEs had total sales of \$982,201, compared to previous sales of \$819,451.

Enterprise Development Training (EDT)

During the past quarter, EDWs completed six EDT courses attended by 150 MEs from six different clusters/BAs. This 7-day course helps MEs

- develop a clearer understanding of their business objectives and targets,
- identify common characteristics of successful businesses,
- recognize barriers their businesses face and develop practical solutions,
- mobilize and use local resources,
- learn leadership skills,
- learn new marketing techniques, and reach new, larger markets,
- learn to bargain and deal with buyers in a more professional manner,
- appreciate the importance of supply and demand analysis,
- improve quality control,
- explore alternate market linkages and alternate sources of capital, and
- understand the importance of proper accounts management and documentation.

Identification of New Clusters/BAs

The ME Team has identified 11 new private, non-governmental sector clusters/BAs involved in weaving (silk and *benarashi*), handicrafts (batik and block printing, *nakshi kantha*, etc.), handmade sandals, and electrical goods (switches, holders, regulators, etc.).

Lessons Learned

- A more commercial attitude can be found in the private sector than in NGOs-affiliated sectors. Private sector enterprises are eager to increase their geographical parameters, while NGO affiliated enterprises appear content to accept their limitations. This creates a barrier to NGO affiliated enterprises mainstreaming into the regional economy.
- The cluster approach encourages outreach activities and enables lead firms to expand their businesses.
- Lead firms are the best instruments for analyzing market demand and supply and helping producers increase production.
- Defined markets increase the productivity of MEs, help develop competitiveness, and encourage sustainable access to markets.

Plans for Next Quarter

- Develop seven private sector clusters for cane products, handicrafts, electrical goods, handmade sandals, silk and *benarashi* saris.
- Develop four new BAs with TMSS, Swallows, and Ashar Alo.
- Organize seven Enterprise Development Training sessions for BA members.
- Organize seven Skill Development training sessions for private sector cluster members.
- Organize four Skill Development training sessions for BA members.

Training Team

The training team continues to develop new and fine-tune its established training modules to the benefit of Non-Governmental Organizations, Micro Finance Institutions, Income Generating Activities, and the other JOBS teams as well. Among the current courses the team offers are Entrepreneurship Development and Business Management, Competency Based Economy Through Formation of Enterprise, Training Design and Improving Facilitation Skills Curriculum, Management Development Training, Basis Training of Trainers on Fundamental Issues of Training, Organizational Development Training, Training on Monitoring and Evaluation, and Gender and Enterprise Development Training. In the model of a true BDS provider, the training team has organized "pay for service" EDBM courses and has been contracted by ILO to deliver training to 24 staff members.

Major Achievements

The training team developed an improved Entrepreneurship Development and Business Management (EDBM) training module for the MEs based on past experience and lessons learned. This foundation level course for illiterate and semi-literate people managing top end IGAs develops entrepreneurship and business management skills and enables IGAs to transition smoothly into full-fledged MEs. The six-day course covers

- characteristics of micro businesses,
- differences between micro businesses/IGAs and micro enterprises,
- micro enterprise development cycles,
- risk taking and developing an entrepreneurial mentality,
- skills and characteristics common among successful entrepreneurs,
- product identification,
- business selection,
- market feasibility assessments,
- market surveys,
- developing business plans,
- mobilizing local resources,
- capital and alternate capital,
- investment calculation,
- costing and pricing,
- cost sector identification,
- monthly cost analysis, yearly income analysis, and yearly cash flow analysis,
- marketing and marketing functions, marketing mix (4 P) analysis,
- demand and supply analysis and
- alternate market linkage.

This training module is followed by Competency Based Economy Through Formation of Enterprise (CEFE) training, a methodology for illiterate learners incorporating an experiential learning approach. ILO-Bangladesh has contracted JOBS to introduce this module to 4,000 female entrepreneurs to increase their business management capacity.

The training team has also developed a seven-day long Training Design and Improving Facilitation Skills Curriculum that will enable NGOs and MFI trainers and training managers to develop need based training modules tailored to the needs of their respective organizations. The curriculum covers the contents of training cycles; developing training curricula, appropriate training materials, session plans, and training needs assessments; training methodology; quality implementation of training; evaluation of training programs; and report writing. An action learning approach and participatory training tools and methodologies are used in the course. This quarter the team trained 15 trainers and training managers from BURO Tangail, SSS, TMSS, SATU Tangail, CCDB, UDDIPAN, the Shakti Foundation, the Integrated Development Foundation and Pally Pragati Sangstha in this curriculum following a BDS approach

New training courses initiated this quarter in response to the changing needs of JOBS developing SMME, NGO and MFI clients include:

- Management Development Training (MDT),
- Basic TOT on Fundamental Issues of Training,
- Organizational Development Training (ODT),
- Training on Monitoring and Evaluation (M&E), and
- Gender and Enterprise Development (GED) Training.

Plans for the Next Quarter

- Provide a 13-day long EDBM-TOT course to 24 ILO staff members. Seven PNGOs will participate in this course.
- Provide 6-day long field level EDBM training to 4,000 women entrepreneurs of ILO-PNGOs.
- Organize two training courses on Management Development Training and Advanced TOT.
- Continue providing technical support to the other JOBS' teams to efficiently implement the business plan for the year 2003.

Facilitated Financing for Modhupur Pineapple Association

- JOBS assisted the Modhupur Pineapple Association to get their third loan of \$26,000 from Social Investment Bank Limited during this quarter. Prior to receiving the loan the association had paid their second loan (\$22,000) in full.

Micro Policy & Market Linkage

The Micro Policy and Market Linkage team provided assistance to farmers working in apiculture and general agriculture in the Rangamati and Chittagong areas and continued its efforts to facilitate financing for its SME clients, including the Modhupur Pineapple Association. It is noteworthy to mention that in the interest of maximum utilization of resources and to bring about increased efficiency in operations, it has been determined this quarter to merge the Market Policy team within the SME and ME teams.

Major Achievements

Developed Apiculture Producer's Association

- This quarter a new apiculture association was organized in Rangamati.

Provided Technical Assistance to Association & Forum

- *Training on apiculture:* During this quarter we provided a 15-day long skill development training program on apiculture to 25 farmers associated with the Rangamati cluster. This training will help the producers reduce production costs, improve product quality, and increase production.
- *Training on agriculture:* This quarter we also provided a four-day long skill development training program on agriculture for 20 farmers in Potia, Chittagong. The farmers learned better methods of pest control and weed management and improved production processes that will enable them to increase their production and improve the quality of their products.

Facilitated financing for individual SMEs

- JOBS helped Royal Fashion, Rokeya Handicraft, and Banaj Barnali finance \$10,000 from Prime Bank Limited during this quarter.
- Two more SME clients, Ampang Chanachoor and Salmon Fast Food are in the pipeline to get \$20,000 financing in the coming quarter.

Facilitated Financing for Modhupur Pineapple Association

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Plans for Next Quarter

As mentioned earlier, it has been determined that the work of this team can be performed in a more efficient and synergic manner if the different areas of the team were to be integrated into the existing ME and SME team. This will take effect starting January.

Major Achievements

E-Policy

- IOBS organized a seminar with the Ministry of Science and ICT and the Bangladesh Association of Software & Information Services (BASIS) on ICT Policy and Practice – Steps for the Future that gave stakeholders an opportunity to review the draft IT act developed by the Law Commission and gather information on the latest development issues in ICT and e-commerce from The World IT Group, the United Nations Commission on Trade Related Law (UNCITRAL), and UNCTAD.
- The team helped the Law Commission obtain comments on its draft IT act from UNCITRAL, the UN organization that developed the International Model Law on E-Commerce and Electronic Signatures and facilitated the development of national IT laws in more than 52 countries.
- The team participated in the South Asian Telecommunications Regulator's Council (SATRC), held in Dhaka from December 17-19. The 40 participants attending the meeting represented Asia Pacific Telecommunication members, affiliate members and the private sector.

E-Governance

- To promote a better regulatory environment and ensure civil participation in forming laws for Bangladesh, IOBS developed the official website of the Law Commission (URL: www.lawcommissionofbangladesh.org). This website will facilitate the dissemination of information regarding the work of the Commission and promote civil participation in policy formulation previously reserved to policy makers only.
- The team trained senior officials of the Law Commission on computer applications and basic networking to promote the use of ICT in day to day office work.
- The team facilitated the participation of a delegation from Bangladesh to a four-day conference on "Implementing E-Government" hosted by the U.S Department of State.

E-Commerce and ICT Team

The JOBS' E-Commerce and ICT team's thorough knowledge of global trends in e-commerce, the institutional capacity of GOB organizations, and the present status of the ICT sector in Bangladesh, and its close working relationships with all the stakeholders enables it to effectively promote this sector. This quarter the team achieved several milestones that encourage public-private sector partnerships in policy formulation, effective institutional capacity building, and market exploration by software companies for the economic development of Bangladesh.

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the U.S. Trade and Development Agency and the U.S. Agency for International Development in November. The delegation was led by the Minister of MOSICT.

E-Commerce (Capacity Building for the ICT SME's)

- In October JOBS co-sponsored the first BASIS Soft Expo 2002 to highlight the capabilities and potential of software and IT service providers in Bangladesh and develop domestic markets for their services.
- JOBS provided technical assistance and a market consultant to six software companies that participated in COMDEX Fall 2002 in Las Vegas this November to help them network with the outsource agencies and develop new client relationships.

Plans for the Next Quarter

E-Policy

- Work with the Ministry of Science & ICT and the Law Commission to redraft the IT Act, incorporating comments from UNCITRAL, JOBS/IRIS experts and the private sector.
- Organize a roundtable conference to discuss issues of the IT act jointly with the Ministry of Science & ICT and the Law Commission.

E-Government

- Work with the Ministry of Commerce to develop a roadmap for establishing E-Government.
- Develop E-Government applications for different GOB organizations.

E-Commerce

- Assist the Bangladesh Computer Samity (BCS) to organize the BCS Computer Show 2003 to build the domestic market for IT services.
- Assist the software companies to expand markets in Europe by participating in the CeBIT Fair.

Reporting Period	October	November	December	1st Qtr. Total	Target	YTD +/-
Strategic objective/Indicator						
a: Sales growth - Total (million \$)	2,009	2,195	2,233	6,437	13,380	-6,943
Domestic growth (million \$)	0,299	0,305	0,321	0,925	4,090	-3,165
* Exports growth (million \$)	1,710	1,890	1,912	5,512	9,290	-3,778
Intermediate Result Indicator						
5.1 More market-oriented policies, laws and regulations established						
a: Number of market oriented policies and/or practices adopted	-	-	-	-	-	-
GoB / National Level	-	-	-	-	-	-
NGOs and Private Institutions	-	-	-	-	-	-
5.2 Stronger business support institutions						
a: Value of capital provided by USAID assisted financial intermediaries (million \$)	-	-	-	-	-	-
b: Number of non financial institution assisted	12	1	0	13	28	-15
6. Improved performance of USAID-assisted enterprises in targeted sectors						
a: Number of formal enterprises that enter new geographic markets	5	3	4	12	20	-8
b: Number of enterprises that adopt improved technologies or management practices	18	8	5	31	25	6
**c: Value of financial resources raised by USAID assisted enterprises from all sources (million \$)	1	1	1	3	24	-21
OTHERS						
Number of enterprises/households assisted	335	85	35	455	675	-220
Male owned/operated	150	75	25	250	425	-175
Female owned/operated	185	10	10	205	250	-45
\$ expended (in million) JOBS	-	-	-	-	-	-
\$ expended (in million) JOBS & IRIS	0	0	0	0	0	0
Accounts payable not included in expended	0	0	0	0	0	0