

Attachment 1: Reporting requirements contained in the
Microenterprise Results and Accountability Act of 2004

For more than a decade, USAID has prepared an annual report to Congress and the general public on its microenterprise programs. The new law expands upon the annual reporting requirements, mandating eleven elements as described below:

SEC.258. REPORT.

- (a) In General- Not later than June 30, 2006, and each June 30 there after, the Administrator of the Agency, acting through the Director of the office, shall submit to the appropriate congressional committees a report that contains a detailed description of the implementation of this title for the previous fiscal year.
- (b) Contents- The report shall contain the following:
 - (1) The number of grants, cooperative agreements, contracts, contributions, or other form of assistance provided under section 252 [**the section of the law authorizing USAID to provide microenterprise assistance**], with a listing of—
 - (A) the amount of each grant, cooperative agreement, contract, or other form of assistance;
 - (B) the name of each recipient and each developing country with respect to which projects or activities under the grant, cooperative agreement, contract, contribution, or other form of assistance were carried out; and
 - (C) a listing of the number of countries receiving assistance authorized by section 252.
 - (2) The results of the monitoring system required under section 253 [**see below**].
 - (3) The process of developing and applying poverty assessment procedures required under section 254 [**the section of the law outlining the requirement for USAID to develop client poverty assessment tools and require their use by awardees by October 2006**].
 - (4) The percentage of assistance furnished under section 252 that was allocated to the very poor based on the data collected using the certified methods required by section 254.
 - (5) The estimated number of the very poor reached with assistance provided under section 252.
 - (6) The amount of assistance provided under section 252 through central mechanisms.
 - (7) The name of each country that receives assistance under section 256 [**the section of the law pertaining to DCA and credit instruments**] and the amount of such assistance.
 - (8) Information on the efforts of the Agency to ensure that recipients of United States microenterprise and microfinance development assistance work closely with nongovernmental organizations and foreign governments to identify and assist victims or potential victims of severe forms of trafficking in persons and women who are victims of or susceptible to other forms of exploitation and violence.
 - (9) Any additional information relating to the provision of assistance authorized by this title, including the use of poverty measurement tools required by section 254, or additional information on assistance provided by the United States to support microenterprise development under this title or any other provision of law.

- (10) An estimate of the percentage of beneficiaries of assistance under this title in countries where a strong relationship between poverty and race or ethnicity has been demonstrated.
- (11) The level of funding provided through contracts, the level of funding provided through grants, contracts, and cooperative agreements that is estimated to be subgranted or subcontracted, as the case may be, to direct service providers, and an analysis of the comparative cost-effectiveness and sustainability of projects carried out under these mechanisms.

As referenced above, the law requires strengthening the existing agency-wide monitoring system (the Microenterprise Results Reporting system to which missions and other operating units currently report annually), by setting measurable performance goals for assistance and monitoring progress against goals as a basis for recommendations on how to increase impact and sustainability of USAID's microenterprise programs. The text from the law follows:

SEC.253. MONITORING SYSTEM.

- (a) In General- In order to maximize the sustainable development impact of assistance authorized under section 252(a), the Administrator of the Agency, acting through the Director of the office, shall strengthen its monitoring system to meet the requirements of subsection (b).
- (b) Requirements- The requirements referred to in subsection (a) are the following:
 - (1) The monitoring system shall include performance goals for the assistance and expresses such goals in an objective and quantifiable form, to the extent feasible.
 - (2) The monitoring system shall include performance indicators to be used in measuring or assessing the achievement of the performance goals described in paragraph (1) and the objective of the assistance authorized under section 252.
 - (3) The monitoring system provides a basis for recommendations for adjustments to the assistance to enhance the sustainability and the impact of the assistance, particularly the impact of such assistance on the very poor, particularly poor women.
 - (4) The monitoring system adopts the widespread use of proven and effective poverty assessment tools to successfully identify the very poor and ensure that they receive adequate access to microenterprise loans, savings, and assistance.

EGAT/MD is modifying the Microenterprise Results Reporting system to accommodate the new reporting requirements, and will seek to implement changes in consultation with missions and other operating units and with a keen awareness of the burden of multiple reporting requirements they already face. Your cooperation will be much appreciated.