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USAID INVESTS IN ADVISERS TO ENHANCE BUSINESS COMPETITIVENESS IN ARMENIA

Since 2004, VEGA has provided [USAID Armenia](#) with technical assistance through our Long Term Business Advisers program. USAID/Armenia's Office of Economic Restructuring and Energy (EREO) funds this project, which focuses on strategic objectives such as employment growth and increased private business competitiveness in Armenia.

The [Institute for Internal Education \(IIE\)](#), through its [Emerging Markets Development Advisers Program \(EMDAP\)](#), implements the project by recruiting professionals with business and international development backgrounds to provide technical assistance to EREO partners—local organizations, SMEs and USAID funded projects.

James Lykos, a Senior Adviser, has been deployed to provide support to the [American Chamber of Commerce in Armenia](#). James works closely with the government of Armenia to implement strategies to improve the current business environment, facilitating rapid, sustainable and equitable economic growth.

Project Activities

The Senior Adviser focused on executing a new communications strategy which involved developing an AmCham Business Magazine, creating a Member Directory and revamping the current website.

Other projects include:

- *Intellectual Property Rights*: Working with the Business Software Alliance to increase awareness of intellectual property rights.
- *Conferences*: Organizing Franchising Conferences by working with the US Embassy and other Armenian business associations to introduce U.S. franchising brands to Armenia; Organizing Corporate Social Responsibility (CSR) conferences and develop working groups of interested businesses and NGOs.
- Increasing Member Base and Conducting Member Surveys.

We have really benefited from the presence of an EMDAP adviser in a newly-launched program here, and are pleased to see the expansion of the program

– USAID Economic Growth Officer, Yerevan, Armenia

Through these initiatives, AmCham has proven to be of value to the Armenian business community and is currently the most active business association in Armenia.

The Senior Adviser will complete his assignment at AmCham in February 2009. Additional program results will be featured in an upcoming newsletter.

The Current Adviser

James G. Lykos previously worked as a Sales Team Trainer for Population Services International (PSI) in Kigali, Rwanda. He also worked for the South Carolina Export Consortium researching the international landscape in fuel cell development. Lastly, he served as a Peace Corps volunteer in Georgia.



Lykos with his Supervisor, Diana Gaziyan, Executive Director American Chamber of Commerce – Armenia

VEGA Advisers Ensure Sustainability

VEGA Member Organization, IIE, ensures that the adviser carries out a sustainability plan which guarantees long term success of the organization after the adviser exits the country. James Lykos is currently training AmCham staff to manage the publication of the AmCham Business Magazine, implement a communication strategy and increase AmCham Membership.

Overall, VEGA advisers have proven to be an inexpensive and useful tool in providing technical assistance for economic growth programs and increasing the capabilities of organizations and businesses supported by USAID.

USAID INVESTS FUNDING IN BUSINESS ADVISERS TO ENHANCE PROGRAMS

Continued from pg 1

Kazakhstan

In 2007, [USAID/Central Asia Region \(CAR\)](#) requested a VEGA Long Term Business Adviser to provide assistance to the American Chamber of Commerce in support of their Public-Private Economic Partnership Initiative (PPEPI).

Implementing organization, IIE chose Sanjay Srikanthiah, a graduate of SAIS and a former Peace Corps volunteer in Kazakhstan for the Public-Private Economic Partnership Specialist.

PPEPI further improves Kazakhstan's business environment and increases the country's competitiveness through facilitating greater public-private dialogue on such issues as tax, anti-corruption, technology exchange, and WTO accession.

Overall USAID is very happy with Sanjay's work, especially as they mentioned, the price of having an adviser is a steal compared to hiring outside consultants.

Our advisers cost USAID missions around 55-75K depending on location and contractors can cost around 125K for the same services.

Sanjay will be extended for an additional year to assist AmCham in developing a one year pilot program from January 1 – December 31, 2009 that will take over-all responsibility for coordinating PPEPI implementation, ensuring a professional level of organization, adherence to schedules, and financial responsibility.



From Right: Business Adviser (Sanjay Srikanthiah) with Mission Director (William Frej)

VEGA ETHIOPIA & USAID LAUNCH NEW DCA PROGRAM

In the presence of the USAID/Ethiopia Mission Director, Mr. Glen Anders, Mr. Addis Alemayehou, Chief of Party of VEGA Ethiopia AGOA+ and his team held a press conference on December 3rd, 2008 at the Hilton Addis. The purpose of the conference was to officially launch the start of a Development Credit Authority (DCA) Program to the public.



The Development Credit Authority (DCA)

The [DCA](#) is a broad financing authority that allows private sector bank resources to have a greater and sustainable impact in supporting economic growth. The program strengthens the ability of partner banks to extend loans to business enterprises in new sectors or target clientele.

In sum, USAID guarantees 50% of the borrower's collateral requirements and will reimburse partner

banks the net principal on default loans covered under the agreement. All loans are made with partner bank funds. Neither USAID nor VEGA Ethiopia is involved in due diligence or the credit decision made by the lending institutions.

New DCA Agreement

The DCA agreement was signed in September 2008 to cover collateral requirements for loans extended up to USD 17.12 million to women and Diaspora entrepreneurs.

Under the new agreement, VEGA Ethiopia will review business plans, appraise feasibility studies and provide guidance in the course of the loan approval process to qualified applicants. VEGA Ethiopia will also arrange trainings for various stakeholders, organize events and conferences to improve lending practices and promote DCA utilization. VEGA Ethiopia will act only as a facilitator; all the credit decisions are made by partner banks. The Financial Institutions covered under the new technical

assistance arrangement are:

- [Bank of Abyssinia](#),
- Nib Bank, and
- [Dashen Bank](#)

VEGA Ethiopia AGOA+

The VEGA Ethiopia AGOA+ Project provides technical assistance to private firms and business membership organizations to increase [AGOA](#) exports and attract capital inflows and create jobs in Ethiopia.

To tap the potential of Diaspora and women entrepreneurs, USAID has broadened the scope of VEGA Ethiopia activities to include technical support to its Development Credit Authority (DCA) guarantee facilities. The purpose of these facilities is to avail resources to help the Diaspora and women entrepreneurs capitalize on existing and upcoming business opportunities.

Implementing Organization
IESC

VOLUNTEERS FOR PROSPERITY'S VFP SERV PROGRAM

VFP Serv is a useful resource for VEGA member organizations implementing programs which use volunteer consultants.

In March, the Office of [Volunteers for Prosperity](#) launched the Volunteers for Prosperity Service Incentive Program, or "VFP Serv", to improve the affordability of short-term

international volunteering for skilled American professionals.

VFP Serv provides grants to partner organizations to assist skilled Americans who wish to volunteer abroad. VFP Serv grants (ranging from \$500 to \$1000) are individual, non-renewable and are designated to offset travel, insurance and local living costs of short-term international volunteer assignments.



Grants match at least an equal amount of funds raised by volunteers locally. Volunteer assignments are supervised by leading US non-profits and companies affiliated with the VFP Office.

The award process is competitive and a prospective volunteer who applies for a matching grant must have at least three years' professional experience, a developed service assignment with a VFP partner organization and a need for financial assistance.

To qualify for a matching grant, the volunteer must raise at least an equal amount of funds from within his/her local community, as well as any additional funds needed to meet the assignment's budget. Fundraising is facilitated through an online platform built and managed by GlobalGiving.

For more information about Volunteers for Prosperity, please visit www.volunteersforprosperity.gov. To learn more about VFP Serv, please visit www.globalgiving.com/cb/vfpserv/.

SPOTLIGHT ON VEGA MEMBER ORGANIZATION IRPF



The [International Real Property Foundation \(IRPF\)](#) is an independent, non-profit with a mission that includes helping create free, efficient, honest and equitable real estate markets anchored to private property rights; and promoting real property ownership as a key element of free societies.

The IRPF, a USAID-acknowledged standard-setter for real estate, delivers technical expertise and training at the "grassroots" level to enable individuals to come together and remove impediments to property and housing ownership and use.

Over the last sixteen years, the IRPF has mobilized over \$14 million in assistance to developing economies. Their efforts

have had considerable success in developing the fields of real estate appraisal, management, brokerage and development and have prompted the organization and professional development of associations of real estate practitioners in those fields.

The IRPF currently has programs in:

- Azerbaijan,
- Bosnia,
- Georgia,
- India,
- South Africa,
- Ukraine,
- and Vietnam.

The Foundation also provided continued support to the [Central European Real Estate Associations Network](#), a regional real estate association IRPF helped launch in 1995.

IRPF in Ukraine

IRPF has been instrumental in contributing to the growth of Ukraine's real property industry since it began working with the organizations there in 1993. Overall IRPF trained 1,928 individuals and certified 756 through its Brokerage Certification program.

IRPF in India

Since its initiation, the National Association of Real-

tors-India has proved to be a rapidly succeeding organization driven by the Indian real estate industry's interest in and need for elevated real property practice. Early successes of the organization include a rapid growth in membership, protocol signings with seven regional organizations, the development of curriculum for a Brokers Certification Program, and a restructuring of the Board to allow for transparent and democratic governance.

Learn more at www.irpf.org.

Read the [IRPF Global Wire](#)

VEGA Member Organizations have a wide range of capabilities as well as niche market expertise. The IRPF specializes in real estate related development projects promoting property rights, training real estate practitioners and building free and efficient real estate markets. They have actively assisted and/or helped establish more than 75 real estate associations around the world representing a combined membership of over 150,000.

Director's Corner



These are exciting times in Washington, particularly with respect to foreign assistance and the changing administration. The following is from [President-elect Obama's web-site](#):

"Barack Obama believes that strengthening weak states at risk of collapse, economic meltdown or public health crises strengthens America's security. Obama will double U.S. spending on foreign aid to \$50 billion a year by 2012. He will help developing countries invest in sustainable democracies and demand more accountability in return. Obama will establish a \$2 billion Global Education Fund to eliminate the global education deficit. He will reduce the debt of developing nations and better coordinate trade and development policies. Obama also will reestablish U.S. moral leadership by respecting civil liberties; ending torture; restoring habeas corpus; making the U.S. electoral processes fair and transparent and fighting corruption at home".

Yet, this will take time, and may well be affected by outside events such as the need to rebuild financial stability within the U.S.

We do have a general sense of what is proposed for 2009. You can read the actual appropriations at the following link: <http://appropriations.senate.gov/state.cfm>. We are also hearing that health, education and economic growth are going to receive increased attention. All in all, it should be a year of change within the development community.

Happy Holidays

Picture on Cover Page provided by Winrock International Volunteer Cathryn Kloetzli.

VEGA

The 16 member strong Volunteers for Economic Growth Alliance has made tremendous progress worldwide. With the support of more than 65,000 volunteer experts and professional in-house staff we've undertaken 17 projects in 21 countries constituting \$48 million of activities that span all USAID regions.

VEGA MEMBERS

VEGA members include the best in international development and have substantial experience and records of accomplishment across the spectrum of economic development programs, business sector development in particular.

- ACDI/VOCA
- ◆
- Citizens Development Corps (CDC)
- ◆
- CNFA
- ◆
- Encore! Service Corps International (Encore!)
- ◆
- Florida Association for Volunteer Action in the Caribbean and the Americas, Inc. (FAVACA)
- ◆
- Financial Services Volunteer Corps (FSVC)
- ◆
- IIE/Emerging Markets Development Advisers Program (EMDAP)
- ◆
- International Executive Service Corps (IESC)
- ◆
- International City/County Management Association (ICMA)
- ◆
- International Real Property Foundation (IRPF)
- ◆
- International Senior Lawyers Project (ISLP)
- ◆
- Land O'Lakes, Inc.
- ◆
- Opportunities Industrialization Center International (OICI)
- ◆
- Partners of the Americas
- ◆
- Winrock International
- ◆
- World Council of Credit Unions (WOCCU)

