

Data Sheet

USAID Mission:	Europe Regional
Program Title:	Private Enterprise Development
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	180-0130
Proposed FY 2004 Obligation:	\$221,000 AEEB
Prior Year Unobligated:	\$1,758,000 AEEB
Proposed FY 2005 Obligation:	\$791,000 AEEB
Year of Initial Obligation:	FY 1996
Year of Final Obligation:	FY 2008

Summary: This regional program provides support for the Bureau's enterprise development work across the transition countries of Europe in small enterprise support and finance and in encouraging food industry cluster formation, competition, and trade.

Inputs, Outputs, Activities:

FY 2004 Program:

Encouragement of industry and agriculture cluster formation, competitiveness and trade on a regional basis (\$1,700,000 AEEB prior year recoveries). Contacts with industry and agricultural firms are being pursued throughout the region to identify clusters of business that are capable and committed to working together to produce quality products that respond to the demands of the markets in the region and beyond. Up to six clusters, either on a regional or country-specific level, will be selected for technical assistance. Opportunities to bring business, government, and civil society leaders together to increase the competitiveness of their countries and regions through regional competitiveness consultative councils will be developed and supported. In order to measure progress, assistance will be provided to include countries of the region in the annual Global Competitiveness Report published by the World Economic Forum. Technical assistance will be provided to all participating clusters on the standardization and harmonization of their products for international trade. Chemonics and Citizens Democracy Corps are currently implementing components of this activity with the implementers for the remaining components to be determined.

Program Development and Support (\$221,000 AEEB, \$58,000 Carryover AEEB) The above program areas will be supported by program-funded technical staff and related support.

FY 2005 Program:

Encouragement of industry and agriculture cluster formation, competitiveness, and trade on a regional basis (\$500,000 AEEB). The assistance to selected clusters will continue. USAID will work with the groupings of businesses to: better understand the demands of the markets; improve the business environment directly impacting the cluster; improve the productivity up and down the supply chain; and to participate actively in trade. Efforts to link business, government and civil society leaders will be continued. Implementers are to be determined.

Program Development and Support (\$291,000 AEEB). The above program areas will be supported by program-funded technical staff and related support.

Performance and Results: Nearly all USAID private sector programs have focused significant resources on improving the environment for private sector economic growth. In each country in the region, policy reforms and laws have been enacted to give the private sector greater access to information, credit, technology, markets, and an improved commercial, legal, and regulatory environment. Inputs include technical assistance and training directed at improving human resource knowledge and capacity, business management and information, commercial laws and regulations, and technology transfer. Land

reforms are being enacted enabling the use of land and property to be traded or consolidated to expand the productivity of previously dead assets and the development of a land market system. The private sector is rapidly gaining greater access to financial instruments and new markets. Trade and investment events have generated intra-regional export momentum. Competition among domestic businesses and farmer associations encourage firms and farmers, throughout the region, to improve product value and volume primarily for sale in domestic, regional, or European Union markets.