

**USAID/INDIA**  
**STRATEGIC OBJECTIVE CLOSE OUT REPORT**

**1. Basic Information:**

SO Name:	<b>Increased Capacity of Financial Markets and Government to Transparently and Efficiently Mobilize Resources</b>
SO Number:	11 (formerly SO1)
SO Period:	FY 2001-2002
Geographic Area (Code):	India (386)
Total Cost of SO:	DA     \$ 63,339,000 <sup>1</sup>
	ESF <u>\$ 7,489,000</u>
	Total: <u>\$63,346,489</u>

**2. Principal Implementing Partners:**

Bilateral Projects:

FIRE-R: PASA with Securities and Exchange Commission (SEC)  
Pricewaterhouse Coopers

FIRE-D: Cooperative Agreement with National Institute of Urban Affairs and  
MSS Contract with TCGI-PADCO

TASP: Department of Economic Affairs, Ministry of Finance

**3. Summary of overall impact:**

The purpose of SO 11 was to increase capacity to efficiently mobilize resources for development. The SO built on past successes in financial market development and initiated activities in areas which were identified as a high priority to achieving economic growth. SO 11 had proposed programs in four areas:

1. Reform the policy and regulatory and framework of India's capital markets (including securities markets, insurance and pension funds) and strengthen their institutions to meet international standards of transparency and efficiency.
2. Reform the infrastructure policy and regulatory framework at the national and state level to increase (a) private sector participation in commercially viable infrastructure projects and (b) increase access by the poor to information technology and strengthen its application to development in areas such as health, education, microfinance, governance, women's empowerment, environment, energy and urban infrastructure.
3. Increase access of poor to credit by introducing best practices to expanding microfinance institutions (MFIs).
4. Improve fiscal policy and administration in two states to defuse fiscal crises and thereby help place the states on a sustainable development path.

The objectives and programs of this SO defined above were, however, rolled into a new SO as the India mission was developing a new strategy and a number of events had prevented the implementation of activities in this SO described below.

The United States had imposed economic sanctions on India in 1998 for the nuclear testing and at that point all economic growth programs had to be closed. In FY 2000, the U.S. President

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<sup>1</sup> Funding includes SO 1 (previous SO) financial data which was terminated in May 1998 because of sanctions.

waived sanctions to allow the resumption of the Regulatory component of the Financial Institutions Reform and Expansion (FIRE-R) program. As a result the Strategic Objective 11 became operational only in FY 2001. Shortly thereafter in 2001, the USAID/India mission embarked on its 2003-2007 strategy exercise. As the activities in SO 11 had just begun to be implemented USAID/India decided to incorporate activities within SO 11 into the new SO 13 in the 2003-2007 USAID/India strategy.

USAID/India will provide details on activities and impact in the close out report for SO12 currently intended to be completed in FY2008.

**4. SO Results Framework:**

Given the above circumstances a results framework was also never established under SO 11.

**5. Prospects for long term sustainability and threats:**

The activities were rolled into the new USAID/India mission strategy

## **APPENDICES**

### **Appendix 1**

**(A list of evaluations and special studies conducted during the life of the SO, including Annual Reports)**

The following assessments and special studies were conducted under the SO

TASP – In-house Assessment FY 2001

FIRE (D) – Water and Sanitation Assessment, FY 2002

FIRE (R) – Insurance Sector Assessment, FY 2001

FIRE (R) – Financial Services India Pension Reform: Needs Assessment, FY 2001

FIRE (R) – Sustainable Micro Finance for the Non-formal Sector, FY 2001

### **Appendix 2**

**(A list of instrument close out reports prepared for contracts, grants, and cooperative agreements)**

Close-out reports are maintained by Regional Contracting Office, USAID/New Delhi. For any information, please contact Mr. Marcus Johnson, Regional Contracting Officer at e-mail: [mjohnson@usaid.gov](mailto:mjohnson@usaid.gov)

### **Appendix 3**

**(Names and contact point of individuals who were directly involved in various phases of the SO (planning, achieving, and assessing and learning), and who would be good sources of additional information)**

Ms. Madhumita Gupta, USAID/New Delhi

Mr. Ashok Jha, USAID/New Delhi

Mr. N.Bhattacharjee, USAID/New Delhi

If you wish to contact any of the above individuals or if you would like any additional information about this SO please contact Ms. Madhumita Gupta at Tel# 2419-8456 or e-mail: [mgupta@usaid.gov](mailto:mgupta@usaid.gov)