

Data Sheet

USAID Mission:	Bangladesh
Program Title:	Private Enterprise Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	388-005
Proposed FY 2004 Obligation:	\$4,500,000 DA; \$1,000,000 ESF
Prior Year Unobligated:	\$0
Proposed FY 2005 Obligation:	\$4,687,000 DA; \$1,000,000 ESF
Year of Initial Obligation:	FY 2000
Year of Final Obligation:	FY 2007

Summary: USAID's program for enterprise development includes technical assistance and training to promote and develop more market-oriented policies, laws and regulations; to strengthen key business support organizations; and to improve productivity and competitiveness of enterprises in targeted sectors. Direct beneficiaries include rural households, micro, small and medium-sized private firms, agribusiness, and private providers of business support services.

Inputs, Outputs, Activities:

FY 2004 Program:

Agribusiness (\$2,060,000 DA). USAID will continue its agribusiness development project, which promotes competitiveness of private agribusiness in four targeted sub-sectors--fisheries, horticulture, poultry, and grains--by improving productivity, market access, and product quality. Assistance will also target key policy and institutional issues that constrain growth in the agribusiness sector. The project will continue to develop a high-impact, industry-managed Seal of Quality program. The program is designed to improve the competitiveness of the shrimp industry, Bangladesh's second largest import, in world markets by assuring buyers that products marked with the seal meet the highest sanitary, environmental and labor standards. USAID will also support efforts to increase the supply of properly trained professionals who are critically needed to manage private agribusiness, thus strengthening agribusiness management capacity. USAID will also fund the development of a market information system that will help agribusiness clients make more informed business decisions. Principal contractors: Louis Berger Group (Prime); Cargill Technical Services (Sub); Land O' Lakes (Sub).

Small business and microenterprise (\$2,440,000 DA, \$1,000,000 ESF). USAID will continue to extend proven low-cost technologies to help rural households improve their productivity, income, and nutrition through pond aquaculture. Under a new competitive export development project, USAID will develop promising market linkages and needed policy and institutional support initiatives to stimulate business growth and employment within targeted sectors. USAID will further refine and develop its activities in support of the information and communications technology (ICT) sector, with a focus on ICT-related human capacity development, e-governance and policy reform. USAID will continue to support bank supervision assistance to the Central Bank provided by the U.S. Department of the Treasury. Through the Global Trade and Technology Network, USAID will continue to encourage local firms to establish business relationships with potential trade and investment partners in the United States and other countries. Principal prime contractors and grantees: University of Maryland's Center for Institutional Reform and the Informal Sector; WorldFish Center.

FY 2005 Program:

Agribusiness (\$2,747,000 DA). USAID plans to continue support for its ongoing agribusiness project focusing on four targeted sub-sectors. During the final year of this project, USAID will assess the lessons learned and evaluate future needs to develop Bangladesh's agribusiness sector. A new agribusiness project will be developed on the basis of this assessment.

Small business and microenterprise (\$1,940,000 DA, \$1,000,000 ESF). USAID plans to continue support for competitive export development. The effort will be concentrated on facilitating the provision of business development services to enterprises within targeted sectors, with accompanying policy and institutional support as appropriate. USAID also plans to extend existing loan portfolio guarantee programs and possibly develop new initiatives with private commercial banks in response to promising opportunities. With ESF funding, USAID will continue and possibly expand human resources development and other initiatives in the ICT sector, and will continue support for the U.S. Treasury's assistance to reform the Central Bank. USAID also plans to create a workforce development program to help meet projected demands for skilled workers in emerging export sectors.

Performance and Results: The focus on small business and agribusiness development within targeted subsectors remains central to Bangladesh's efforts to stimulate and diversify economic growth. Total annual sales for enterprises supported by USAID programs reached an estimated \$65.35 million in 2003, exceeding the target value of \$55 million. Domestic sales accounted for \$50.27 million of the year's total, with exports at \$15.08 million. USAID has a strong reputation as a leading donor providing assistance to agribusiness enterprises resulting in notable successes in domestic sales of poultry and grains. The Seal of Quality program for the shrimp industry received the Prime Minister's endorsement and formed partnerships with important international and regional aquaculture institutions. USAID support helped to launch an Agribusiness MBA program that will develop necessary skills and leadership in the agribusiness sector. USAID's small business development project expanded sales in targeted sectors, including several promising new sectors, by identifying potential export markets for non-traditional items. The pond aquaculture project continued to extend economic benefits to tens of thousands of farm households and to demonstrate simple technologies that are already proving to be sustainable through spontaneous replication in rural Bangladesh.

USAID continued to promote economic growth by addressing key policy and institutional issues, and significant progress was made in two policy initiatives. Secured Transactions and Information Technology laws are now under active consideration by the relevant government ministries. In the ICT sector, one USAID project expanded a program that develops quality human resources in computer networking now provides trainees with opportunities for international certification. Initiatives were also undertaken to help local IT firms develop their marketing skills, to enhance the capacity of Bangladeshi IT associations, and to promote the products and services of IT companies in international marketplaces.

By program completion, Bangladesh agribusinesses and small businesses will have significantly increased opportunities to expand their enterprises and their penetration of both domestic and international markets with a diversified range of products. A suitable enabling environment for the development and expansion of the ICT sector will have been created, and opportunities will be made available to meet the growing demands for ICT-related products and services.

US Financing in Thousands of Dollars

Bangladesh

388-005 Private Enterprise Development	CSH	DA	ESF
Through September 30, 2002			
Obligations	525	38,489	0
Expenditures	525	31,572	0
Unliquidated	0	6,917	0
Fiscal Year 2003			
Obligations	0	4,143	2,135
Expenditures	0	5,882	0
Through September 30, 2003			
Obligations	525	42,632	2,135
Expenditures	525	37,454	0
Unliquidated	0	5,178	2,135
Prior Year Unobligated Funds			
Obligations	0	0	0
Planned Fiscal Year 2004 NOA			
Obligations	0	4,500	1,000
Total Planned Fiscal Year 2004			
Obligations	0	4,500	1,000
Proposed Fiscal Year 2005 NOA			
Obligations	0	4,687	1,000
Future Obligations	0	7,037	2,500
Est. Total Cost	525	58,856	6,635