



Enterprise for Pro-poor Growth

Seventh project progress report

19 August 2008 to 19 February 2009

Colombo, March 2009

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Acronyms

EYB	Expand Your Business
FCCISL	Federation of Chambers of Commerce and Industry of Sri Lanka
GA	Government Agent
KAB	Know About Business
LOCA	Local Competitive Advantage
MDF	Management Development Foundation South Asia
MSE	Micro, Small Enterprise
NIE	National Institute of Education
SIYB	Start and Improve Your Business
SLIDA	Sri Lanka Institute for Development Administration
VCD	Value Chain Development

1. Introduction

This report presents progress of the Micro and Small Enterprise Development for Pro-poor Growth project, Enter-Growth for short, between August 2008 and February 2009. It reports on progress per output and considers impact related issues, cross-cutting issues and project management. The report is in the first place meant as a factual update for the evaluation that will take place in March, and contains less analysis than previous reports.

2. Work done

This Chapter reports on project progress against planned outputs.

District level - Immediate objective 1

Expanded markets for services and products of micro and small enterprises of women and men in the North-West and North-Central provinces, through increased productivity and competitiveness, a stronger demand orientation, and better market linkages.

Output 1.1

The supply strengthened of business services and skills training that enable women and men in MSEs to increase their productivity, offer more market-led products and services, and develop market linkages.

Progress:

The table below updates the number of **LOCAs and local Value Chain Development (VCD) exercises** that have been conducted so far, a total of 28, with 5 ongoing. This includes 1 LOCA and 3 VCD exercises that have been completed in the present reporting period.

District	Completed		Ongoing	
	LOCA	Value Chain	LOCA	Value Chain
Anuradhapura	5	2		1
Polonnaruwa	4	3	1	
Puttalam	5	2	1	
Kurunegala	2	5	1	1

Some of the recent results from the exercises include (excluding with regard to regulations, see Output 2.4):

- The Tourism Board agreed to develop agro-tourism in two villages and to produce a documentary on tourist attractions to promote Anuradhapura district in the media.
- Fruit and vegetable producers in Anuradhapura were linked to national level processing companies.
- The Provincial Agriculture Ministry is establishing an agriculture marketing information centre in Anuradhapura.
- The Ministry had established 30 cooperative societies to facilitate bulk purchasing and production of fruits and vegetables. The CIC company

agreed to support development of an effective extension service through input suppliers.

- The Export Development Board allocated Rs. 25 million to development of export from Polonnaruwa, with a focus on ornamental fish. A high-level meeting is to take place to consider making the District and Export Zone for ornamental fish.
- A supermarket chain signed forward contracts with 50 farmers in Elahera (Polonnaruwa) for the supply of water melons. The chain is planning a bulk freezer in the same area.
- 17 flower growers who earlier accessed low interest loans are now cultivating flowers in net houses (Puttalam).
- A forward sales agreement signed by twenty flower growers in Puttalam has become operational, sales are taking place.
- Quality of salt made in Puttalam has been improved, by increasing purity; 66 salt producers were trained on better salt bed preparation.
- The salt producers association in Puttalam is establishing a salt packaging business.
- In Kurunegala, a better collection system has been set up for anthurium growers, resulting in better market access.
- 50 new anthurium growers were trained and access to credit was facilitated (North-West Province).
- 15 received grants for anthurium growing expansion.
- A DVD on anthurium cultivation is being produced by Kurunegala's Export Development Board office.
- A foundation in Kurunegala facilitated the establishment of a District Association of dairy farmers, bringing together 30 divisional associations.
- The Ministry of Agriculture and Animal production North-West Province allocated 40 million Rupees to improve 50 model breeding farms and 300 model production farms (this is linked to the Regional VCD as well, see below).
- 50 small rice millers were trained on rice product value addition (Kurunegala).

Work on four Regional Value Chain Development exercises continued.

- *Coir (Puttalam and Kurunegala)*: Project partners have conducted 6 training programmes on Good Working Practices for coir mills (3 in each district). More than 90 millers participated. Eight have introduced Good Working Practices, more are planning to do so. A brochure on Business Development Services for the coir industry was printed and distributed to all rice millers in the province. Work to improve the safety of coir milling drums is still ongoing. The current expected completion date is June 2009.
- *Dairy (all four districts)*: Three proposals are now moving forward. A Forum of Dairy producers was established at the Provincial Ministry of Agriculture, in Anuradhapura, to initiate a dialogue between the producers, the authorities and other stakeholders. The intention is to raise awareness on the issues faced by the producers and address them. Secondly, the project is preparing a manual on Good Agricultural Practices, after extensive consultations in the sector to avoid overlaps with other work. BDS providers are expected to eventually provide Good Agricultural Practices

training to the dairy farmers. Finally, establishment of breeding farms is continuing. The Central Bank is the main supporter. Generally, the exercise seems to have improved motivation among the stakeholders. The Ministry is taking a more active role and several projects, including IFAD, have started funding dairy development activities.

- *Cut flowers and foliage, ornamental plants (all four districts):* The Export Development Board in Kurunegala continues to play a very active role in the implementation of proposals that resulted from this exercise. The following are recent developments:
 - A national-wide association of small rural floriculture societies was formed, the Tropical Floriculture Association of Sri Lanka
 - The first Agro Exporting zone for cut flowers and foliage was established in Bingiriya, Kurunegala, February 2009 This has the potential to benefit thousands of MSEs.
 - 30 Agriculture Instructors were trained in Anthurium and Cut Foliage cultivation.
 - 16 representatives of banks in Kurunegala were made aware of the potential of the floriculture industry. The Wayamba Development Bank is planning to lend through floriculture associations.
 - 9 growers were trained on low cost methods of tissue culture, to establish reliable plant material supply. They will be provided with the necessary equipment.
 - 4 exporters were linked with floriculture associations in North-West Province, benefiting hundreds of growers and some collectors.
 - Association leaders were made aware of the small Business Association Management training programme.
 - 20 cut foliage nurseries are being established with the support of the PEACE project in Anuradhapura.
 - In Polonnaruwa three awareness workshops were held and 47 new growers from the district were trained by the EDB in Kurunegala. A suitable foliage plant for the area was identified. Agreement was reached with an exporter on forward contracts.
 - The EDB is facilitating the provision of quarantine certificates for exporters to enable them to take production from MSEs.

- *Packaging (all four districts):* Work on some of the proposals has started. The Social Performance Development Centre of Dambadeniya (under the Dambadeniya Development Foundation), which is the host organisation, has started a “packaging incubator”, where small businesses can obtain packaging services. This is one of several planned. It also produced a CD and brochure on packaging which is being distributed through the Small Enterprise Development Division. The National Packaging Centre as well as trainers trained earlier to provide packaging training are being involved in the implementation of other proposals, including district-level packaging exhibitions. The EDB has organized a training programme on packaging for export. The first programme took place in Kurunegala, more are planned. At the national level, a Training of Trainers of the Small Enterprise Development Division was conducted. The Sri Lanka Institute of Packaging is improving its website to include more relevant information for small producers. It also conducted a training programme in Kurunegala.

The Sinhalese translation of the Value Chain Development manual is being finalised after some changes were made in the English. A Tamil translation is planned. The manual has not been printed yet due to the final changes, but is available on www.entergrowth.com and on CD.

Progress with regard to the **improvement or development of new business services** was as follows:

Packaging training: The service continues to be provided (22 seminars so far, including 6 in the current reporting period). More training is planned. Packaging training was also integrated into numerous other programmes. The project does not have information on the total number of trainees, but in Kurunegala alone more than 800 people have been reached (including packaging training mentioned elsewhere in this report).

Upgrading private sector training providers of garment making: Completed.

E-commerce: See output 4.5.

Improving business ethics: The full twelve 25-minute episodes of a tele-drama series were finalised in the previous reporting period. Discussions are still ongoing on broadcasting the full series.

Services to help MSEs communicate with larger markets: The project and the 4 MSE Forums conducted 4 launching events of a CD with templates for business letters in three languages (December 2008). The CD was introduced and sold to communication service and other BDS providers. The Bizinfo CD, on business regulations and services, was launched at the same events (see output 1.2). The CDs are available from the Forum Secretariats. The income will go to the Forums. The project is developing ideas for a promotion campaign targeting MSEs as well as communication and BDS providers.

Private veterinary services for artificial insemination: The Ministry of Agriculture and Animal Production of North-West Province has agreed to develop 5 young farmers from each division (150 in total) to provide artificial insemination services in Kurunegala District.

Investment promotion: The Federation of Chambers of Commerce and Industry (FCCISL) has now taken ownership of this activity. The four District Chambers have incorporated Investment Promotion Desk Offices into their business plan as a key chamber activity and will start implementation in February 2009. Enter-Growth will follow up on the implementation and offer technical assistance.

Output 1.2

The demand strengthened for business services and skills training that enable MSEs to increase their productivity, offer more market-led products and services, and develop market linkages.

Progress

Business Service Fairs will be organised in Puttalam and Kurunegala later in the year. In Polonnaruwa a fair will be organised by the Export Development Board, with a focus

on services for export. There will be no project support. In Anuradhapura, a Tourism Week will be organised. The purpose is to create awareness and generate demand for the local tourism industry and build linkages among stakeholders. The week will include a fair with exhibitors from a wide range of Business Service providers, including providers of tourism services, travel agencies, tourism associations, providers of training and consultancy to the sector, suppliers of equipment, information service providers etc.. This is planned for April.

Business services continue to be promoted through distribution of brochures with BDS information at **Palama** campaign performances.

The project's work on **provincial databases** that include information on buyers and suppliers, services, and Government regulations has finally been completed. Information on buyers and suppliers had to be excluded due to design problems. The databases are available on CD as well as on the internet (www.bizinfo.lk). The information on regulations and procedures is now also available from the Government Information Centre, a call centre. The Centre is well-promoted and receives some 3,000 calls a day.

Output 1.3

MSEs' and MSE starters' access to financial services improved through stronger linkages between representative organisations, service providers and Government on the one hand and financial institutions on the other

Progress

LOCAs and VCD exercises have continued to contribute to better access to finance for some of the involved enterprises. This is demonstrated by the examples included under output 1.1.

District level – Immediate objective 2

A policy, legislative and regulatory environment in North-West and North-Central province that is conducive to the growth of micro and small enterprises by women and men, and will bring more of them into the formal economy.

Output 2.1

A dialogue established and sustained between provincial, district and local authorities, MSEs, and business service providers

Progress

The **MSE Forums** continue to function as before. An experience sharing workshop was held on 26 September. Fifty-nine members (8 women) participated. The workshop included a presentation on the results of a mission of the specialist on the enabling environment from ILO Geneva, Graeme Buckley, who made recommendations on how to link the Forums more effectively to the national level. The experience sharing was preceded by one day of training on lobbying and advocacy, by MDF South Asia. There were 53 participants (8 women). This training had been requested by the forums. Since

it just introduced the main concepts and principles, the participants requested further training. This will take place in the last week of February.

The project has developed a manual on how to run an MSE Forum. This is currently being finalised to harmonise it with the work on Forums of the Federation of Chambers of Commerce and Industry.

There have been interesting developments that bring the Forums closer to rural entrepreneurs. Promotion of the Anuradhapura Forum at the divisional level has resulted in an initiative to establish 5 “regional” forums. Each would cover 4 to 5 divisions in the district. The intention is to identify more issues at the local level that will be addressed by these Forums if they can, or referred to the District MSE Forum if they cannot. Three have already been set up. They are chaired by the Divisional Secretary, and include other government officials, NGOs and business associations. In Kurunegala the Forum is encouraging Divisional Secretaries and their staff to identify issues that need to be addressed. They are being encouraged to meet local associations and cooperatives as well as business service providers. Thirty Divisional Secretaries have agreed to work on this.

The **Steering Groups** established in the context of the **Regional Value Chain exercises** vary in effectiveness. The coir group is still meeting and has contributed ideas and coordinated between the organisations involved in Good Working Practices training. The floriculture group continues to meet and is effective, as indicated by the good progress in this value chain exercise. Some of the committee members support the implementation of proposals while others give guidance to the programme. The packaging committee has met three times, but the dairy group is not meeting any longer, due to lack of interest.

It should here be added that **informal committees** have also been meeting more or less regularly for some of the **local value chain development exercises**. In Anuradhapura steering groups are functioning in tourism, and fruit and vegetables. A medicinal plant steering committee in Kurunegala met several times to complete an intervention framework and prioritize proposals. It will guide implementation and monitor progress.

Output 2.2

Representative organisations of female and male-owned MSEs developed and strengthened to enable them to participate effectively in a dialogue with the authorities and to facilitate their members’ access to services and markets.

Progress

The **small business associations strengthening manual** has been printed and provided to facilitators. A translation into Tamil is underway.

The project launched the manual at three events in Kurunegala, Puttalam and Anuradhapura, in January. More than 70 participants representing association promoting organizations and small business associations participated. Requests for training of trainers and of the associations followed. The SBA manuals were provided to the MSE

Forum secretariats to sell. A refresher training on the new manual had to be postponed to March due to another commitment.

In October 2008, at the request of the Kurunegala District Secretary 30 Human Resources Development Officers of the Ministry of Labour attached to Divisional Secretariats were trained on small business association strengthening. They are supporting the establishment of business associations of divisional level dairy farmers.

To further improve the capacity of public sector organizations working with small business associations, the project agreed with the Industrial Development Board to introduce the SBA manuals to its offices country-wide. An introduction seminar for the 20 district directors was conducted in February, 2009.

The **formation or revitalization of associations** through LOCA and VCD exercises is continuing, as indicated under output 1.1. The project and its partners have worked with 26 associations. Associations are invited regularly to MSE Forum meetings.

MDF is conducting an assessment of the project's work with associations.

Output 2.3

The capacity of provincial, district and local authorities strengthened to create and maintain an enabling policy, legislative and regulatory environment for MSE development by women and men, within the framework of national policies for poverty reduction and MSE promotion.

Progress

The impact of the 2-day training programme on business registration and licensing, in collaboration with the Sri Lanka Institute of Development Administration (SLIDA), which was completed in the previous reporting period, was assessed by MDF. More information is found in Chapter 3 on Impact Assessment. In addition, a follow-up and mini-refresher was conducted by the local trainers involved in this programme, in the last quarter of 2008. The objective was to follow up on how the knowledge and tools acquired had been used by the trained officials as well as to remind them of the main messages of the training.

The trainers conducted 70 focus group discussions and spoke individually with more than a thousand officials. The main findings are that officials thought that:

- The training was useful and enhanced skills and knowledge relating to registration and licensing.
- The business registration manual was the most useful tool introduced and is being widely used.
- They benefited from the training and have become more productive and efficient.
- Being able to making businesses aware of the importance of registering was seen as one of the most important effects.

They report that the main remaining obstacles to registering and licensing more businesses are:

- Negative attitudes of MSEs towards registration and licensing.

- The cost of registration and taxes.
- Difficulties in relationships with other relevant institutions.
- The lack of registration and licensing software – a commitment was made during the training to provide it, SLIDA has developed it, but has not installed it in the Divisional Secretariats and Pradeshiya Sabhas.

Estimates of what share of businesses received the leaflet promoting registration ranged from 20 to 50%, which the project finds too low given the effort made. However, the leaflet is still being used to inform entrepreneurs who come to relevant Government offices.

The project has explored with ICTA (the Government's Information and Communication Technology Agency) whether its "e-Division" project can assist the introduction of the software. It has agreed, but this may be a long-term process since its aims are more comprehensive than improving registration. The project is therefore considering to go ahead in the meantime with the installation of the current stand-alone software developed by SLIDA.

Regarding the long-term intervention on the inclusion of private sector development courses in SLIDA's programme at certificate level, SLIDA finally started a pilot course in August. After some unfortunate delays due to bad planning by SLIDA, the second week of the course was completed in January 2009. The number of participants was 13, lower than expected. The reasons for this could be lack of promotion and planning and the fact that SLIDA charged a course fee, unlike many of the other SLIDA courses. The final evaluation by the participants showed, however, that the course was highly appreciated and relevant for the target group. Enter-Growth is now revising the course material on the basis of feedback and the experience gained. It has been decided to collapse the two courses planned into one as it was found that the two expected target groups are likely to come to the same course. The project is discussing with SLIDA how to make the course a permanent part of SLIDA's programme. This is an important goal before the project ends. Unfortunately SLIDA is suffering from major budget constraints, the Government provided only a fraction of the budget it requested. This will be an obstacle. The project has therefore agreed to subsidize the next course, to be held in August, at the condition that SLIDA will promote it well. This should help to establish the course and demonstrate demand.

Output 2.4

Concrete improvements in the policy, legislative and regulatory environment realised benefiting women and men.

Progress

The most notable steps forward were regarding some of the many land ownership issues in Anuradhapura and Polonnaruwa. In Anuradhapura, the Mahaweli Board of Directors agreed to:

- Issue delayed long-term leases to commercial lands with effect from 2010, to give the businesses time to pay unpaid taxes. As soon as taxes have been paid the lease is issued. A letter has been sent to all businesses to inform them.
- Fix the tax rates on land and buildings at 4% (it was 6% and increased annually).

This affects hundreds of businesses in the area administrated by the Mahaweli Authority. The committee that was set up as a result of the meeting with the President (see previous report) is now working on the outstanding land titles with the local Chamber as coordinator. The Chamber reports back to the Forum. So far 174 title deeds have been issued. Further, the Land Commissioner General is planning a mobile service where title deed applicants can get assistance, either to solve their case on the spot or to be advised on how to proceed. This affects all businesses on Crown land in Anuradhapura and Polonnaruwa.

In Kadurawela in Polonnaruwa, people, many with businesses, have settled on land owned by the railways, and do not want to invest further until their presence has been given some legal basis. This has become a major issue for the Forum and in the District. The new District Secretary and Chairman of the MSE Forum has taken a strong interest in the matter. The immediate result was to undertake a survey of those settled on this land.

The respective MSE Forums have been very active in addressing these issues. In Anuradhapura it is promising that the local Chamber is highly involved, strengthening its role in the District. However, there is little progress in the other two Districts. The MSE Forums are also following up on the implementation of solved issues reported on in previous reports. A full overview of progress on regulatory issues is in Annex 1.

District level – Immediate objective 3

Authorities and communities in which the poor predominate regard starting and growing micro and small enterprises by women and men as a socially and economically attractive activity.

Output 3.1

A campaign to promote enterprise culture carried out in the target Districts.

Progress

The campaign was completed in Puttalam (and earlier in Polonnaruwa). The four theatre companies are now continuing performances in Anuradhapura and Kurunegala, the largest districts. This will be completed in April. So far the campaign has reached more than 190,000 people through 456 performances. This excludes audiences at Palama performances at business service fairs. The project organised an experience sharing and training event among the actors in September. This had been recommended in the case study done on the campaign (see below)

T-shirts and calendars with pro-business messages are being distributed at Palama performances. The Palama companies distributed stickers promoting business to 1,000 commuter buses and 3,500 three-wheelers in the four districts. These are the “reminders” of the messages foreseen in the original campaign design. The feedback is positive, there is demand for more. So far 23 schools have made large wall paintings on the theme of enterprise.

One of the Palama companies obtained a commercial (advertising) assignment, indicating that there may be some potential to generate an income beyond the project’s

duration. All have developed marketing plans and have undertaken some steps to promote themselves, such as organising an event independent from the project.

The in-depth assessment of the impact of the campaign was completed and is available on www.entergrowth.com. The previous report gave the main findings. A case study was completed as well. This looked at the process of developing and implementing the campaign, and the appropriateness, effectiveness and efficiency of the campaign strategy in relation to the objective of promoting enterprise culture. These are the main conclusions, quoted from the report:

- Palama has been successful well in excess of its targets for audience and participant figures and in terms of its influence, both with rural Sri Lankan people and for business development suppliers.
- The design process, involving socio-cultural and media research, and a multi-disciplinary team, resulted in a campaign design that proved to be largely realistic and effective, and was therefore appropriate.
- With Forum Theatre, the project designed a strategy which spoke to rural Sri Lankans in both entertaining and thought provoking ways.
- Although Forum Theatre does not usually promote an overt message, using it in the context of a performance, and carefully designing the forum plots, did make it possible to transmit a pro-enterprise message to most in the audience.
- The influence of the programme spread wider than the confines of individual events and performances. The project stimulated conversations about enterprising culture that otherwise wouldn't have happened.
- When Palama "comes to town" enterprising activity increases.
- Given the campaign's effectiveness and outreach, its cost is well within the range of what can be expected.
- It has taken a great deal of will and commitment to achieve these results...
- ... at times, this determination has come at the expense of relational practice.

While the following could have been done better:

- Pay more explicit attention to the qualities of relationship building and communication at every level even if this additional attention to process comes to some degree at the expense of audience numbers.
- Pay stronger attention to articulating, realising and implementing quality criteria.
- Have more and clearer discussions with a wider range of people about the intentions and sense of purpose for this work so that the articulation of those intentions gets honed over time.
- Invest more in partnership approaches to this work with other local organisations with a stake in enterprise development.
- Work with the Theatre Companies more intensively from the start about their individual and shared future possibilities.
- Where possible, work with existing theatre companies at the local level, especially where they have pre-existing stage craft skills and links with business service providers.
- Work with more experienced and mature actors who are able to concentrate their efforts on perceiving and flexibly responding to local issues.
- Ensure that the project has an overall artistic direction which is held separately from the micromanagement of the campaign.

- Budget for and invest in the Theatre Companies and the Jokers learning from each other.
- Ensure that time is allocated to pre-research and re-visit villages, again, even if this means fewer performances.
- Be more courageous in initiating spaces again and again for the difficult conversations to happen as openly and transparently as possible.
- The relative rigidity of ILO project processes and procurement systems runs counter to some of the unknowable factors in such a complex and people-and-relationship-based project as Palama. Expect to need to be flexible.

The study points out that the theatre campaign was originally intended to be implemented under a contract with an existing theatre company. When this contract collapsed, the project had to manage all aspects of the campaign itself. It was not really set up to do so. It did cope, and in spite of weaknesses in the process the results have been good. Where still possible (e.g. experience sharing) the project has taken action on the recommendations. The full study is on the project website.

Output 3.2

Know About Business progressively introduced into vocational and technical training.

Progress

The National Apprenticeship and Industrial Training Authority (NAITA), the Vocational Training Authority of Sri Lanka and the World University Service of Canada are continuing KAB teaching in their training centres in the project area and country-wide. By the end of December, KAB had been integrated in a total of 176 courses, an increase by 8 compared to the previous reporting period.

The SIYB Sri Lanka Association conducted a first ever KAB Refresher Training of Trainers seminar for a group of KAB practising trainers to upgrade their knowledge, in November, 2008. The project's KAB Master Trainer provided support. Nineteen KAB trainers (6 women) attended the 3 days seminar. A second refresher will be conducted in late February.

The SIYB Association in consultation with the KAB Master Trainer group has reviewed and edited the KAB Sinhala version. The version is ready for printing if the Association wants to do so.

Output 3.3

Support provided to the introduction of entrepreneurial studies in the education system.

Progress

There is no progress on this output, as the National Institute of Education still has to commence the development of the material for the final year of the course on Entrepreneurship.

In order to make the new course attractive to principals and teachers the NIE is making arrangements to conduct a one day awareness programme. The project will contribute to the presentations. The NIE is also in the process of publishing a hand book for the teachers to facilitate the teaching of the new course. The project has not been asked to be involved.

National level – Immediate objective 4

Greater access countrywide to market-led, sustainable business services for micro and small enterprises owned by women and men.

Output 4.1

The SIYB Association enabled to technically fulfil all its mandated functions with regard to sustaining the national SIYB programme.

Progress

The Executive Council elected in the previous reporting period became functional. The Enter-Growth project manager, who is also an SIYB Master Trainer, is its President. As recommended in the case study funded by Enter-Growth, the Council has started to address more strategic issues and has become much less involved in Association management. New product development is one of these issues. First steps are being taken to develop a programme more suitable to the self-employed and very basic micro enterprises. About a year ago the need for such a programme had been indicated by several Association members. Use will be made of ILO experience with this target group globally.

The Association is also starting discussions with Enter-Growth on its possible role in further development of capacity in LOCA, VCD, and Association Building, as well as printing and selling the relevant manuals. In March it is organising a fee-based Training of Facilitators on VCD, which is open to practitioners country-wide.

Master Trainers revised the SIYB manuals, to correct some errors that had been discovered over time. A refresher training of Master Trainers is being planned for May, in collaboration with ILO Geneva. ILO Geneva has also expressed interest in participating in a new SIYB impact assessment.

The table below shows the numbers of people trained over the past years. The figures for 2008 are likely to increase by a few hundreds due to late reporting.

Number of entrepreneurs trained in SIYB

Year	Number of entrepreneurs trained		
	Male	Female	Total
2005	1072	2125	3197
2006	1524	2702	4226
2007	1426	2345	3771
2008	728	1875	2603

This includes 231 people trained in the project area, where Enter-Growth supported the training of new trainers last year. SIYB had not been available in three of the four districts.

The drop in the number of trainees has continued, as post-tsunami assistance has been completed and more donors appear to be giving lower priority to Sri Lanka. For some months last year the Association ran at a loss, but over the past few months it has recovered. The Executive Council is confident the Association will continue to be profitable and that there will be no further decrease in the number of trainees.

Output 4.2

The SIYB Association and Partner Organisations supported in marketing the SIYB programme in the North and East of Sri Lanka.

Progress

SIYB has continued to be provided in the North and East, as reported in the table below, though largely in the East, given the conflict in the North. Please note that the recent figures are for 6 months only.

Period	Programmes	Trainees
July 2004 to June 2005	10	186
July 2005 to June 2006	35	656
July 2006 to June 2007	42	751
July 2007 to June 2008	25	462
July to December 2008	14	233

Output 4.3

A commercially, technically and institutionally sustainable EYB programme under the national SIYB programme.

Progress

In the previous reporting period the SIYB Association ran one full EYB programme, subsidised by the Export Development Board. This success could not be repeated due to budget restrictions at the EDB. No other sponsors could be identified so far. The Executive Council will discuss this at its next meeting.

Although the earlier decision to allow EYB to be subsidized did have an immediate positive result, the current situation demonstrates the risks involved. When sponsors run out of funds, the programme cannot continue. For EYB the number of potential sponsors is, moreover, limited, as most subsidies go to micro enterprises that often belong to the poor.

Output 4.4

Commercial small business radio and/or television programmes established that provide information, offer a forum for discussion, and strengthen the demand for business services.

Progress

As reported previously, none of the radio and TV programmes dedicated to small enterprises that had initially been set up with Enter-Growth facilitation has survived. The project commissioned a media monitoring study that compared programming in the first three weeks of January this year with the baseline in the same period three years ago, to assess whether coverage of small business related issues has increased. The findings are summarized in Chapter 3.

The project conducted a final workshop for local business journalists in Polonnaruwa.

Output 4.5

Access to affordable e-commerce services increased for MSEs.

Progress

The metamarket of the Federation of Chambers of Commerce and Industry of Sri Lanka continues to operate. It can be found at www.metamart.biz. The site of the National Chamber of Exporters of Sri Lanka, www.ExportSL.com, has not been revived. There was insufficient interest among the members. The number of enterprises on the site was probably too small to generate sufficient business. Outside the project's main target group, Torana, a business selling Sri Lankan DVDs, has developed international sales as an offshoot of support provided by the project.

Output 4.6

Experience gained and lessons learned on district-level integrated MSE development incorporated in the Ministry of Enterprise Development and Investment Promotion's knowledge base, shared with relevant institutions at the national level, as well as with relevant authorities, MSE representative organisations and service providers in other districts.

Progress

A manual on developing and running MSE Forums is being finalised, in collaboration with the FCCISL. This will be completed before the end of March.

The project has completed its technical support to two Oxfam supported value chain exercises in Trincomalee and Batticaloa.

In addition to the Small Enterprise Development Division, of which the project has trained trainers, the Industrial Development Board is likely to use the SBA strengthening manual country-wide.

The materials for the certificate level course on private sector development at the Sri Lanka Institute of Development Administration draw extensively on the project's experience and concepts. The course has been pilot run.

The library on the project website (www.entergrowth.com) had several additions, including a case study on the Palama campaign, an impact assessment of the work on enterprise culture, a tracer study on Know About Business, intervention reports on training of garment trainers, the Kalpitiya vegetable growers value chain exercise, the Polonnaruwa ornamental fish value chain exercise, the Hingurankoda LOCA and the MSE Forums.

The project manager presented the project's experience at a Local Economic Development Conference in Turin, in October.

There is no progress on the project's suggestion to ILO Geneva to do a comparative study of recent "integrated" enterprise development projects (Viet Nam, Ghana, Sri Lanka and possibly others).

The project is preparing a South-Asia conference on Local Economic Development. The objective is to share its experience with other LED initiatives as well as for its stakeholders to learn from other projects in Sri Lanka and the region. It will require the assistance of the ILO Offices in Delhi, Bangkok, as well as HQ and the International Training Centre in Turin to make this a success.

3. Impact assessment

The work of the Management Development Foundation South Asia (MDF) on impact assessment has continued. As in the previous reporting period, the project has not always been satisfied with its quality, especially of data collection. Reports had to go through several revisions. Recently this has improved.

The reports that were pending by the end of the previous reporting period have all been completed and are available on www.entergrowth.com:

- Tracer study on KAB
- Intervention report on training of private sector garment trainers
- Intervention report on Kalpitiya VCD exercise (Puttalam)
- Intervention report on ornamental fish VCD exercise (Polonnaruwa)
- Intervention report on Nachchduwa LOCA (Anuradhapura)
- Intervention report on MSE Forums

. MDF is working on the following:

- Registration/licensing training of officials and leaflet
- Small business association strengthening
- Floriculture value chain development
- Two LOCA exercises
- Impact surveys on MSEs, Associations and BDS providers

It is expected that at least drafts will be available at the start of the evaluation.

Also completed were:

- Case study Business Service Fairs
- Intervention report Hingurankgoda LOCA (Polonnaruwa)
- Impact assessment enterprise culture
- Case study Palama campaign (see output 3.1)

A report on the mechanism to improve regulations is being drafted. A study on the work on media for small business is being completed by AC Nielsen.

Below are summaries of some of the main findings to the extent they were not covered in previous reports.

Hingurankgoda LOCA (Polonnaruwa)

- In dairy there has been an increase in provision of artificial insemination services, more loan schemes for dairy farmers.
- In ornamental plants, the Agricultural Department is providing more information and training to growers, a compost production unit has been set up, two growers were linked to an exporter who provided them with improved production technology. This has resulted in more income.
- A private sector garment trainer expanded her activities, resulting in 47 women trained. There are indications of higher productivity and sales and increased incomes.
- In ornamental fish there has been an improvement in services and an increase in the numbers in this sector. This is reported in more detail in the report on the VCD that came out of this (see below).
- In inland fisheries, small mesh nets were banned, resulting in more sustainable fishing.
- In paddy, branding seed paddy and better quality control has resulted in higher sales and prices. All certified seed paddy producers in Polonnaruwa have joined this initiative.
- In poultry, a buy-back system has resulted in better services from large to small farmers and increases in production and income.

This LOCA contributed to value chain exercises on dairy and ornamental fish.

Nachchaduwa LOCA (Anuradhapura)

- Fruit and vegetable growers set up an Association to improve market access, but concluded they could not compete and that growing subsidized paddy was likely to be more profitable.
- In floriculture an association of women growers grew from 15 to 45 members. There is a shift towards more commercial production, some have accessed credit and built net houses, been trained and are preparing to export, or are making value added products. Incomes are around Rs. 500 per week where most were not earning anything before.
- Carpenters have set up an association and have obtained temporary licenses and registration and licenses with support of the MSE Forum. They can now market outside their villages and say they are no longer harassed by rent-seeking officials. However, permanent licenses and registration are still pending.

Ornamental fish VCD (Polonnaruwa)

- Better Government services, including through a new information centre, grants, training and better equipment have resulted in introduction of new varieties and improved quality throughout the value chain.
- At the time of the assessment at least 20 new breeders had entered the value chain as a direct result of assistance provided. It was expected that this would increase (200 more had been trained).
- Improved networking also contributed to quality improvement, and resulted in the establishment of an association which is playing a role in contacts with buyers and disseminating information.
- Provision of water has improved due to the Mahaweli Authority agreeing to allow access to water previously reserved for farmers.
- The security situation in the nearby North has had a negative effect, especially on access to markets: the many security checks on the road are detrimental to live produce.

MSE Forums

The study concludes that the first desired outcome of the project's work on public-private dialogue, "MSE Forums are sustainable, independent bodies with equal representation operating according to their mandate to facilitate improvements in the MSE sector" has been mostly achieved. It identifies the following challenges:

- There is an overrepresentation of Government bodies (who include service providers). This is not currently impeding the functioning of the forums, but could do so if there is a further development in this direction (the trend has been the other way though).
- Women are still under-represented, and women entrepreneurs' voices are therefore insufficiently heard.
- Some of the forum secretariats still need support.

The study also concludes that a second desired outcome, "MSE Forums are contributing to concrete achievements or changes in the MSE sector through their facilitation" has been achieved. The forums are effective at solving issues related to rules and regulations as well as facilitating access to services, VCD and LOCA exercises and other activities.

Business service fairs

The case study concludes that:

- Fairs that combine business service stalls with entertainment are likely to be commercially viable – so far Enter-Growth has still provided subsidies, but with an annual reduction by 50%.
- A local capacity has been built to organise service fairs.
- The fairs have offered business opportunities to local people.
- Tens of thousands of people have visited the fairs. Although many come for the entertainment in the first place, most are also informed about business services.
- There is likely to have been a modest impact on demand for services.
- The fairs are likely to have contributed to the establishment of the MSE Forums under whose auspices they were organised.
- There has already been some replication of the fairs.
- Fairs run independently from Enter-Growth may run the risk of becoming more like trade than like business service fairs.

Media for MSEs

Media monitoring in the first weeks of January found that compared to three years ago there were significant decreases in business programming generally – to about one third. Small business coverage reduced at the same rate. Factors such as the increasing intensity of the war in the North and the inauguration of US President Obama are likely to have played a role. It is also likely, though, that this is part of a longer term trend and that the project's work to increase and improve small business programming has had no effect. Currently AC Nielsen, which carried out the media monitoring, is conducting additional research to find out why. Some possible causes have already been suggested in the previous progress report.

Business registration

The project has only seen an informal and very incomplete draft of the intervention report prepared by MDF, and this is therefore just a preliminary summary. The assessment covers the 2-day training programme of public officers in charge of business registration and licensing, and the dissemination of leaflets promoting registration and licensing. MDF conducted interviews with Divisional Secretaries and other key people, focus group discussions with the local trainers and trainees in Kurunegala Districts, and collected data on the number of registered businesses pre- and post-training in all four Districts.

The general conclusion is that the 2-day training programme achieved its immediate objectives: To increase the technical skills of the public officers; to improve their customer orientation and understanding of MSEs; to improve the understanding of other authorities involved in the regulatory procedure. The training programme had a high relevance. It addressed problems experienced by the officials and also targeted the relevant group of officers. It increased the officials' technical knowledge and there has clearly been an attitudinal change regarding MSEs and how to serve them. It also gave officials new insights in the role of business registration and how to promote it. However, the officials still feel that there are too many external factors, such as the laws and policies themselves, limited resources and the negative attitude of the MSEs, for these improvements to make a big difference. Also, it is unclear whether the leaflet on business registration has reached the majority of businesses and had an impact. The statistics on the number of new registered businesses before and after the training revealed a decrease in all the Districts, which, after some further research, was explained by the considerable increase in interest rates and the negative economic situation in the country. Fewer businesses are being set up. The study concludes it is too early to determine to what extent the intervention will significantly improve business regulation and licensing services and have more businesses register, which were the intervention's final goals.

The table below updates the information against indicators that was included in the previous two progress reports. The first column gives the indicators, the second what the project has done or plans to do to assess impact, and the final column gives examples of signs of impact. This information is not comprehensive, i.e. it does not attempt to reflect all signs of impact. This is difficult since there are two main sources of information: the impact assessment reports and the project's monitoring which is reflected in its database. These do not always agree and some information is not sufficiently reliable since it comes indirectly from partners.

Indicator	What done or planned to assess	Signs of impact
<p>1.1 Two to three years after programme completion, poverty in the targeted districts has reduced more than in comparable districts not included in the programme, among women as well as men.</p>	<p>Assessing this indicator is beyond the scope of the project. Sida, the ILO and the Government could decide to do such an assessment after project completion.</p>	
<p>1.2 By the end of the project, personal incomes have increased by 15% and employment by 10% in targeted value chains at the local level, which will be selected on the basis of pro-poor, pro-growth and feasibility of change criteria.</p>	<p>A detailed case study of the anthurium value chain work was completed. Intervention reports have been done on results in the local coir and the tourism value chain, a LOCA in Hingurakgoda and Nachchaduwa, work of the MSE Forum and a Traders Association in Anuradhapura, the local dairy value chain in Kurunegala, a VCD exercise of vegetable growers in Kalpitiya, and a VCD exercise on ornamental fish in Polonnaruwa.</p> <p>The quantitative impact survey (for which there is a baseline) has been conducted and a report is being drafted.</p>	<p>The anthurium study shows increases in price for export flowers, from around 12 to 15 Rs., and for local market flowers from 4 to 6 or 7 Rs., which could eventually result in more income. Recently more high quality flowers are being produced which fetch 25 Rs. The number of directly affected households has increased from 90 to 130. More growers have entered this chain.</p> <p>In coir some 35 local jobs have been created in one division, with wages 20% higher than usual, and 10 jobs in another division.</p> <p>In tourism no impact on employment and incomes can be expected until peace is established.</p> <p>In dairy in Kurunegala marketing of fresh milk has resulted in price increases from 20 to 26 Rs. per litre for 95% of targeted farmers, and increased profits for 70%. Productivity and quality have gone up as well. This is likely to have increased incomes. Recently the collecting companies have increased the price to 35 Rs. per litre, going up to 40 Rs. for the best quality milk. 600 farmers have benefited from these improvements, and the target for 2009 is 1,500 farmers.</p> <p>Incomes of fishermen in Polonnaruwa have increased due to regulation against using nets with a fine mesh. Small farmers have increased income due to a poultry breeding buy-back system.</p> <p>Incomes of flower growers in a division in Anuradhapura have increased, from nothing to Rs. 2,000 per month.</p>

		<p>There are indications of increases in income as a result of quality improvements in local garment production.</p> <p>Job satisfaction, as an indicator for decency of work, has increased for nearly 40% of targeted dairy farmers and is high for the large majority of anthurium growers. So far 8 coir millers are improving working conditions.</p>
<p>1.3 Sales figures of MSEs in targeted value chains and localities in the two provinces increased by 20 % or more, for MSEs owned by women as well as those owned by men.</p>	<p>See 1.2.</p>	<p>Prices and sales of seed paddy farmers in Polonnaruwa have increased through branding and quality control.</p> <p>Sales have gone up for 76% of dairy farmers targeted in Kurunegala.</p> <p>Sales of anthurium growers in Kurunegala, went up and then down, due to collection problems. These have meanwhile been addressed. The quantity of flowers sold has gone up from 250 to 3,000 per two weeks.</p> <p>Sales have gone up for registered carpenters in Anuradhapura.</p>
<p>1.4 More MSEs have entered competitive value chains at the local level.</p>	<p>See under 1.2. This is also being monitored through LOCA and VCD follow-up.</p>	<p>Enter-Growth monitoring indicates that at least an additional 50 enterprises have started breeding tropical fish in Polonnaruwa after the value chain exercise done there, some generating employment for more than the owner. One hundred more are receiving support to start. 100 more people are growing anthurium and have entered the export value chain. 600 have taken up commercial milk production. About 50 dairy breeder farms of varying size are being started. Some additional 480 producers in different value chains have been linked to larger markets in the first half of 2008. In the second half this number is estimated at a further 100 (excluding those already mentioned separately for this indicator).</p>
<p>1.5 Greater integration has been achieved in targeted value chains, through an increase in association or other group membership, other ways of</p>	<p>See under 1.2. This is also being monitored through LOCA and VCD follow-up.</p>	<p>In all, 26 associations have been formed or revived through work with the project and its partners. Associations have formed among ornamental fish growers, pottery makers, seed paddy growers, poultry breeders, vegetable growers, light engineering enterprises, garment producers, dairy farmers and brick</p>

<p>horizontal collaboration, and greater collaboration between different levels in the value chain.</p>		<p>makers. Flower and cut foliage growers have grouped on a sectoral basis and a national level association was formed. The membership of dairy farmers associations in Kurunegala has increased and a district level association formed. The Tourism Association in Anuradhapura has become more functional. A cooperative is marketing vegetables from Kalpitiya. A women's cut flowers association is collaborating to expand their business. Fruits and vegetables growers in Anuradhapura formed an association and a company, which are receiving services, are newly linked to suppliers and markets. Collection points for fresh milk have been established in Kurunegala, and so have sales points (5 in the town itself).</p>
<p>1.6 Business service providers in each district offer at least four new services or approaches that benefit men as well as women.</p>	<p>The project is monitoring delivery of services it has supported the establishment or improvement of. An intervention report was finalised on training of private sector garment trainers.</p>	<p>LOCA and value chain exercises continue to be offered in all Districts, some with project technical and financial support, some with other funding. The skills of private sector garment making trainers were improved, and are being passed on to small producers. Packaging training is on offer and has been delivered in at least 22 instances as a separate service and more frequently integrated with others. Provision of dairy related services has improved in Polonnaruwa as well as Kurunegala as a result of assignment of new officers as well as private artificial insemination. In Kurunegala the Sri Abhinawarama Foundation is providing embedded services to dairy farmers. In Polonnaruwa the Agricultural Department offers new training and information services to ornamental plants growers. The Export Development Board is providing more services to ornamental fish breeders in Polonnaruwa. The EDB is also providing more services to the floriculture value chain. In Kurunegala input suppliers provided training to floriculture growers and exporters provided training on product quality. An exporter provided training to fruit farmers in Anuradhapura. A large firm provided training to light engineering workshops in Anuradhapura. Skills of carpenters were improved in Anuradhapura. Fruit growers were trained in Puttalam. In Polonnaruwa a supermarket chain provided training to</p>

		vegetable growers. Communication service providers are now able to assist MSEs with information on regulations as well as with templates for business letters. The Government Information Centre can provide information on business regulations.
1.7 An increase of at least 20 percent in the number of MSEs who access business services, among women as well as men.	Follow-up interviews have been done with providers who participated in the business service fairs. An intervention report on the fairs was completed.	Service fair participants reported a moderate effect on demand for their services, but were unable to quantify this. 25% of visitors reported they found useful business services at the fairs. This translates into 37,500 people per year. 15% said they would follow up on contacts made.
1.8 MSEs and starters in targeted value chains and localities have accessed financial services due to facilitation of better linkages.	This is being and will be covered through intervention reports and case studies, as well as interviews with providers towards the end of the project, and follow-up to LOCAs and VCD exercises.	A few enterprises in the coir sector, and around 100 flowers and cut foliage have accessed credit. Some 30 commercial farmers in Puttalam accessed credit through their cooperative. More credit has become available for commercial dairy farmers and for breeder farms. Loans have been provided in Kurunegala for milk collection centres, investments in cows and farms. In Anuradhapura 160 vegetable growers have gained access to credit. Financial services providers involved in LOCAs and VCDs report that they identify good clients through these. They report that demand for loans increases as a result of Palama. One organisation in Polonnaruwa reports a more than doubling of the portfolio.
2.1 At least 10 regulatory constraints identified with MSEs have been solved.	This is being monitored by the project.	13 constraints have been solved to varying degrees. Some affect hundreds, others just a few enterprises (see Annex 1 for details).
2.2 Business registration in targeted localities in the programme's final year is up 15 percent or more compared to the first year, among MSEs owned by women as well as those owned by men.	An intervention report is being drafted.	It does not look like there will be an impact on numbers of businesses registered, due to other, external factors. However, it does appear that the process of registration and licensing has improved.

<p>2.3 Officials who participated in programme events express greater confidence in their capacity to provide a conducive environment for MSE development.</p>	<p>An intervention report is being drafted. A follow-up has been done by the project itself.</p>	<p>Project follow-up indicates that officials report that they have become more efficient and productive at business registration and licensing.</p>
<p>2.4 Authorities independently identify and address regulatory issues in the final quarter of the project.</p>	<p>This is being monitored through MSE Forum minutes. An intervention report on the forums was completed.</p>	<p>The Forums are identifying issues independently, for instance through meetings with small business associations and individual businesses, or the work of Chambers. The intervention report found the Forums are effective in this regard.</p>
<p>2.5 50 % or more of MSEs in targeted value chains in the two provinces, those owned by women as well as those owned by men, agree that regulatory changes carried through are improvements for their businesses, while less than 10 % finds it a deterioration.</p>	<p>It does not seem feasible to assess this indicator comprehensively. The project proposes to focus on whether there are factual improvements instead (indicator 2.1).</p>	<p>Enterprises in tourism agree that the extension of the validity of the tickets for the archaeological sites is beneficial. It is likely that MSEs appreciate the other regulatory improvements that had a positive impact, e.g. access to water for ornamental fish, registration and licensing for carpenters</p>
<p>2.6 MSE representatives, including women, authorities and business services providers meet at least twice in MSE Forums or other dialogue events in the final year of the programme.</p>	<p>This is being tracked through Forum minutes. An intervention report has been completed.</p>	<p>The Forums have met 83 times and are likely to continue. In addition the Forums and the project have organised 16 meetings with all stakeholders, as well as other dialogue events, e.g. with service providers. There have been 37 meetings of steering committees of local and regional value chains.</p>
<p>2.7 Representative organizations participate more, and more effectively, in dialogue.</p>	<p>A report on the MSE Forums was completed.</p>	<p>This has been achieved through the MSE Forums, which were found to be effective as well as sustainable.</p>
<p>2.8 The number of MSEs organised in</p>	<p>An intervention report is being drafted.</p>	<p>The project and its partners have worked with 26 associations, some of which are</p>

representative organizations has increased.		new, others of which have expanded.
3.1 An increase in the number of people in target communities who consider enterprise an attractive way to make a living.	An in-depth impact assessment of Palama and the Entrepreneurship Studies in secondary schools has been completed. A KAB assessment was completed as well.	Compared to the baseline in early 2006, attitudes towards business and towards enterprise as a way of making a living have improved. The study concludes that the project, Palama in particular, but also interventions such as the MSE Forums, LOCA and VCD, has made a significant contribution to this. Entrepreneurial Studies could do so as well, but has been plagued by implementation problems.
3.2 The number of women and men, including youth and officials, who consider enterprise an attractive way to make a living increases by 20 percent among those who have participated in project initiated activities to promote enterprise culture.	A quasi-experimental study of the forum theatre was conducted in June 2007. In addition, a draft report is available on the in-depth qualitative study.	The experiment indicates that there is a statistically significant improvement in appreciation of enterprise in the audience compared to a control group. 26 % increased their appreciation on two measurements of appreciation, while only 17% showed no change at all. The qualitative study concludes that the project has contributed significantly to changes in attitude, and that the 20% target has been more than reached.
3.3 More than 50,000 women and men participate directly in campaign events.	Records are being kept of events and estimated numbers of participants.	An estimated 190,000 have participated already. The participants are mostly women and youth.
3.4 KAB included in more than 40 vocational/technical training courses nation-wide.	The SIYB Association and the project monitor this.	KAB is being run in 176 courses.
3.5 Entrepreneurial studies running at O-level in 5,000 secondary schools nation-wide.	Information on this indicator needs to come from the National Institute and the Ministry of Education. The impact assessment of the project's work on Entrepreneurship Studies covered this as well.	According to the NIE and the Ministry the courses are being run nation-wide. However, the project's assessment indicated that many schools in the project districts have dropped the subject due to implementation problems.
4.1 An increase in the annual provision	This is being monitored by the SIYB Association.	The number of trainees has decreased. It appears that 2006 and 2007 were peak

of SIYB and related services of at least 10 percent, to women as well as men.		years due to post-tsunami programmes. When considered over the project period, the indicator has therefore not been achieved. The SIYB Association is diversifying in order to compensate for this trend.
4.2 An increase in the annual provision of EYB services of at least 30 percent, to women as well as men.	This is being monitored by the SIYB Association.	28 trainees were trained on various EYB modules in 2007. In the first half of 2008 10 entrepreneurs took the entire course. There has been no further EYB training in the second half of that year. It is unlikely the indicator can be achieved.
4.3 40 percent of MSE owners, women as well as men, listen/watch regularly the MSE radio and/or television programmes.	A media monitoring study has been completed but some additional research is being done to be able to understand the findings.	Coverage of business issues has decreased compared to three years ago. The share of MSE coverage has remained the same.
4.4 In the programme's final year, the SIYB Association makes no use of technical assistance from the programme.	This is being monitored by the project.	No technical assistance is being provided, apart from participation in Executive Council Meetings.
4.5 SIYB providers run at least 10 programmes in the North and East in the programme's final year.	This is being monitored by the SIYB Association.	29 programmes were run over the past 12 months, in spite of the conflict.
4.6 In the programme's final year, EYB providers run two EYB programmes without technical, management or financial assistance from the programme.	This is being monitored by the SIYB Association.	This will not be achieved.
4.7 At least 4 radio and/or television stations run MSE programmes without financial support from the programme.	This is being monitored by the project.	No programmes dedicated to MSEs are running any longer.

<p>4.8 At least two e-commerce metamarkets established with chambers of commerce or business service providers.</p>	<p>This is being monitored by the project.</p>	<p>One metamarket is operational.</p>
<p>4.9 At least two key project approaches are being adopted by projects or organisations outside the target districts.</p>	<p>This is being monitored by the project.</p>	<p>The MSE Forums are being replicated by the Federation of Chambers of Commerce and Industry, 13 have reportedly been set up. The Value Chain Development guide is being used by other organisations in Sri Lanka and elsewhere. The Small Business Association manual is being used by the Small Enterprise Development Division nationwide and will be used by the Industrial Development Board. The work on enterprise culture has informed the ILO's guide on this subject.</p>

4. Cross-cutting Issues

4.1 Peace and conflict

The security situation had continued to be a major concern, especially with regard to its impact on local economies. This has been considered in previous reports.

On the other hand, the more peaceful situation in the East has created opportunities for communities there. The project supported Oxfam to conduct value chain exercises in Batticaloa (paddy) and Trincomalee (market gardens)

4.2 Gender

The Women's Chambers of Commerce in Polonnaruwa and Kurunegala have become effective members of the MSE Forums there. In addition, the Kurunegala Forum has invited two organisations to join to improve the representation of women: Agromart, an NGO working with women entrepreneurs, and Supirisara Rural Economic Development Entrepreneurship Association, of mostly women entrepreneurs.

In other respects the situation is similar to what was reported in the previous progress reports.

4.3 HIV/AIDS

The one-page leaflet on HIV/AIDS continues to be disseminated to SIYB trainees.

4.4 Tripartism

There are no new developments in this area.

5. Project management

5.1 Staff

The composition of the project team has remained as it was under the previous reporting period.

5.2 Budget

At the time of writing, taking into account the additional funds provided by Sida, 89% of the budget had been committed. The use of all remaining funds has been planned for the remaining project period.

5.3 Evaluation and follow up

The project team is looking forward to the independent evaluation. Fieldwork will take place between 16 and 31 March 2009. Preparations in terms of a programme and providing documentation are well in hand. However, some of the studies expected from MDF may be available only in draft form, and are not yet available at the time of writing.

Components of Enter-Growth, most notably value chain development and LOCA, have been included in proposals jointly submitted to the EU by the ILO and other UN agencies. Unfortunately these have not been approved. The project had earlier discussed proposals for a follow-up project with JBIC, but the Central Bank has not yet issued a tender for its new JBIC loan. There are no other prospects.

6. Conclusion

The project is nearing completion and will be evaluated in March. This report intended to provide a factual update for the evaluation team's use. Previous reports include many lessons learned the team may wish to draw on.

As for the current reporting period, the project has progressed as planned, apart from some delays in impact assessment, and the work on the small business association and the MSE Forum manuals. Each of these is due to the need to ensure quality, as well as, in the case of the forum manuals, coordination with project partners. Over this period it has also become clear that several national-level outputs will not or are unlikely to be

achieved: better coverage of small business on radio and TV, a sustainable Expand Your Business Programme, and an overall increase in the delivery of SIYB.

Over the coming six months the project will focus on:

- Continue to facilitate implementation of proposals that have resulted from VCD and LOCA exercises, especially the regional exercises.
- Further facilitation of institutionalisation of the LOCA, VCD and strengthening of associations methodologies.
- Capacity building for the MSE Forums and their secretariats.
- Finalising the certificate courses at the Sri Lanka Institute of Development Administration on the basis of the results of the pilot.
- Support to the finalisation of the Entrepreneurship Studies course in secondary schools.
- Completing impact assessment and experience sharing.
- Closing the District Offices and preparing closing the project

Annex 1 Status of specific interventions on regulatory issues							
		Involved organisations/actors			High priority	Not priority	Solved
Description of the issue/problem	District	private actors	public actors	The role of Enter-Growth	Progress report	Next step	Problem solved?
Land registration (deeds). There are 12000 land plots in Anuradhapura but only 1500 approved deeds. To get a deed it requires contacts with 26 different public officials in different authorities. Polonnaruwa has similar problems.	Anuradhapura and Polonnaruwa	The entrepreneurs have to be involved to prove the problem. This is one of the main obstacles for enterprise development and growth in NCP. This is highly prioritised.	There are several authorities that must be involved in this.	To initiate research, to coordinate meetings and to create a platform for discussions.	1) Meeting with lawyer who described the problem and gave suggestions on how to act. 2) Meeting with Land Commissioner and Chamber of Commerce. 3) GA and EG tried to conduct surveys on outstanding land titles to find short and long term solutions. GA sent letters to all DS to collect information but very little response. 4) Prior to the Provincial election in NCP, the FCCISL organised a meeting with the President where this issue was presented. As a result it was suggested to create a department under the Land Commissioner to solve this problem. First, a committee was to be formed to work on the outstanding land titles.	The committee is now working, with the local Chamber of Commerce as coordinator (which reports back to the MSE Forum), on the outstanding land titles. So far 175 titles have been issued. In addition, the Land Commissioner General is going to have a mobile service where applicants can get assistance, either to solve their case on the spot or to be advised on how to proceed. Date is not yet decided.	The problem is under process of being solved. There is a mechanism in place to issue the land titles as fast as possible.
Secure permanent land titles. Business people in the Mahaweli area face problems in accessing loans because the land titles have a validity of one year only.	Anuradhapura and Polonnaruwa	Thambuttegama Traders' Association	EDB, Land Ministry, Mahaweli Authority	Coordinate meeting, gather evidence, follow-up, etc.	1) The Provincial Industrial Secretary met with the President and presented the problem. Then, Mahaweli Authority agreed that the relevant Act (No. 23 of 1979) must be changed but no progress. 2) A demonstration was conducted where a petition was handed over to the Mahaweli Director. The Mahaweli Minister and Authority agreed to have meetings on this issue and a cabinet paper was to be prepared. Still no progress.	This issue was also presented in the meeting with the President indicated in the issue above and will be included in the planned investigations by the committee.	It seems unlikely that the Act will change and permanent land titles issued. Instead long-term leases will be offered, see below.
Delayed issuance of long-term lease agreements to business people. As a temporary solution to the problems in issue above, long-term lease agreements (30 years) are supposed to be issued, which would help businesses to access loans and sell their land.	Anuradhapura	Thambuttegama Traders' Association	EDB, Land Ministry, Mahaweli authority	Attend meetings, responsible for follow-up and push for progress.	1) All the involved organisations had a meeting at Export Development Board in Colombo where the Land Ministry and the Mahaweli Authority agreed to issue new titles valid for 30 years on two conditions: The business people have to pay the rest of their unpaid taxes and have to use the land for business purposes. 2) Also included in the demonstrations and petition, mentioned above.	1) First, long-term leases were issued for the 25 entrepreneurs that paid the taxes. 2) Second, the Mahaweli Board of Directors decided in their meeting to issue long-term leases to commercial lands with effect from 2010, to give the businesses time to pay the unpaid taxes. As soon as they pay the taxes, the lease is issued.	Some cases solved already and a letter is sent to all businesses informing them of how to pay the accumulated taxes so that the long-term lease can be issued.

<p>Tax anomalies in the Mahaweli area. Instead of one tax rate for all enterprises, there are different tax rates, varying from enterprise to enterprise. This includes VAT, income tax, business turnover tax, land premises tax, local government tax. Businesses demand the same rate for all enterprises.</p>	Anuradhapura	Thambuttegama Traders' Association	EDB, Land Ministry, Mahaweli authority	Attend meetings, responsible for follow-up and push for progress.	Involved organisations had a meeting where it was agreed to solve the problem. Four cases of affected entrepreneurs proved their case to the Land Ministry on National level and the tax rate was amended for them.	EG will follow up if there are more solved cases.	The four cases were solved.
<p>Double taxation. Enterprises in the Mahaweli area have to pay double taxes, the usual taxes plus those of the Mahaweli authority.</p>	Anuradhapura	Thambuttegama Traders' Association	EDB, Land Ministry, Mahaweli authority	Attend meetings, responsible for follow-up and push for progress.	1) The Provincial Industrial Secretary met with the President and presented the problem. Then, Mahaweli Authority agreed that the Act must be changed but no progress. 2) A demonstration was conducted where a petition was handed over to the Mahaweli Director. The Minister and Mahaweli authority agreed to have meetings on this issue and a cabinet paper was to be prepared. Still no progress. Land Director at Mahaweli says the Act must be changed and discussed with the President.	Meetings with Minister and Mahaweli authority are planned as a result of the demonstrations. Meetings have not yet taken place and the cabinet paper is not prepared.	
<p>Tax rates on land and buildings are automatically increased by 50% every five year (currently 6%) and based on the current market price of the assets. Businesses demand that it is based on the basic value instead of the commercial value and that the rate is 4% instead of 6%.</p>	Anuradhapura. This is common to all the districts and unlikely to change.	Thambuttegama Traders' Association	EDB, Land Ministry, Mahaweli authority, Evaluation Department	Coordinate meeting, gather evidence, follow-up, etc.	The issue has been brought to the attention of the Minister of Mahaweli, who has promised to prepare a cabinet paper to reduce the current amount to 4%.	The cabinet paper is not prepared.	
<p>Release of performance bond at the time of completion of the contract. When government is the contractor, there is a performance and maintenance guarantee.</p>	Anuradhapura	Constructers' Association	EDB	Coordinate meeting, gather evidence, follow-up, etc.	The association complained with the EDB which answered but not satisfactory. What does the circulars/law say, if against the law, we can bring it to EDB. But Constructers's Ass. should be more active.	Not prioritised since the Constructers' Association doesn't want to pursue.	
<p>Implementation of a standard contract agreement by all government institutions</p>	Anuradhapura	Constructers' Association	EDB, National Procurement Agency	Coordinate meeting, gather evidence, follow-up, etc.	The association complained with the EDB which answered but not satisfactory. Constructers's Ass. should be more active.	Not prioritised since the Constructers' Association doesn't want to pursue.	
<p>One day duration of tickets to archeological sites.</p>	Anuradhapura	Local Tourist Association	EDB, Director of the cultural triangle	Coordinate meeting, gather evidence, follow-up, etc.	The issue was presented by Enter-Growth and the association at the EDB forum. It was agreed to change the number of days the ticket was valid but this did not happen immediately.	To push for an implementation	Problem solved
<p>Sell leaf springs of public buses to light engineering shops forbidden.</p>	Anuradhapura			Coordinate meeting, gather evidence, follow-up, etc.	Jayanta, LOCA Facilitator, works at IDB and could intervene and contact the right people at IDB to find a solution (coordinated with the resp. authorities).		Problem solved

Carpenters can't operate within a certain distance from forests. In addition, a new Act, issued recently affects the carpenters severely.	Anuradhapura. This is common to all districts.	Carpenter	Village Officer, Divisional Secretary and the Forest Officer	Initiate meetings, assist in forming association, etc.	More information needed, not try to change the law but to raise awareness among carpenters.	No progress and not prioritised. This is an environmental protection law.	
Many carpenters are not registered, which creates problems in their day to day business. Carpenters claim it's difficult to register since Forest Officer does not give required documents (accused for corruption) and since they don't have land titles.	Anuradhapura	This issue has been brought up by carpenters in especially Medawachchiya and Nachchaduwa.		Initiate meetings between GA and associations, support the process, follow up etc.	EG arranged meetings between Nachchaduwa Carpenters' Association and GA. GA advised GS and AGA to issue land title and other documents so carpenters could register. GA advised DS and carpenters to prepare information, then GA discussed with DFO. Finally, GA collaborated with Forest dept, and registered the carpenters' businesses in Medawachchiya and Nachchaduwa Divisions.		Problem solved in these two divisions.
Transporting furniture products outside the Galenbindunuwewa has been restricted by the police.	Anuradhapura	Galenbindunuwewa carpenters association	GA, Forest Dept, GS,DS	Coordination and follow up	1) Report was prepared by the association and submitted to GA. Letter to the ASP (Police) and discussion with the police in the division. 2) New Act has been adopted by Parliament so now the problem cannot be solved.	No progress and not prioritised. This is an environmental protection law.	
Small enterprises have to pay the required taxes at the People's bank where they have to wait long hours to do so.	Polonnaruwa	MSE Forum			The MSE Forum discussed this and invited the People's bank to the Forum to present the problem. As a result, the People's bank decided to assign a specific bank officer to take care of these enterprises so that they can quickly pay the taxes.		Problem solved.
In Kaduruwela, 20 meters on each side of the railway track belongs to the railway, which means that businesses on that land cannot be land owners.	Polonnaruwa	MSE Forum				The MSE Forum will discuss this with the Railway.	
Ornamental fish enterprises have problems at the airport's customs clearance, procedures are too long for the sensitive products.	Polonnaruwa	District OF Growers Association	Customs	Present the problem to the Forum.	A Green Entrance for perishable products will be opened soon, according to Prof. GL Peris, Minister of International Trade.		Problem solved, see Kurunegala.
Ornamental fish enterprises have checkpoint problems during domestic transports.	Polonnaruwa	Ornamental fish association	NAQDA		1) Enter-Growth had a meeting with NAQDA. 2) Deputy Inspector General, agreed to send a circular to checkpoints and police stations and to have awareness sessions.	This is not implemented.	
Permits for cow transportation and cow registration.	Polonnaruwa				Need research.	This problem also came up in the RVCD. No progress.	
Inconsistencies in timber permits, including import of equipment.	Polonnaruwa					No progress, no responsible stakeholders.	

Water for ornamental fish ponds. Water is for paddy but ornamental fish farmers also need it.	Polonnaruwa	Farmers' Association	Irrigation Department, Mahaweli Authority	Follow-up.	Mr. Maithreepala Sirisena, Minister of Agriculture and Political Head of the district agreed to attend to the problem, in front of the GA and highest level officials and Minister Prof. GL Peris. It is minuted and documented.	To follow up the agreement.	Problem solved
Credit cards, limit on use in e-commerce.	Colombo				EG 's international consultant met with Pay-Pal to encourage them to set up in SL. They have plans to do this during 2007.	Pay-Pal is now accepted into Sri Lanka.	Problem solved
Quality certificate to milk based products.	Kurunegala	Producers of milk based products	Veterinary research Institute (VRI)	Facilitate referral of the issue to relevant authorities.	(1)Director VRI verbally agreed to assist in issuing certificate after further studying the situation. (2) Producers have requested to form an association	(1)Facilitation of the further study (2) Prov Dept of Animal Production is willing to support association building. No progress	
Ornamental fish - can't convert paddy fields into fish ponds came from Policy LOCA.	Kurunegala	Ornamental fish association, Kurunegala	Related ministries of Central and Provincial Govts., Chief secretary (NWP) and District Secretary, Kurunegala	Refer to the MSE Forum and follow up, facilitation	Chief Secretary agreed to consider favourably case by case.		Problem solved
Quarantine certificates for flowers difficult to get - came from Anthurium LOCA.	Kurunegala	Exporters and Growers	Dept of Quarantine, EDB	Refer to relevant authority	EDB (NWP) to solve the issue. 1) Feasibility study was completed and funds allocated. 2) New common collecting centres are planned in Puttalam and Kurunegala, one collecting centre is in operation. 3) The Quarantine dept. has decided to also issue certificates to Associations of Growers.	Establishment of collecting centres under progress. Request has been made by Provincial Dept. of Agriculture for the Puttalam collecting centre. Action will be taken in 2008.	Part of the problem solved. Both 2) and 3) mean that certificates can be issued faster to the small exporters.
Frequent increase of Air Freight charges.	Kurunegala	Exporters and Growers	EDB (NWP)	Facilitation and follow up with EDB as a co-partner of the programme.	1)Lobbied to the exporters forum. 2) Minutes of the meeting have been referred to the relevant authorities and briefed to the new Minister.		
Exploring of possibility for operating a special cargo carrier for perishable goods on weekends. This issue is seasonal as most of the Airlines give priority for ready made garments.	Kurunegala	Exporters and Growers	EDB (NWP)	Facilitation and follow up with EDB as a co-partner of the programme.	1) Referred to Airport and aviation services Ltd. 2) same issue taken up by National Agro business council to Samantha Piyasa. 3) Discussion with SL Airlines Chairman who agreed to discuss with the Chairman of A and A services Ltd. 4) Report to Minister who asked EDB to report progress. 5) After August not discussed.	NWP EDB should report to Samantha Piyasa again	
Excessive time taken for security checks and clearance at the Airport.	Kurunegala	Exporters and Growers	EDB (NWP)	Facilitation and follow up with EDB as a co-partner of the programme.	1) Presented and solved in the EDB Forum. 2) A Green Entrance for perishable products opened at the airport. When Exporters inform details of their perishable transportation by fax, duty manager of the airport approve passes in advance without keeping those vehicles waiting in (Sept 2007).		Problem solved.

Issuing necessary clearances in NWP/Kurunegala such as forest Dept, Wild Life Dept. Coconut based products - CDA Quarantine.	Kurunegala	Exporters and Growers	EDB (NWP)	Facilitation and follow up with EDB as a co-partner of the programme	The Coir VCD raised the same problem. EDB agreed to lobby the authorities for decentralising issue of permits.	Exporters to send the letter to Asst. Director, EDB, who can request to do regional clearance at the authorities.	
Clay mining limitations for pottery makers.	Puttalam	Brick makers and pottery makers	District Industry Committee, DIC	Coordinate and part of the discussions.	Letter from the brick makers to the authorities. This was discussed in the DIC. A circular was issued for the pottery makers. Potteries can now mine 2 m3 per month. However, the police do not accept the circular. Need a court order for the police to accept the circular. This must be done by the entrepreneurs.	This should be tested in court, i.e. work with a potters' association and contract them to pay a lawyer who defends their case. EG made several attempts to get relevant information through potters' association for this case. However, they do not have any records about the matter and they are not willing to go to the court.	Problem solved in theory but not in practice.
Clay miners need a type of clay that only exists in Kurunegala, yellow clay. But they are not allowed to transport it.	Puttalam/Kurunegala	Pottery makers	District Industry Committee, DIC	Coordinate and part of the discussions.	The GA in Puttalam tried to convince the GA in Kurunegala to issue the same circular as in Puttalam.	It will be discussed in the DIC in depth in the next meeting. GA letter from Puttalam GA to Kurunegala GA but it has not worked. Will be brought up at the next Forum meeting in Kurunegala.	
Kalpitiya division wants to be declared as a special agriculture zone.	Puttalam			Enter-Growth informed the authorities.	It's now being discussed among the authorities. Resource mapping is conducted and can take a long time. Still no decision.		
Fruits and vegetables exporters have problems with their transports since they are stuck in security checks at the airport. Fresh food goes off.	Puttalam/National	Exporters' Association		Coordination and follow up.	EG was in contact with the Fruits and Vegetable Exporters and the Exporters' Association approached the President. However, meanwhile, a Green Entrance for perishable products was opened.		Problem solved, see Kurunegala and Polonnaruwa
Environmental problems. The enterprises don't follow the existing regulations and the authorities close down the site. The authority should have a better interaction with the enterprises.	Puttalam			Coordination, workshop and follow-up.	Enter-Growth has planned awareness programmes for the coir sector on the regulations with the divisional secretariat in Mundala.	No progress and not prioritised, environmental protection laws. The environmental authority has not taken any action to conduct the planned workshop.	
Electricity problem, general for all producers in rural areas, 2 issues: 1. No transformers available in rural areas for three phase electricity supply. 2. Three phase supply provide to 900m only from the transformer.	Puttalam	Small production sites needs three phase but can't afford it. It costs 1.6 million rupees.	Electricity Board	Coordination and follow up.	1) Discussed in the MSE Forums but can't be solved in the District. GA suggested to use funds to solve this problem in MSE concentrated areas. 2) Enter-Growth discussed with the Electricity Board.		

Electricity in the coir industry. Enterprises need stable supply but in rural areas frequent interruptions occur. Special regulator is needed but electricity board does not provide this to rural areas. Same issue as above but raised in the Coir RVCD specifically.	Puttalam	Small coir producers and millers	Electricity Board, GA	Coordination and follow up.	There is a device that reduce this problem but it's too expensive. GA has suggested a solution: MSE Forum will write a document, incl. facts about production losses, etc. to CEB and RVCD can identify hot spots where generators should be installed.	GA could use District Development funds. But no political will. No progress.	
Levying of high taxes by local authorities (eg. Pradeshiya Sabha).	Puttalam		Pradeshiya Saba		MSE Forum has reconised the problem but can't solve it.	No priority.	
Regulations in cultivating in abandoned paddy fields	Puttalam		Department of Agrarian Service	Coordination with Dep. Of Agrarian Service	Brought forward to the Distirict Agriculture Committee. However, it's a national policy and there is no political interest in taking this to national level.		
Contradictory investment promotion policies, BOI has provided tax incentives and subsidies to an Indian factory, which compete with small enterprises who don't get any subsidies	Puttalam/Kurunegala	Coir Industry	BOI	Advice, research, prepare documents.	Steering Group thinks that more information is needed before action is possible. There is only one known case (Indian Factory) nearby Chilaw. This case was a special arrangement by the Government to reutilize the abandoned garment factory for the better return rather than wasting resources.	At the moment not prioritised.	
Return from Cess tax for coir, industry says that Cess taxes paid into government are not reinvested to support the sector (which is the purpose).	Puttalam/Kurunegala	Coir Industry	Government	Advice, research, prepare documents.	The Steering Group suggested that the tax should be reinvested by improving the radding tank conditions and reduce the odd jobs in mills by introducing conveyer belts and D-fibering machines. This could be done by giving a percentage of the total cost of mills' improvement projects as a subsidy.	Organize a meeting to discuss these issues with the Hon. Minister of Coconut Development Mr. Salinda Dissanayake.	
Registration issues of small coir enterprises, registration procedures are complicated and therefore many small enterprises are not formal.	Puttalam/Kurunegala	Coir Industry	GA	Advice, research, prepare documents.	It was suggested to develop manuals on how to register and raise awareness among the small enterprises. The 2 day training programme by SLIDA, including a manual, and the distribution of a BR leaflet was conducted independently of this but has an impact.		Problem solved (2 day training programme)
Issues in paying EPF and ETF workers prefer cash than save for retirement.	Puttalam/Kurunegala	Coir Industry	Dept of Labor	Advice, research, prepare documents.	The VC proposals suggested awareness raising among small enterprises, workers and Labour Dept. Steering Group thinks that the wage rate is not sufficient for workers to meet the higher cost of living. So it's very difficult to deduct ETF from daily wage now.	Not prioritised.	

EPF/ETF: New regulations require enterprises to pay immediately rather than after 6 months, which create problems for seasonal labour.	Puttalam and Kurunegala	Coir Industry	Dept of Labor	Advice, research, prepare documents.	The VC proposals suggested awareness raising among small enterprises, workers and Labour Dept.	Not prioritised.	
EPF/ETF: Poor documentation of rural workers is an obstacle to registration and benefits at Labour Dept.	Puttalam and Kurunegala	Coir Industry	Dept of Labor	Advice, research, prepare documents	The VC proposals suggested awareness raising among small enterprises, workers and Labour Dept.	Not prioritised.	
The customs procedures are too long, two weeks, making the delivery time long and SL enterprises less competitive.	Puttalam and Kurunegala	Coir Industry	Customs, EDB	Advice, research, prepare documents.	It was suggested to organise meetings with exporters' association to verify issue, collect information and present in EDB Forum.	Not prioritised.	
The ground water is polluted due to seepage of ratting tanks and pollution of milling machines. Environmental Authority of NWP has warned millers to take legal action, in worst case to close them down, which would cause heavy damage to the local economy in rural areas.	Puttalam and Kurunegala	Coir Industry	Environmental Authority of NWP	Advice, research, prepare documents.	The Steering Group proposed the following actions: a) Assist in improving the ratting tank process by minimizing seepage and ground water pollution b) Assist in minimizing the sound pollution by coir machines/mills.	a) To find technical solutions to minimize the environmental problems if possible. b) Organize a meeting with Environmental Authority of NWP and relevant key stakeholders. A small paper on the environmental matters is developed and discussed at the next coir steering group meeting. After this, a meeting with key stakeholders will be organised.	
Delays in the issuing of the permit to purchase/ transport/ store common salt due to long processes at the Ministry of Health. Manufacturers face many difficulties during the distribution due to delay of their permits.	Puttalam	Salt producers	Food Control Administration Unit of the Ministry of Health	Advice, research, prepare documents.	It was decided to start the discussions with relevant authorities to speed up the process of permits and licenses procedures in order to get them issued on time.	Discuss at the MSE forum and the DCC regarding the delays in issuing transport permits and bring forward this issue to Ministry of Health for the discussion in order to accelerate the process to issue the permits on time for salt transportation. SEDD is working on this issue, which will be discussed at the next DCC meeting and MSE forum meeting.	
Delay of issuing SLS certification. One entrepreneur faced difficulties in obtaining the SLS certification for his fruit juice production. There was a long delay in the issuing.	Puttalam	One small juice producer	The Chamber and SEDD		The entrepreneur brought his problem to the Chamber and SEDD, members of the Forum. Following an intervention of the Chamber, the process of the SLS had been quickened and the entrepreneur will obtain the certification shortly. The Chamber and SEDD discussed this problem in the MSE Forum.		Problem solved?

2009

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
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Support to achieving sustainability including training

milestones:

Support to regulatory improvements identified through LOCA or VCD exercises



two more solved

milestones:

Short-term training for officials on registration/licensing



milestones:

Follow up

Long-term training of officials



review materials

support other Govt training ins

Support to association strengthening

milestones:



4 organisations continue to offer the service

2009

Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep
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Enterprise culture

Palama in Polonnaruwa & Puttalam

completed

milestones:



Palama in Anuradhapura

milestones:

completed

Palama in Kurunegala



milestones:

completed

KAB

milestones:

Secondary schools



milestones:

Grade 13 curriculum

MTs trained

Impact assessment

Assessments of specific interventions



3 interventions
assessed

Dissemination of experience



support to
FCCISL

