

Artisanal Fisheries Business Training Project: Small Group Exercise

Assumptions:

1. This application was evaluated favorably and it was decided it is suitable for a FOG mechanism. You will be assisting Fisheries Inc. to develop an acceptable milestone plan.
2. The individual budget line items have already been negotiated. In addition, the RFA/APS indicated up to a maximum of 10% of the budget could be used for institutional strengthening if needed (in this case, \$18,195 or 10% of \$181,950).
3. Fisheries Inc. have completed an OCA and their main need for capacity building is in computerizing their accounting system (everything is currently being done manually) and improving their MIS system. This will take all of the allocated funding (technical support, software, and hardware) and is expected to take two weeks.

Assignment: Milestone Plan

1. Please develop a set of milestones for this FOG including the description and fixed price for each milestone, as well as what will be needed to determine verification. Explain any assumptions made. Present to the larger group.

2. Questions for group discussion:

- (a) In addition to what the Grantee needs to provide for verification of milestone completion, what monitoring is suggested for USAID?
- (b) Would you expect this Grantee to have any problems meeting the requirements of the FOG eligibility checklist? Why or why not?
- (c) In budgeting a FOG, which is the worst case scenario -- to error on the side of the Grantee (providing more funding than absolutely required) or to error on the side of USAID (providing less funding than absolutely required)?
- (d) Why would the Grantee, a for-profit company, be interested in a grant that does not allow profit?