

Annual Progress Report

DATE: *January, 2014*

Award ID: *0049150*

Description: *SOCIAL FUND FOR DEVELOPMENT PHASE IV (Extension)*

Implementing Partner: *Social Fund for Development*

Period Covered: *January – December 2013*

1. Project Issues:

Updated Project Risks: <ul style="list-style-type: none">- <i>Political transition in Egypt post June 30.</i>- <i>Formation of New Government.</i>- <i>Weakness of the economic growth.</i>	Updated Issues: <ul style="list-style-type: none">- <i>Designing new programs that help in job creation..</i>- <i>Approval of SFD organizational structure.</i>- <i>Updating the SFD developmental role in accordance with the current events.</i>
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Expected CP Outcome(s): *Improved national capacity to design and apply and monitor pro-poor policies while addressing geographical disparities*

Atlas Award ID : *00049150*

Justification of the substantive extension: *This project is an extension of the ongoing SFD-UNDP project number 0004915 that started in 2008 until 2012 and is governed by the same rules and regulations of this agreement. The extension is for 2-years (2013-2014) and is based on the recommendations of independent evaluation conducted in 2011. It increases the budget by USD 89,310,186.29 and provides support to further strengthen the capacities of SFD with regards to the following outputs:*

- 1. Enhanced SFD's institutional and operational efficiency*
- 2. Improved planning, Monitoring and Evaluating for Development results*
- 3. Increased access to improved financial and non-financial services for MSEs*
- 4. Methodology and Business processes of human and community development interventions improved, and became more sustainable and aligned with the local environment*

2013 Target: (targets are to be distributed equally among the four quarters of the year)

- *Disburse an aggregate of 1500 M L.E. to small enterprises and create around 136.000 jobs by the Small Enterprises Development Group*
- *Disburse an aggregate of 630 M L.E microenterprises and create around 138,000 jobs by the Central Sector for Micro Finance*
- *Approach existing and new donors to maintain, increase and diversify the financial resources of SFD*

2013 Achievement:

- *1499 M.L.E. disbursed to end beneficiaries (around 99.9% of the planned 2013 Target) to fund an aggregate of 12,469 small enterprises with an average loan size of 120,218L.E. and thus creating an estimate of 38,702 jobs.*
- *864 M.L.E. disbursed to end beneficiaries (around 137% of 2013 Target) to fund an aggregate of 174,256 microenterprises with an average loan size of 4,958 L.E. and thus creating an estimate of 191,681 jobs.*

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OUTPUT 1:

Activity ID: 5

Deliverable Description: *Enhanced SFD's institutional and Operational efficiency*

Start and End Date of this report: 2013

% Progress to date:

Quality Criteria	Date	Results of Activities		
		User Perspective	Resource Status	Timeliness
<ul style="list-style-type: none"> ▪ <i>Effective HR system in place</i> 	2013	<ul style="list-style-type: none"> ▪ <i>Updated HR systems. Updated SFD salary scale and package of benefits and performance based Staff appraisal system</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of staff trained</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD commenced since the beginning of the year a comprehensive skills upgrading program for its staff at regional and central level</i> ▪ <i>1256 of SFD staff were trained during 2013 on business-related subjects.</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of projects internally audited</i> 	2013	<ul style="list-style-type: none"> ▪ <i>The Central Sector for Internal Audit audited an aggregate of 796 projects nationwide: 363 Micro Finance, 69 Small Enterprises, and 364 projects of infrastructure and Community Development.</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of processes automated</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD is in the progress of finalizing two work flow processes automated in order to offer interactive services linked to the workflow process for internal (SFD Staff) & external (Clients & NGOs) users. These are:</i> 		

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		<p>1 -New unified system of beneficiaries</p> <p>2- Direct lending (Activated the Islamic Murabaha program,</p> <p>3- purchasing request</p> <p>5- Direct Lending and Micro Credit workflows: performed analytical study for the workflows according to sectors' needs</p> <p>6- the electronic Archive</p> <p>7- Egymarket developed and launched the Egymarket (exhibition of small enterprises)</p>		
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Financial Summary \$

Account	Fund	Donor	R. Party	Budget 2013	Expenditure	Balance
71300:74500	30071	SFD		17,890,118.88	17,352,924.65	537,194.23
71300/71600	4000	UNDP		346,050.00	341,037.38	5,012.62
72100/72800						
<i>Total</i>				18,236,168.88	17,693,962.03	542,206.85

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OUTPUT 2:

Activity ID: 9

Deliverable Description: Improved Planning, Monitoring and Evaluating for Development Results

Start and End Date of this report: *January - December 2013*

% Progress to date:

Quality Criteria	Date	Results of Activities		
		User Perspective	Resource Status	Timeliness
<ul style="list-style-type: none"> ▪ Amount of New resources mobilized in US\$ ▪ Number of international partnerships signed Existence of RBM and evaluation ▪ No. of national and international events attended by SFD where SFD case is presented ▪ No. of 	2013	<i>SFD mobilized around during the year 2013 around \$108.2 million loans and \$85 Million. SFD also approached a number of existing and new donor agencies to discuss means and ways of future cooperation</i>		
	2013	<i>Twelve international partnerships were signed with .(Islamic Development Bank – EBRD-UNDP- African Development Bank- French Agency for Development- European Union- Community Development Program- Khalifa Fund For Development Of small enterprise- UN WOMEN- ILO)</i>		
	2013	<i>SFD Received a mission from UNDP Washington to enhance the capacity Building of around 54 SFD staff in different levels representing all sectors and Institutional assessment was done by the mission</i>		
	2013	<i>Developed SFD communication strategy and Media Plan.</i>		
	2013	<i>22 National events attended by SFD 7 International Events Attended by SFD</i>		

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<i>promotional reports produced</i>		<i>51 Press Release included summary of the signed protocols.</i>		
▪ Donors Satisfaction		<i>42 success stories were also documented and distributed .</i>		

Financial Summary \$

Account	Fund	Donor	R. Party	Budget	Expenditure	Balance
<i>71300:74500</i>	<i>30071</i>	<i>SFD</i>		1,257,641.38	1,189,208.88	68,432.50
<i>72100 contract.Serv.Co mp.</i>	<i>4000</i>	<i>UNDP</i>		5,000.00	4,787.47	212.53
<i>74200 audio visual costs</i>	<i>4000</i>	<i>UNDP</i>		11,500	11,104.66	395.34
<i>71600 Travel</i>	<i>4000</i>	<i>UNDP</i>		12,000	7,854.71	4,145.29
Total				1,286,141.38	1,212,955.72	73,185.66

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Output 3

Activity ID: 10

Deliverable Description: Increased access to improved financial and non-financial services for MSEs

Start and End Date of this report: *January– December 2013*

% Progress to date:

Quality Criteria	Date	Results of Activities		
		User Perspective	Resource Status	Timeliness
<ul style="list-style-type: none"> ▪ <i>Number of small enterprises financed by gender</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD financed through direct lending mechanism and through intermediaries an aggregate of 12,469 small enterprises;75 % male owned and 25% female owned, with an overall average loan size of 120,218L.E</i> 		
<ul style="list-style-type: none"> ▪ <i>Amount disbursed to small enterprises</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD disbursed an aggregate of 1499 M. L.E. to small enterprises in the sectors of industry, trade, services, agriculture, and miscellaneous. The disbursed amount represents 99.9% of 2013 Target</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of jobs created (small enterprises)</i> 	2013	<ul style="list-style-type: none"> ▪ <i>Financed small enterprises created an estimate of 38,702 jobs</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of intermediaries supported</i> 	2013	<ul style="list-style-type: none"> ▪ <i>3 Banks were supported</i> 		
<ul style="list-style-type: none"> ▪ <i>No. of micro enterprises financed by gender</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD financed an aggregate of 174,256 microenterprises 56% male owned and 44% female owned with an overall average loan size 4,958L.E</i> 		
<ul style="list-style-type: none"> ▪ <i>Amount disbursed to micro enterprises</i> 	2013	<ul style="list-style-type: none"> ▪ <i>SFD disbursed an aggregate of 864 M. L.E. to microenterprises in the sectors of industry, trade, services, agriculture, and miscellaneous.</i> ▪ <i>The disbursed amount represents 137% of 2013</i> 		

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<ul style="list-style-type: none"> ▪ <i>No. of jobs created (micro enterprises)</i> ▪ <i>Number of entrepreneurs benefited from SFD entrepreneurship training program</i> ▪ <i>No. of new non-financial services developed and delivered to small and micro enterprises</i> ▪ <i>No. of training programs designed or delivered</i> ▪ <i>No. of SFD exhibitions conducted and sponsored by SFD.</i> 	<p style="text-align: center;">2013</p> <p style="text-align: center;">2013</p> <p style="text-align: center;">2013</p> <p style="text-align: center;">2013</p> <p style="text-align: center;">2013</p>	<p style="text-align: center;"><i>target</i></p> <ul style="list-style-type: none"> ▪ <i>Financed micro enterprises created an estimate of 191,681 jobs</i> ▪ <i>487entrepreneurs</i> ▪ <i>A bundle of tailored services has been internally developed during 2013 and put into operation in the field & the output :</i> <li style="padding-left: 20px;"><i>559 specialist have been trained form Non-Financial services on the management of small agriculture projects financed by SFD and to increase awareness of the field irrigation project.</i> ▪ <i>In collaboration with the CSCHD, the Central Sector for Non-Financial Services has implemented 7 symposium in three governorates (Sohag, Assiut and Qena) 390 NGO's members participated</i> ▪ <i>45 local exhibitions were held - 26 regional exhibitions the year 2013 around 425 small enterprises displayed their products. In addition to 19 central exhibitions where</i> 		
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	2013	<p>568 <i>small enterprises displayed their products</i></p> <p><i>One (1) international exhibition was held in Bahrain international Garden. It was agreed in principle on contracts with two companies to supply honey, molasses and Dom</i></p>	
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Financial Summary						
\$						
Account	Fund	Donor	R. Party	Budget	Expenditure	Balance
<i>71300:74500</i>	<i>30071</i>	<i>SFD</i>		8,837,663.12	8,412,776.44	424,886.68
<i>72100 contract.Serv.Comp.</i>	<i>4000</i>	<i>UNDP</i>		5,000.00	0	5000.00
Total				8,842,663.12	8,412,776.44	429,886.68

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Output 4

Activity ID: 11

Deliverable Description: Methodology and Business Processes of Human and Community Development interventions improved, and became more sustainable and aligned with the local environment

Start and End Date of this report: *January-December 2013*

% Progress to date: 0 %

Quality Criteria	Date	Results of Activities		
		User Perspective	Resource Status	Timeliness
<ul style="list-style-type: none"> ▪ Amount of fund disbursed to CSCHD projects by sector and sub-sector 	2013	<ul style="list-style-type: none"> ▪ SFD disbursed a total amount of 88,6 M L.E to CSCHD projects; 57.3 M L.E. to Infrastructure Projects, 25 M L.E. to Community Development Projects and 6,3 M L.E. to Human Resources Projects. 		
<ul style="list-style-type: none"> ▪ No. of new projects financed 	2013	<ul style="list-style-type: none"> ▪ 49 new infrastructure projects provided in targeted deprived areas, 164 Community Development projects, and 5 Human Development Projects and Training 		
<ul style="list-style-type: none"> ▪ No. of projects maintained 	2013	<ul style="list-style-type: none"> ▪ 133 projects were maintained 		

Financial Summary				\$		
Account	Fund	Donor	R. Party	Budget	Expenditure	Balance
71300:74500	30071	SFD		759,918.75	697,397.58	62,521.17
71600 Travel	4000	UNDP		17,000.00	16,086.23	913.77
72700 Hospitality	4000	UNDP		7,500.00	1,070.07	6,429.93
Total				784,418.75	714,553.88	69,864.87