



WORLD BANK GROUP



Norad



Sida



AUGUST 25, 2016

Doc E/6

# FY16 PROGRESS REPORT

## Table of Contents

Executive Summary .....	3
Background .....	6
FY16 Progress .....	7
Agribusiness Entrepreneurship Program (AEP) .....	7
Knowledge Products .....	7
Implementation .....	8
Mainstreaming and Scaling Through the World Bank Group .....	10
Evaluation Products .....	11
Progress on Disbursements .....	12
Digital Entrepreneurship Program (AEP) .....	13
Implementation .....	13
Knowledge Products .....	17
Mainstreaming and Scaling through the World Bank Group.....	20
Evaluation Products .....	21
Progress on Disbursements .....	22
Cross-cutting Themes .....	23
Growth Entrepreneurship .....	23
Women Entrepreneurs .....	25
Communication and Knowledge Dissemination .....	28
Summary of disbursements.....	30
Annex 1: MDTF Results Framework.....	32
Annex 2: Assessing the Digital Entrepreneurship Eco-systems in the Balkans and South Asia.....	36

## Executive Summary

---

In FY16, **the enhanced ability of *infoDev* to influence the design and initiation of World Bank strategies and operations became evident**; the *infoDev* MDTF has already exceeded the end of program target set in this regard, and the program looks poised to have direct influence on at least \$150m in WB lending in FY17. Demand for the *infoDev* team's input to the diagnostic and design stages of WBG projects is only increasing. In FY16 alone, the team leveraged the insights and models derived under the MDTF to guide WBG teams in 15 countries, including Bangladesh, Belize, Benin, Congo, Cote d'Ivoire, Georgia, Kenya, Mauritania, India, Serbia, South Africa, Suriname, Sri Lanka, Uganda, and Zambia. For *infoDev* MDTF donors, this represents tremendous leverage. For the WBG it illustrates the value of having an entity such as *infoDev* that invests in continued learning and innovation that can feed back into operations.

A key highlight in the **Agribusiness Entrepreneurship Program (AEP)** in FY16 was the adoption of an agribusiness entrepreneurship center (AEC) as a core component of a new **WB lending operation in Zambia**, where an IDA credit will be leveraged to fund the implementation of the AEC and an associated Business Linkage Fund, while the *infoDev* MDTF will support the critical public-private dialogue and capacity building needed to ensure success of the project. Other components of the IDA credit include competition policy reform, quality infrastructure and upgrading of farmer groups, which combined with the AEC provide a meaningful combination of instruments to make systemic impact in Zambia's agribusiness sector. If successful, this project could become a model for future agribusiness projects in the WBG.

In addition to offering guidance to WBG teams in Belize, Congo, Cote d'Ivoire, India and Uganda, *infoDev* was approached by the **Food and Agriculture Organization (FAO)** team in **Georgia** to advise the Ministry of Agriculture on the development of an AEC in the country. Following successful delivery of a scoping/training exercise, discussions are now on-going with respect to next steps. Above and beyond the prospect of scaling to Georgia, the approach by the FAO illustrates the relevance of the AEC approach at this time.

In **Tanzania**, the quick-win action learning pilot - working with a small group of agribusiness entrepreneurs to gain first-hand insights and train local AEC staff – was concluded. As was an access to finance mapping exercise to identify available financing sources for AEC entrepreneurs. Given the *infoDev* MDTF team's experience in entrepreneurship in Tanzania, the team is also now providing input to the design of a new WB operation in the country.

In **Nepal**, the quick win action learning approach was also initiated, leveraging the lessons from Tanzania. *infoDev*'s work to prepare the AEC in Nepal has also in no small part contributed to the Nepal Government having launched a national flagship program on "Innovation and Agro-entrepreneurship" that aims to foster agricultural innovation and agro entrepreneurship.

Results from Tanzania and Nepal are mostly evident at the Output stage at this point in time. However the program has already helped entrepreneurs access capital for expansion, and to grow their customer accounts. Further, the entrepreneurs benefiting from the early pilot activities source from a total of more

than 3,800 smallholder farmers, illustrating the high probability of significant indirect impact on this low income population in the two countries.

The AEP knowledge agenda was kicked off in FY16 with a joint WB and IFC **study on Facilitating Market Access for Agribusiness SMEs through Partnership with Lead Firms**. Given the high interest in the topic by WBG colleagues, the WB co-financed the study, enabling *infoDev* to expand the scope, yielding a rich set of case studies and insights that in FY17 will be leveraged in training and project design.

Overall, in AEP, disbursements are on track.

In FY16, the **Digital Entrepreneurship Program (DEP)** successfully developed a new diagnostic tool to **assess environments, or ecosystems, for digital entrepreneurs**. The tool was piloted in **Serbia, Bangladesh and Sri Lanka**. A preliminary finding from the Serbia diagnostic was a lack of e-payment gateways, a major impediment to the sustainability and growth of digital enterprises. This finding resulted in a WBG/local stakeholder roundtable exploring potential paths to solving the issue. The Serbian government also asked the WB to form a joint team with the Prime Minister's office to develop priorities on entrepreneurship in the country, and to assist in implementation. In Bangladesh, the pilot was directly aligned with a new phase of a WB project, and will thus have significant influence on a large scale project implementation. There is demand from other WBG units to pilot the tool in a number of countries. WBG teams have also expressed interest in whether the tool can be generalized to apply to entrepreneurship more broadly, and pilots have therefore commenced in Morocco (under the Climate Technology Program) and Suriname, under the Entrepreneurship Program in the Caribbean to apply the tool for clean tech and sector-agnostic entrepreneurship diagnostics respectively.

The team has also continued to work actively with the **mLabs in Kenya, Senegal and South Africa** to assist them with scaling and prepare for implementation of the regional acceleration programs. Both the Senegal and South Africa labs are expanding with increased support from local government currently valued at approximately \$330,000, and in **Kenya, *infoDev's* work in digital entrepreneurship has contributed to the preparation of a new \$50m World Bank loan** to support greater integration between the ICT ecosystem and the traditional sectors in Kenya, and to catalyze entrepreneurial hubs also in secondary cities.

**Significant ground-work was also laid for the launch of the regional and pan-African accelerator pilot. The first draft of the study of lessons from 20 acceleration program across the world has been completed**, informing the design of the Pan-African Accelerator to be implemented in FY17. The team has also reached out to 35+ investors and, pipeline curators. In particular, Endeavour Catalyst, CRE Investments, Ubuntu Capital, African Business Angels Network, VC4Africa, and ActivSpaces Cameroon have all indicated interest, along with Orange (network operator) Cote D'Ivoire.

Disbursements lagged significantly in DEP due to the time consumed to embed these activities with WBG country programming and strategies, and complete the processing of recipient executed grants. The grant agreements reached effectiveness in August 2016, but the delay will push forward both the anticipated M&E milestones and disbursements for FY17 and 18. As is discussed further in this document, a positive

outcome of the more extensive internal processes, is a higher degree of influence on related WBG programming, and thus higher probability of catalyzing larger scale initiatives, such as that in Kenya.

Key highlights with respect to the **Flagship Paper on Growth Entrepreneurship** included completion of the literature review; a day long workshop attracting 200 staff at the World Bank chaired by the World Bank Chief Economist for Equitable Growth, Financial Inclusion and Governance, hosted in cooperation with the Global Entrepreneurship Research Network (GERN) and the Brookings Institute; the initiation of a mapping of policies to promote growth entrepreneurship conducted in cooperation with Startup Nations; secured access to country census data to run quantitative analysis across a range of countries; and continued engagement with the Kauffman Foundation, Endeavor, and OECD on the research agenda. The work to-date on the Flagship has indeed revealed a whole research agenda related to growth entrepreneurship in a developing country context that warrants an on-going research program.

As a cross-cutting theme - in last year's Steering Committee Meeting, the donors expressed a keen interest in further emphasis on **women entrepreneurship** across the MDTF work program. The team therefore did a rapid assessment of the state of women entrepreneurship in each of the MDTF implementation countries, and thereafter worked with the local implementing partners in each of the countries to articulate a work program to address the concerns surfaced. A separate document is available that summarizes the key findings of this assessment. One of the key issues that emerged across the countries was a lack of role models for women entrepreneurs contributing both to female entrepreneurial aspiration, and to men's perception of women as growth entrepreneurs. The team therefore started a series of case profiles of women entrepreneurs that will be leveraged to attract women entrepreneurs to the program and to affect societal perceptions of women entrepreneurs. The team also provided inputs to the WBG's gender strategy, and initiated partnership discussions with women focused organizations such as Golden Seeds Investments, and the Tony Elumelu Foundation, amongst others.

Institutionally, continued organizational changes in the WBG resulted in the Innovation and Entrepreneurship unit (I&E) welcoming the social entrepreneurship team and the innovation lab from the Learning, Leadership and Innovation Vice Presidency of the WBG, broadening the competency of the team into the social entrepreneurship arena. Further, as a consequence of the narrowing of the ICT business strategy to a focus on telecommunications/connectivity and e-government solutions, staff from the ICT and Transport Global Practice who have competence in ICT innovation were transferred to I&E as of FY17, increasing I&E's human resources in this important domain. I&E has therefore grown significantly in the past year, now comprising 40 staff and \$88 in donor funds under management.

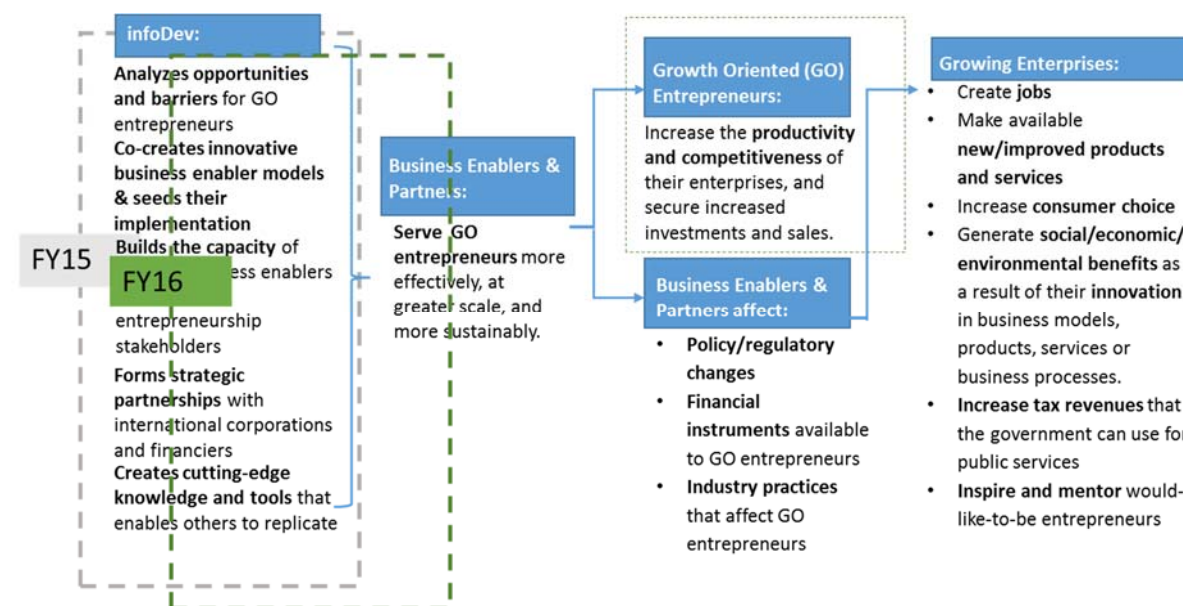
## Background

For ease of reference:

As per the MDTF Administration Agreement, the objectives of the MDTF are to “promote competitiveness, employment and sustainable, inclusive growth (particularly including women and the poor) in the mobile, climate technology and agro-processing sectors by (a) testing new approaches that enable the growth of innovative new ventures; (b) creating and disseminating knowledge; and c) strengthening recipients’ capacity to design and implement programs that enable the growth of innovative new ventures.”

The results chain under-pinning the MDTF Work Program is also provided in Figure 1 below. As illustrated in the framework, *infoDev* is now starting to see change happening at the business enabler level, along with very early results from a small sample of entrepreneurs.

Figure 1: The FY15-19 Journey



As illustrated in Figure 2 below, as of August 1, 2016, the *infoDev* MDTF has secured \$13.4m from Sweden, Norway and Finland, out of which \$11.3 m had been paid-in and \$2m remain outstanding. No fundraising occurred in FY16 due to the IDA moratorium. Fundraising will however be reinitiated in November, 2017.

Figure 2: Status of Donor Contributions

Donor	Currency	Amount in Contr Curr	Amount in USD	Paid in Contr Curr	Paid in USD	Unpaid in Contr Curr	Unpaid in USD
Swedish International Development Cooperat	SEK	30,901,500	4,737,444	30,901,500	4,737,444	0	0
Norwegian Agency for Development Cooperat	NOK	40,000,000	5,095,725	32,000,000	4,148,542	8,000,000	947,183
Finland - Ministry for Foreign Affairs	EUR	3,000,000	3,318,000	2,000,000	2,208,900	1,000,000	1,109,100
Finland - Ministry for Foreign Affairs	USD	237,311	237,311	237,311	237,311	0	0
			13,388,480	0	11,332,197		2,056,283

## FY16 Progress

---

### Agribusiness Entrepreneurship Program (AEP)

#### Knowledge Products

Access to markets is one of the key challenges of agribusiness entrepreneurs. The AEP research agenda was therefore kicked off in Q1 of FY16 with the initiation of a study on **Facilitating Market Access for Agribusiness SMEs through Partnership with Lead Firms (AK1)**. The analytical product is being carried out in partnership with the global agribusiness team in the Trade and Competitiveness Practice, and IFC, leveraging \$50,000 in co-financing and significant inputs by WBG staff. The study included a literature review, a meta-analysis of 66 publicly funded projects, and six case studies covering publicly and privately funded initiatives in the West bank, Cambodia, Columbia, Kyrgyzstan, Kenya and Uganda covering industries ranging from dairy, olive oil, and horticulture to breweries. The study is currently at the final stages. Not surprisingly, a key insight is that publicly funded business linkage initiatives rarely continue after the public support ends due to lack of lead firm ownership, an “unfinished” business case for a continued business relationship, and lack of availability of support to ensure the SMEs deliver the quality and quantity required consistently. Additionally, the importance of having policy level commitment to address constraints associated with standards and trade logistics in order for these programs to work, was evident. All the data collection has been completed, and the team is currently developing the summary insights and case studies for publication.

A discussion of the preliminary insights gained from the study was held at the World Bank in Washington in June 2016, drawing 285 participants from within and outside of WBG which reflected significant interest in the subject matter. The initial findings have also already informed the design of the Zambia Agribusiness and Trade Project, and will be positioned to inform both the AEP service offerings and future agribusiness projects of The World Bank Group as described in the Work Program.

To address the increasing demand from the WBG for solutions that promote the growth of agribusiness SMEs, *infoDev* has initiated the process of developing a set of learning materials and tools that will help a broader range of World Bank Task Team Leaders (TTLs), and country Project Implementation Units (PIUs) design and implement agribusiness SME projects. This is discussed in further detail in the FY17-18 Work Program.



## Implementation

In **Tanzania**, the quick-win action learning pilot (AC1) has been concluded and the handover process to the local implementing partner in Dar es Salaam and Morogoro is on-going. A “Smart Lessons” document capturing the lessons learned has been developed, which provides the Tanzania AEC management and board with insights for the on-going development of the AEC service offering, and *infoDev* with insights for future deployments of the AEC approach. A few of the insights are summarized in Figure 3 below. Indeed, the exercise was found invaluable as an “action learning” tool for building the capacity of staff associated with implementation of the AEC. *infoDev* will therefore adapt the approach as an “on-the-job” training program in future AEC implementations.

The Tanzania AEC – funded by DANIDA- experienced a set-back in the spring of 2016 when it became clear that the AEC Director appointed in October 2015 was unfit for the job and had to be removed from the position. The Managing Director of PASS – the AEC host organization – stepped in temporarily to provide guidance to the three core staff of the AEC, and a new recruitment process is currently under way, expected to be completed in October 2016. Despite the set-back, the staff were able to continue with delivery of services to the existing clientele, illustrating the progress made in ensuring a solid *institutional* capacity.

*Figure 3: Insights from the Tanzania Action Learning Pilot*

**Selecting the “right” entrepreneurs:** The experience demonstrates the need to select full time entrepreneurs, who are already at market with existing turnover and have sold some products, thus illustrating product-market fit.

**Overcoming inefficiencies:** A key learning, observed without fail across all companies, was that inefficiency is due to weak business knowledge, lack of customer focused strategy and weak market knowledge and sales skills. This insight has direct bearing on the staff profile needed for the AEC.

**Identifying finance to fuel growth:** Lack of access to finance is not the burning issue in most cases. Business support to promote sales, and to address issues in production and business operations was effective, and improved cash-flow. Where these inefficiencies were corrected, the entrepreneur was able to secure the working capital needed to expand his business

**Working with perishable products:** Limited cold chains, unreliable electricity, inefficient distribution networks, and insufficient hygiene standards presented significant difficulties for SMEs working with perishable products. The AEC should thus be careful with selecting entrepreneurs that are working with perishables and ensure that it can help put in place risk mitigators before accepting these clients into the program. This is also where larger WB projects can add significant value.

**Establishing trust:** A key learning for future AEC recruitment of clients is to illustrate value and establish trust before “demanding” full access to the business data needed for the highest value added guidance.

**Focusing on value chains with similar characteristics:** Working across value chains that have similar market characteristics facilitates economies of scale allowing broader value chain evaluation and learning while ensuring the limited resources are not overstretched.



In line with the MDTF donors request for increased focus on **women entrepreneurship**, the Tanzania AEC assessed in more detail how it currently affects women entrepreneurs and what it can do to overcome the key challenges women entrepreneurs in agribusiness are facing. In Q1 of 2016 the AEC appraised 21 potential clients. While no quota was set for women, 10 of these were women and 11 were men, illustrating an equal reach and interest across genders. That said, out of 10 women entrepreneur only one qualified as an AEC client. The remaining 9 women did not qualify due to lack of working space, low production capacity, inadequate technical knowhow, lack of market knowledge and inadequate business acumen. The AEC thus sees a need to take a targeted approach to build a pipeline of women entrepreneurs that are on par with male candidates. Further, the gender analysis undertaken by the *infoDev* team identified that in Tanzania, women entrepreneurs face challenges in technical and business management skills, and tend to have weaker bargaining power vis-à-vis buyers and financial institutions. The study suggests to explore the scope for additional “catch-up” training for women entrepreneurs to be on par with male counterparts, facilitate networking with organizations working with women entrepreneurs, and explore mentoring matches with successful entrepreneurs.

An assessment of the **accessibility of finance** for agribusiness entrepreneurs in Tanzania was also completed with the intent to provide the AEC with a clear overview of which sources can be approached for what, and how the AEC must prepare entrepreneurs to access these sources of financing. The study verified the financing need ranging from \$20,000 to \$300,000 for small high growth potential agro-processing companies that have yet to achieve sufficient collateral, cash-flow and margins to meet the terms and conditions of the banking sector. The study also verified that there are a significant amount of financial intermediaries who would be interested in investing in AEC clients upon graduation, growth, and maturity. To fill the gap in between, the study recommends an investment fund in the amount of \$4 million over 5 years, offering subordinated debt tailored to each companies needs before they graduate to a formal source of financing. As discussed further in the FY17-18 Work Plan, this is an area *infoDev* will explore further in FY17.

In **Nepal**, the team actively supported the new team in the Ministry of Agriculture to deepen their knowledge of agribusiness entrepreneurship and support frameworks, and to select the appropriate host institution and local implementing partner for the AEC. The identification of the implementing partner for the AEC is at the negotiation stage, and the organization is expected to commence work in the 2<sup>nd</sup> quarter of FY17. The delay in procurement was due to significant changes in the Ministry’s Project Implementation Unit (PIU) and the new team’s limited capacity to execute the procurement process.

Despite the procurement delays, it is clear that the Nepal Government is committed to seeing the AEC succeed. Indeed, *infoDev*’s work to prepare this project has in no small part contributed to the Nepal Government having launched a flagship program on “Innovation and Agro-entrepreneurship” that aims to foster agricultural innovation and agro entrepreneurship through the combination of tax incentives, agribusiness incubators, and matching grants.

Building on the lessons from Tanzania, the quick-win action learning approach was also initiated in Nepal where six enterprises have so far been selected for inclusion. These companies have a diverse set of products ranging from dog chews, to organic coffee, commercial rabbit meat, ice cream and specialty honey. The companies were selected based on their growth potential, utilizing the same screening tools

as in Tanzania. Together with the action-learning team, the companies have developed their six months growth plan and associated activities. As noted in the FY17-18 Work Plan, as soon as the implementing partner for the AEC commences work, the work with these clients will constitute active on-the-job training for the AEC staff.

While a pool of more than 100 entrepreneurs were screened for participation in the quick-win action learning approach, amongst the six enterprises selected, only one was a woman entrepreneur. This represents a useful learning input for the finalization of the design of the AEC service offering in Nepal; similarly to Tanzania, the AEC in Nepal may need to invest in preparation of a pool of women-owned SMEs that can be future AEC candidates.

Finally, while it is still early days, the projects in Tanzania and Nepal already show high potential to have significant impact on the livelihoods of smallholder farmers. Collectively, the few entrepreneurs that are the early entrants into the AEC programs source from a total of more than 3,800 smallholder farmers. As the entrepreneurs increase the size of their businesses, their purchases from the farmers will increase, thus increasing farm-level incomes also. This is an effect *infoDev* will trace over the time of the program, and ideally also after project end.

## Mainstreaming and Scaling Through the World Bank Group

As noted in Doc E/4, with the additional funding of \$1.8 million from NORAD secured in FY16, *infoDev* committed to “embark on one or two strategic markets and projects where it will actively engage with the relevant World Bank Group team to design project components and input to a policy dialogue affecting agribusiness entrepreneurship” (Activity AC2). As discussed in Doc E/4, “the markets chosen will be those where *infoDev* deems the market feasible, where the World Bank Group CMU has identified demand from its client representative in the government – and to the extent possible, in countries of high priority amongst the donors to the MDTF. More limited design support will also be provided to a larger set of countries.”

In FY16, **Zambia** emerged as a perfect opportunity to achieve this vision; the WBG received a request from the Ministry of Industry in Trade for a project focused on promoting the agribusiness sector as part of its diversification strategy. *infoDev*’s engagement at the time of the preparation of a new WB project, facilitating a public-private stakeholder dialogue on agribusiness entrepreneurship and SME development, along with a series of consultations with farmers’ and business associations, retailers, the hospitality industry, business service providers, financiers, and a survey of 50 growth oriented agribusiness SMEs resulted in the design of a \$9m project component, and the WB and the Zambian Ministry of Trade and Commerce “adopting” the AEC approach as part and parcel of the Zambia Agribusiness and Trade Project. The project also includes a component seeking to upgrade farmers groups and a component targeting improvement at the policy level and in quality infrastructure. As described in further detail in the FY17-19 Work Plan, *infoDev* will in the run up to project effectiveness (expected in Q3 of FY17) and during project implementation utilize the *infoDev* MDTF funds to provide tailored assistance to the PIU, the implementing partner, and related stakeholder, and work with the same to iteratively innovate in how Zambia supports agribusiness entrepreneurship and SME development.

In **Georgia**, *infoDev* received a request for assistance by the UN's Food and Agriculture Organization (FAO) to help support the Ministry of Agriculture with the establishment of an Agribusiness Entrepreneurship Center in the country. *infoDev* therefore conducted a pre-feasibility assessment for a potential for agribusiness SME support program and delivered an abbreviated version of the agribusiness incubation training to Ministry and local FAO staff. The Deputy Minister is keen to pursue a full feasibility assessment and implementation options.

Similarly in **Belize**, *infoDev* received a request for collaboration from Belize Trade and Investment Development Services (BELTRAIDE), under Ministry of Trade. Leveraging resources from the EPIC Trust Fund, funded by Canada, the team conducted a pre-feasibility study for a potential AEC in Belize and provided agribusiness incubation training to 17 stakeholders from private and public sector, out of which, 89% rated satisfied. An initial model for agribusiness SME support has been shared with BELTRAIDE and the World Bank country office, which may lead into a detailed design process and implementation.

*infoDev* has also been providing early inputs to design of larger WB led agribusiness operations in **Uganda, Congo, Cote d'Ivoire, India and Bangladesh** leveraging the models derived and insights gained from the *infoDev* MDTF. Indeed, in Bangladesh and India a new "flavor" of the AEC may be possible, blending *infoDev*'s climate technology experience with that in agribusiness to create a program around climate-smart agribusiness.

The WBG demand for input on design of agribusiness entrepreneurship and SME solutions have become evident. Sufficiently so, that *infoDev* is starting to invest in the "codification" of diagnostic frameworks and in leveraging its knowledge to develop introductory training for WBG staff and governments that are considering agribusiness entrepreneurship projects. This will lay the ground for scaling the program in a more efficient manner. These tools will be co-financed with T&Cs global agribusiness unit, and will form part of T&C's global offer on agribusiness. This is discussed further in Doc E/4.

## Evaluation Products

*infoDev* finalized the baseline assessment and results frameworks with targets for both the AEP and the Tanzania AEC (AE1 & 2). *infoDev* also launched a comprehensive initiative aimed at systematically designing and building a robust monitoring system for AEC activities and their supported businesses. At the core of the monitoring system were the design and development of a standardized data collection process, consisting of eight online forms to be used at different touch points between the AEC, their partner service providers, and their businesses. The Tanzania AEC is now in the process of translating the data collection tools to Swahili, and the local M&E specialist - as well as the business development managers who meet with the entrepreneurs on a weekly basis - have been trained to utilize the tool as part of their day-to-day work.

While the qualitative results from AEP is described in the above paragraphs, Annex 1 includes the quantitative scorecard that aggregates the results across the AEP.

Another deliverable for FY16 was the creation of a prototype of online dashboards, which will utilize data as it comes in from the different online collection templates. This is the first step in providing the AECs with strategic analytical and visualization capabilities to better manage, grow and sustain their operations.

In FY17-18, *infoDev* will aim to refine the M&E methodology introduced such that others can use and adapt it to their own purpose.

## Progress on Disbursements

As illustrated in Table 1 below, projected disbursements in AEP were largely achieved. The reason that disbursement for AK1 is below target is due to a last payment due to the contractor hired to complete the knowledge product. This final payment will only be made after the final edits and design have been completed, which is expected in Q1 of FY17. M&E spending is also below target due to the delayed recruitment of the AEC implementation partner in Nepal.

Table 1: AEP Budget Allocation and Disbursements

	Budget	FY15	FY16	
	Allocation	Actual	Projection	Actual
<b>Agribusiness Innovation Program</b>	<b>27%</b>			
<b>Country/Regional Implementations</b>	<b>2,820,000</b>			
AC1: Quick-win Action Learning and TA Programs in Tanzania and Nepal	1,000,000	173,897	410,000	412,000
AC2: Strategic Engagement With the World Bank for Mainstreaming	1,720,000	16,761	153,239	165,229
AC3: Agribusiness Enabler Training	100,000			41,812
<b>Knowledge Products</b>	<b>450,000</b>			
AK1: Facilitating Access to Markets through Linkages with Lead Firms	450,000	18,856	381,144	244,471
<b>Evaluation Products</b>	<b>285,000</b>			
AE1: AIP Tools and Baselines	210,000	15,200	174,800	38,685
AE2: M&E Capacity Bldg for AICs	75,000	22,804	27,196	12,500
<b>Total</b>	<b>3,555,000</b>	<b>247,518</b>	<b>1,146,379</b>	<b>914,697</b>

## Digital Entrepreneurship Program (AEP)

As discussed in the FY16-17 Work Program (Doc E/4), the FY16-17 period focuses on kicking off two new streams of work: first, “acceleration” as a methodology for starting and scaling digital enterprises, and second, an “eco-system” approach to diagnosing opportunities and challenges to enable the emergence of competitive digital enterprises.

## Implementation

As discussed in previous SCM documents, DEP represents a continuation of phase 1 of the mobile innovation program started in 2011 under the partnership program with Finland<sup>1</sup>. DEP builds upon phase one in two ways: 1) by scaling the mLabs initiated in 2011, and 2) by piloting an acceleration approach at a regional level.

Progress has been made towards **scaling up mLabs in Senegal, Kenya and South Africa** (activities DC1a, DC1b and DC2), which currently have 39 start-ups in their active incubation portfolios, representing products ranging from fintech to business enterprise solutions, and stages ranging from ideation and prototyping to profitability. In 2016, m:lab East Africa and mLab Southern Africa reported rapid growth amongst its existing clients. On average, each startup employed 6 to 20 employees. Figure 4 also illustrates one of CITIC Dakar’s successful client entrepreneurs.

Throughout FY16, the mLabs raised awareness for their offering, deepened their global networks of investors, media and other partners, and participated in knowledge sharing of best practices in incubation and acceleration support by leveraging leading global innovation and entrepreneurship events, such as DEMO Africa and Slush.

In **Senegal**, CTIC Dakar is facing growing demand and visibility. CTIC recently moved into a larger space, valued at \$144,000 a year, provided in-kind by the government’s State IT Agency. Indeed, this commitment only occurred when the State Agency had received confirmation of *infoDev*’s continued support, clearly illustrating the catalytic effect the MDTF has also vis-à-vis local partners. Additionally, Sonatel, the principal telecommunications provider of Senegal, expressed interest in acting as a corporate

Figure 4: mLab Client: Sentrust

**SENTRUST** (<http://www.sentrust.sn>), established in December 2013, is a company that specializes in Senegalese law and serves as a trusted third party. Its offerings include XDOCAUT, an authentication platform for institutional documents (eg, diplomas), which generates secure credentials to fight against fraud. This platform is designed for higher institutions but also used by companies during staff recruitment and embassies to verify visas. XDOCMAN is an easy to use Electronic Document Management solution offers secure paperless business transactions.



Pictured: Maïmouna DIA DIONE, CEO

<sup>1</sup> See “Do mLabs Make a Difference?” <http://www.infodev.org/mobile/mLaboutcomes> for an analysis of Phase 1 implementation of these mLabs.

sponsor during delivery of the West Africa acceleration program. These developments illustrate the continued local commitment to CTIC, along with the catalytic effect the *infoDev* MDTF.

Within the WBG family, CTIC gained visibility in the context of its outreach to women entrepreneurs, resulting in the new WBG Country Director for Senegal referencing CTIC's work at a women entrepreneurs' event in Dakar. CTIC was also selected by the WBG to host the World Development Report (WDR) roadshow in Senegal. The vision for scaling up the mLab further aligns well with the WBG Senegal Country Partnership Strategy (CPS) for FY13- FY17 and the Senegal Growth and Export Development project, both of which provide opportunities for scaling the impact of the mLab going forward.

In **Kenya**, iHub, the implementing partner of m:lab East Africa, restructured in order to strengthen its sustainability model and expand its service offerings to a wider beneficiary pool. m:lab East Africa also organized its 5<sup>th</sup> annual Pivot East, an initiative considered East Africa's premier startup competition, held annually since 2011. Pivot East is a six-month program offering workshops and business advisory sessions for entrepreneurs, and culminating in the top 25 startups pitching to investors and partners at one-day public conference. Five winners of the competition receive \$10,000 in funding. SafeMotos, featured in Figure 5 below was a winner of the transport category.

*Figure 5: SafeMotos, winner of the transport category at the 5<sup>th</sup> mLab Pivot East*



**SafeMotos** (<http://www.safemotos.com>) is a Rwanda-based start-up that offers a safer ride alternative for users and is often described as “an Uber-style app for motorcycle taxi industry”. SafeMotos drivers’ are equipped with smartphones that send data on how they drive. With 5,000 registered users and more than 500,000 kilometers tracked, the system can tell a safe driver from an unsafe driver. Riders are only connected to drivers who meet their high quality standards.

SafeMotos is priced using data generated from a Carnegie Mellon University in Rwanda research project that is the most accurate price estimation tool available for motorcycles. The goal of SafeMoto is to make competitive motorcycle taxi rates and safe rides universally accessible.

Prior to participating in Pivot East, SafeMotos had raised 75 percent of its \$100,000 funding round. Since winning the competition, SafeMotos raised \$131,000 in investments allowing the startup to add taxi drivers to its platform.



The WBG's commitment to the support of the local technology sector, and to leverage the m:lab for that purpose is evident; in spring 2016, the mLab was visited by WBG Vice President of the Africa Region, Makhtar Diop. Later in the year, the *infoDev* MDTF preparation work and contributions to Trade & Competitiveness (T&C) Global Practice Programmatic Approach in Kenya triggered preparation of a **potential WBG ICT IDA operation, valued at approximately \$50 million**, that will aim to bridge the gap between the traditional industries and the ICT entrepreneurs to boost firm-level productivity and increase private sector investments. The initiation of this project was endorsed against the back-drop that while Nairobi has emerged as a start-up capital with a number of entrepreneurial networks, incubators and accelerator activity, spearheaded by *infoDev* supported iHub and the m:lab East Africa, - recent growth in Kenya has been predominantly services led while traditional employment generating sectors like agriculture and manufacturing seem stagnant. At the firm level, low productivity and incremental innovation have been identified as key constraints for growth, and the slow digital adoption by traditional industry risks leaving them behind altogether. The new project thus seeks to bring dynamism to traditional sectors, leveraging digital entrepreneurship, with the assistance of the *infoDev* team.

In **South Africa**, the mLab Southern Africa (mLab SA) added a second site in Cape Town at Workshop 17. This year, mLab SA's expansion strategy includes plans to add five sites in five cities, along with two code academies in Johannesburg townships. As part of the technical assistance to be provided to mLab Southern Africa, *infoDev* will develop a 12-month work plan that will inform the mLab's expansion strategy, sustainability, and direction for the future development of its offering.

*Figure 6: hearScreen, South Africa, 2015 Slush Global Impact Accelerator Participant*

In 2015, mLab Southern Africa hosted the Slush Global Impact Accelerator competition for South Africa. Selected companies received virtual mentoring in preparation for the Helsinki bootcamp in November.



One of the participants, **hearScreen** is an innovative startup providing smart solutions for healthy hearing. It is a low cost mHealth solution for hearing problems that provides clinically valid tests. hearScreen operates on a cloud-based management and referral systems that links patients to services. For a fee, hearScreen offers schools and institutions a platform to manage patient details including hearing test history and clinical notes. hearScreen's company vision is to impact the world's 1.2 billion people who suffer from hearing difficulties by offering affordable services and links to hearing health. To date, hearScreen has offered close to 14,000 screening tests. (<http://www.hearscreen.com>)



The mLabs also paid special attention to **promoting women's entrepreneurship** within their existing programming: for each program facilitated by CTIC Dakar in Senegal, women are strongly encouraged to apply. A majority of CTIC Dakar's current staff are female and have strong ties to the women's business community; the m:lab East Africa has a close partnership with AkiraChix, an organization dedicated to promoting women's entrepreneurship in technology. m:lab East Africa places women who participated in AkiraChix's technology training programs into internships with its clients offering a win-win solution for start-ups and latent women entrepreneurs; as part of mLab SA's expansion to Cape Town, a new hire includes a female staff member who is pursuing promotion of entrepreneurship in university engineering programs.

As part of the **scaling up mLabs in Senegal, Kenya and South Africa** activity (DC1a, DC1b and DC2), *infoDev* co-designed the regional acceleration program with the mLabs. This curriculum leverages content developed for *infoDev* activities in the Caribbean that are funded by a separate trust fund. The regional acceleration program aims to provide learning material for digital business enablers on topics such as investment readiness and investor engagement, diaspora networks, and internationalization of digital enterprises, and will seek to create the capacity and networks necessary to take most potential entrepreneurs to scale high-potential ventures into sustainable businesses. The curriculum development commenced in FY16 Q4 and will be completed in Q2 FY17.

Initiation of the regional acceleration programs in West, East and Southern Africa was delayed due to the time it took to embed the mLab grant funded activities into WBG country programming and complete the processing of recipient executed grants. These grants were effective only in August 2016, therefore pushing out the initiation of the regional acceleration programs to start in Q2 of FY17, as opposed to Q4 of FY16 as originally envisioned.

It was decided that the **Pan-African Acceleration Pilot (DC2)** will be hosted by South Africa. This location was decided after extensive consultations with investors, and at the invitation of the Department of Science and Technology of the Government of South Africa, in the context of a continuing partnership between DST and *infoDev*/World Bank.

While the Pan-African Acceleration Pilot will follow the regional acceleration programs, *infoDev* proceeded to call for proposals to recruit the implementing partners. Proposals for the implementation of the accelerator were received from RLabs, IMC Worldwide, WhatAVenture GmbH and Varela Consulting. The contract is expected to be awarded to IMC Worldwide by the end of August 2016. IMC Worldwide will thus work with local partners and mLab SA to execute the pilot.

In parallel, *infoDev* has undertaken significant groundwork to develop the partnerships required to successfully implement both the regional and pan-african acceleration programs. For the purpose of the pan-African program, several exploratory meetings were held with investors such as 500 Startups, Cross Culture Ventures, EchoVC, and Golden Gate Ventures in support of partnership cultivation for the pan-African accelerator. Interviews were also conducted with over 35 investors, pipeline curators, and entrepreneurs to better understand perceptions of value surrounding the accelerator, how to best engage with investors, and acceleration best practices. Most of these expressed interest in partnering. In

particular, Endeavour Catalyst, CRE Investments, Ubuntu Capital, African Business Angels Network, VC4Africa, and ActivSpaces Cameroon have all indicated interest, along with Orange (network operator).

The main area of feedback from investors is related to the lack of an investment vehicle for the accelerator; specifically, investors would prefer to be able to co-invest alongside the accelerator, instead of the accelerator “only” covering the costs of the capacity-building aspects; however, the networking function and the logistical and technical management of the accelerator was highly appreciated by potential partners. *infoDev* will work with IMC Worldwide and potential partners on a revised partnership strategy to ensure maximum leverage. *infoDev* will also explore to what extent IFC’s new Startup Catalyst can be leveraged for this purpose.

*infoDev* also directly linked the mLabs to broader international entrepreneur and investor networks. In this regard DEMO Africa (see Figure 4) and Slush have been instrumental.

Figure 7: Demo Africa

**DEMO Africa** is a flagship event that serves as a new product/service launch platform for 30 competitively selected African startups. Each year, it is sponsored by the U.S. State Department, Microsoft and the host country’s government. In 2015, *infoDev* renewed its partnership with DEMO Africa, participating in the event held in Lagos, Nigeria on September 23-25, 2015, and in Johannesburg, South Africa on August 24-26, 2016. As part of its long term objective of strengthening the pipeline of high quality entrepreneurs for the mLabs’ regional programs, *infoDev* facilitated three knowledge sessions at DEMO Africa 2016. Two of the sessions were targeting entrepreneurs and were co-facilitated by an mLab SA graduate and founder of GoMetro.<sup>1</sup> The third session was designed for technology hub managers and business enablers and integrated inputs from the study of acceleration programs (DK2) regarding best-practices for incubation and acceleration programs. These sessions offered a preview of the upcoming acceleration activities. Attendees were strongly encouraged to apply to the acceleration pilot.

## Knowledge Products

In order to inform upcoming regional acceleration activities (DC1a and DC1b) and the design of the Pan-African Acceleration Pilot (DC2), *infoDev* commissioned a **study of acceleration programs (DK2)** in developing countries with particular focus on Sub-Saharan Africa to better understand the current landscape and best practices. The study is being carried out by Enclude, ANDE and Emory University. The study is divided in three phases:






- a) General assessment of at least 20 existing acceleration programs (APs) in selected developing countries, with particular focus on Sub-Saharan Africa
- b) In-depth assessment of 8 acceleration programs (case studies)
- c) Quantitative venture-level survey of accepted and rejected entrepreneurs in selected APs

The review was completed of 22 from 10 Sub-Saharan African countries with both relatively mature and developing entrepreneurial ecosystems) and the preliminary results were presented at DEMO Africa, during the knowledge session targeted at technology hub managers and business enablers. As illustrated in Figures 5 and 6 below, the initial results show that there is much confusion about the use of the term “acceleration” and that few true accelerators operate in low-income countries.

Figure 8: Insights from Acceleration Programs in Africa

- The majority of the APs in SSA are more an AP in name than in the support provided, particularly their focus on providing access to capital (investors).
- The majority is, unlike the traditional ‘Silicon Valley’ AP, not focused specifically on high growth enterprises and is satisfied taking on entrepreneurs with a business idea only. Thus, in many cases, these programs remind simply shortened incubation or business support programs
- The majority of the surveyed APs is sector or theme specific. The most common sectors are IT, IT-enabled venture focus and the “green sector”.
- The majority of the APs is reliant on public / donor funding
- The length of programs varies between 3 and 12 months, hand holder types of services (including access to physical office space) are rather common, and offering access to capital is often limited to pitch sessions or demo days at the end of the program.
- Only 35% offers a guaranteed financial grant or investment for some or all participants in the program.
- The majority of the APs have a very small pool of mentors in comparison to the pool of participant; over 53% have less than 1 mentor available per participant.

Figure 9: AP Characteristics in Mature and Developing Entrepreneurial Ecosystems in SSA

	APs in Developing Ecosystems	APs in Mature Ecosystems
% of AP sample	31% developing	69% mature
Venture growth stage	blueprint / validate	prepare / scale
Generic vs specialized	50% - 50%	27% - 73%
Partner type	Other AP or BDS provider (43%) & no partner (29%)	Corporate (38%) & other AP / BDS provider (38%)
Average cost per venture	US\$ 9,670	US\$ 17,680
Funding source	0% fully donor funded; mix of donor, government, private sector funded	43% fully donor funded; others: mix of donor, government & private funded
Sourcing of applicants	Universities & own marketing materials	Entrepreneurial networks & referrals alumni
Key selection criteria	Idea & founding team	Business model & potential impact
Onsite vs remote	Particularly on site support	Mix of on-site and remote (often virtual) support
Service provision	Business skills & mentoring	Mentoring & access to capital
Type of AP Support	50%  & 30% 	38%  23%  & 
Post program support	Short but regular	Long and irregular

The survey data from program level assessment further emphasizes the need for interventions such as regional and Africa-wide acceleration programs aimed to share best practices with and to improve capacity of local business enablers to design and implement comprehensive acceleration programs for high-growth entrepreneurs in the region. The in-depth study results of select eight APs will be completed in Q2 FY17.

**The Digital Entrepreneurship Ecosystem Diagnostic Toolkit (DC3s)** was designed with the aim to help WB teams assess the environment or “ecosystem” for digital entrepreneurship in a country or region, with an overarching goal of identifying areas for improvement and specific interventions to be integrated into WBG operations.

The toolkit provides an analytical framework to assess a country's comprehensive ecosystem that supports growth-oriented digital entrepreneurship, through an analysis of its: 1) current environment; 2) strengths & successes; 3) weaknesses & barriers; and 4) opportunities for growth. The scope of this analysis is through the six domains of an entrepreneurship ecosystem, identified by the Babson Entrepreneurship Ecosystem Project: policy, financial capital, markets, culture, human capital, and supports.

Using a mixed (qualitative and quantitative) methods approach, the toolkit relies on four channels of data collection: 1) indicator data; 2) interviews; 3) focus groups; and 4) written questionnaires, with an optional survey. The tool can be complemented by an ecosystem mapping, which allows for further analysis of the firm-level and individual-level social dynamics, level of influence and spatial aggregation of startups and SMEs at city-, national-, or regional level. The mapping is based on an online dynamic data analytics tool developed by Endeavour and the World Bank, in partnership with the Global Entrepreneurship Research Network.

Over the past year, the toolkit went through several phases of testing which resulted in further refinement of the methodology and overall offering. In addition to Serbia and Bangladesh, the toolkit was tested in Sri Lanka. Some of the early results of the diagnostic pilots are a series of country-specific policy recommendations that have made a substantial contribution to projects throughout the World Bank Group and IFC, contributing to the deliverables under Mainstreaming DEP into World Bank Operations. Further details follow in Annex 2.

The key policy deliverable in FY16 was a policy note on the **Implications of the 2016 World Development Report for Digital Entrepreneurship (DK1)**. The draft of this paper has been completed under a revised title: Policy Principles for Digital Entrepreneurship.

The paper follows the framework laid out in the WDR, and thus discusses policies and regulations in the context of three areas:

- A business and regulatory environment that allows startup firms to leverage digital technologies to compete and innovate for the benefit of consumers. This includes hard and soft infrastructure, business rules, and trade rules.
- Skills of private and public sector workers, entrepreneurs, and consumers, needed to take advantage of opportunities for innovation in the digital world.

- An accountable government and institutions that effectively use digital technologies to empower citizens and deliver services.

Given the central role of many of the activities affected by digital technologies, the measures and reforms discussed have the potential to generate wide-reaching spillovers across economies and sectors and contribute to furthering even broadly defined development goals.

While many of the principles outlined are also valid for supporting entrepreneurship more generally, the paper focuses on the ‘digital difference’ and thus discussing entrepreneurial challenges that amplified by the fast-paced, uncertain, and inherently global digital world.

The paper attempts to guide policymakers to find the right balance of regulatory action, in order to avoid both the complete absence of regulation, which causes uncertainty, or the over- regulation of changes brought about by technologies, which can inadvertently create barriers for innovation where none are required. For example, well-intentioned regulators can enact policy measures that hamper the ‘sharing economy’ or digital trade, and thus prevent countries from benefiting from digital technologies, while also failing to achieve the original policy objectives.

The paper also discusses some opportunities for developing countries generated by digital technologies, including digital trade (of products produced, delivered or consumed digitally, and therefore potentially from any location, as well as of digital services), trade in tasks from any location (remotely executed tasks delivered via digital networks, at various skill levels), the provision of local content or content adapted to the local market, and the exploitation of data to generate new business opportunities and solve local challenges. Indeed, even sectors often thought of as more ‘traditional’, such as agriculture and extractive industries, are in fact very data intensive and can offer new growth, development and business opportunities using digital technologies.

## Mainstreaming and Scaling through the World Bank Group

As discussed above, the deployment of the digital entrepreneurship eco-system toolkit constituted important deliverables under **Mainstreaming DEP into World Bank Operations (DC3)**. The ecosystem diagnostics toolkit is currently being adapted for climate technology entrepreneurship, and used to assess the ecosystem for climate entrepreneurship in Morocco where it is informing an ongoing IFC Advisory Services project. Additionally, it is helping to facilitate dialogue with country clients on general entrepreneurship support in Suriname, and to identify how such clients can benefit from existing WB or other analytical products and models of practical implementation models. Further, the toolkit is being leveraged for the development of the WB offering on creative industries, including in Senegal, where a study of the potential of the music industry is currently being carried out.

The new operation in Kenya is another key illustration of both mainstreaming the DEP approach, and furthering the DEP program offering in cooperation with a WBG project.

## Evaluation Products

As to progress on development of **monitoring and evaluation products (DE1&2)**, *infoDev* completed baseline assessment for the 3 mLabs and the results frameworks with targets for both the DEP and mLabs

On data collection, the M&E team launched a comprehensive initiative aimed at systematically designing and building a robust monitoring system for mLab activities and their supported businesses. The initiative, which was carried out in consultation with different stakeholders including mLab managers and their staff and *infoDev* team, sought to provide a better understanding of the mLab's operational model and client business progress, as well as insights into strategic decisions at the mLab and the digital program level. At the core of the monitoring system were the design and development of a standardized data collection process, consisting of eight online forms to be used at different touch points between mLabs, their partner service providers, and their businesses. The process and related forms will be fully operational and rolled out to mLabs in FY17.

Another key deliverable for FY16 was the creation of a prototype of online dashboards, which will utilize data as it comes in from the different online collection templates. This is the first step in building the strategic analytical and visualization capabilities of the mLabs to better manage, grow and sustain the mLab operations.

The M&E team also advertised and selected with the support from the DEP team, a firm to conduct the second rapid assessment for mLabs; a follow up to the "Do mLabs still make a difference" report produced in 2013. The consulting firm is expected to start the assignment mid-September and an expected deliverable should be ready towards the end of 2017

While the qualitative results from DEP is described in the above paragraphs, Annex 1 includes the quantitative scorecard that aggregates the results across the DEP.

## Progress on Disbursements

As illustrated in Table 2 below, the DEP disbursement targets set for FY16 were not achieved. The lion-share of the under disbursement is due to the new lengthy process associated with processing recipient executed grants. Such grants now go through the same process as a small loan, involving significant engagement of the CMU, the government in the client country and a wider range of fiduciary staff and requirements. That said, In July 2016, the two grant agreements for mLabs East and West Africa - which underpin activities associated with DC1 and DC 2 respectively - were signed in August 2016.

Table 2: DEP Budget Allocation and Disbursements

	Budget	FY15	FY16	
	Allocation	Actual	Projection	Actual
<b>Digital Entrepreneurship Program</b>	<b>47%</b>			
<b>Country/Regional Implementations</b>	<b>5,100,000</b>			
DC1: Scaling mLabs in East, Southern and West Africa	1,700,000	113,410	536,590	147,894
DC2: Pan-African Acceleration Pilot	1,800,000	37,803	450,000	10,935
DC3a: Digital Entrepreneurship eco-system Diagnostic in Eastern Europe and South Asia	700,000	50,168	499,832	419,382
DC3b: Pilot in Bangladesh	500,000		100,000	63,452
DC4: Replication through the World Bank	400,000	22,051	97,949	97,949
<b>Knowledge Products</b>	<b>550,000</b>			
DK1: Implications of the Internet of Things for Entrepreneurs (based on the 2016 WDR)	100,000	12,542	87,458	85,056
DK2: Lessons from Venture Acceleration Models	450,000	62,710	287,291	189,190
<b>Evaluation Products</b>	<b>610,000</b>			
DE1: DEP Tools and Baselines	150,000	10,135	89,865	10,265
DE2: M&E Capacity Bldg for mLabs	60,000	15,203	44,797	13,500
DE3: Follow-up mEntrepreneur and app impact study	400,000		150,000	19,300
<b>Total</b>	<b>6,260,000</b>	<b>324,022</b>	<b>2,343,782</b>	<b>1,056,923</b>



## Cross-cutting Themes

### Growth Entrepreneurship

As discussed in the FY15 Progress Report, the Growth Entrepreneurship paper (CK1) has been adopted by the Senior Director and the Chief Economist of the Trade & Competitiveness Global Practice as a World Bank Group Flagship report. This decision put in motion an extensive preparatory process, including the completion of a literature review, consultations with 30+ scholars internationally, along with internal consultations with staff from across the WBG including DEC, Enterprise Surveys, Jobs CCSA, T&C, LAC, AFR, EAP, SAR, ECA and MNA. Consultations focused on prior and on- going related analytical work, high priority research questions of interest, along with operational demand from clients and potential partnering opportunities.

As part of this process, *infoDev* held a day long workshop at the World Bank. The event was chaired by the World Bank Chief Economist for Equitable Growth, Financial Inclusion and Governance, and was hosted in cooperation with the Global Entrepreneurship Research Network (GERN) and the Brookings Institute. The workshop also featured participation by scholars associated with AllWorld Network, Babson College, University of Stirling, National University of Singapore, Imperial College London, Business School and Indiana University. Almost 200 World Bank staff attended the half-day seminar and rated the quality of the event at 4.5 out of 5. All the sessions were videotaped and can be viewed here: [www.infodev.org/growth-entrepreneurship](http://www.infodev.org/growth-entrepreneurship).

As a result of the event, *infoDev* partnered with the [Global Entrepreneurship Research Network \(GERN\)](#)<sup>2</sup> to leverage relevant research of other organizations and influence how entrepreneurship research is carried out. Following this kick-off workshop, *infoDev* also contracted the Executive Director of GERN to guide the team through completion of the literature review and the development of an initial concept note.

As a result of the partnership established with GERN, *infoDev* was invited to participate in the Global Entrepreneurship Congress in Medellin, Colombia. The event drew more than 4,000 people from 160 countries, featuring key topics such as entrepreneurial eco-systems, entrepreneurship mindset and culture, early-stage investing, catalyzing start-up communities and disrupting traditional industries. Specifically, the team was invited to the Ministerial Meeting hosted by the Congress, which is a closed door meeting for senior policy makers on entrepreneurship and the GERN annual meetings. The team

---

<sup>2</sup> Members of GERN include Allan Gray Orbis Foundation, Argidius Foundation, Ciputra Foundation, Kauffman Foundation, Korea Entrepreneurship Foundation (KEF), NESTA, OECD, Omidyar Foundation, RWK Kompetenzzentrum, UNCTAD, USAID, World Bank, Arab Institute for Business Leaders, Aspen Network of Development Entrepreneurs (ANDE), Danish Foundation for Entrepreneurship - Young Enterprise, Emory University, Endeavor Insight, Fundación IES, The GEDI Institute, Iran Entrepreneurship Association, MaRS, Princeton University, PRODEM, StartupGenome, Universidad Autónoma de Ciudad Juárez

utilized these meetings to present and discuss the research agenda and objectives and solicited feedback on the proposed framework and research themes. These meetings and discussions validated the proposition as timely, in-demand, and frontier research project. In addition, the team was able to identify potential partners that could collaborate on the development, design, and dissemination of the flagship components, including the OECD, the Kauffman Foundation and Endeavor.

When the World Bank publishes a Flagship, it is positioned as the opinion of the World Bank. This therefore represents an immense opportunity to influence entrepreneurship policy across a vast range of countries. With such influence comes responsibility and more stringent quality assurance requirements. As required by the process, an internal WBG Concept Note Review was held in March 2016, chaired by Anabel Gonzalez, Sr. Director of the Trade and Competitiveness Global Practice, and featuring peer review feedback from external scholars, including Prof. David Audretsch and Dr. Donna Kelly, WBG lead economists, and senior operational managers. These reviewers will also continue to provide guidance to the research team going forward.

The concept note is available separately, and key features of the design is included in the FY17-18 Work Plan. In order to contribute to the level of research required for a World Bank Flagship, the T&C Global Practice made available \$125,000 in co-financing for the study.

Upon completion of the project concept note review, the following objective was adopted for the study: “This study will aim to advance the evidence-base pertaining to growth entrepreneurship in the developing country context and to provide guidance on policy options to enable growth entrepreneurship, especially in the context of countries in Sub-Saharan Africa and South Asia.” The three research themes adopted were further: 1) the prevalence of high growth firms and the effect of high growth entrepreneurship on employment, innovation and the entrepreneurship eco-system in developing countries; 2) the factors that enable high growth firms in developing countries to grow at the individual, firm and enabling environment levels; and 3) the role of government in enabling high growth entrepreneurship.

Two areas of concern coming out of the concept note review were 1) whether the team would indeed be able to access sufficient quality data to answer the research questions, and 2) how the team could provide relatively immediate policy guidance given that there is high demand for guidance now, and the research process will take time.

Availability and accessibility of data in the field of growth entrepreneurship is scarce. It is a relatively new field of research, and one of the key outputs of the study may indeed include guidance on what data should be collected. That said, through WBG linkages, apparently suitable datasets have been identified in India, Nepal, Indonesia, Thailand, Vietnam, South Africa, Cote d’Ivoire, Ethiopia, Brazil, Mexico, Colombia, Poland, Croatia, Turkey, Bulgaria, Romania, Hungary and Tunisia. These datasets will be leveraged from cross-country analysis, while 3-5 countries will be analyzed in-depth. The selection of these 3-5 countries will be determined by data availability and accessibility.

In order to accommodate the request for policy guidance while the research is on-going, the team initiated a “mapping” of policy instruments used to enable growth entrepreneurship. The mapping is aimed to

identify a) what policies and programs governments are putting in place to stimulate growth entrepreneurship, b) what the assumed or explicit results chains associated with these are, c) to what extent is there any evidence of successful outcomes of these policies and programs, and d) the cost of these policies and programs cost.

The mapping took as a starting point the 2010 report published by OECD titled: “High Growth Enterprise: What Government Can do to Make a Difference” and the literature review completed. It is expected that a first output from this exercise will be made available at the Global Entrepreneurship Congress taking place in Johannesburg in March 2017. As described in the Work Plan, there will be several iterations of the policy deliverable of the Flagship as research evolves.

### Women Entrepreneurs

At the fall 2015 steering committee meeting, the MDTF donors expressed an interest in additional focus on women entrepreneurs and the team has focused on achieving this via inputs to broader gender initiatives at the World Bank Group, activities under the MDTF program, and identification of future opportunities for the MDTF program’s value addition.

In December 2015, the World Bank Group Gender Strategy FY16-23<sup>3</sup> was published. *infoDev* provided inputs into the strategy, given the high level of importance given to the issue of women’s entrepreneurship as a path to furthering women’s economic empowerment. *infoDev* is also inputting into the T&C gender work plan to ensure appropriate operationalization of the women’s entrepreneurship agenda.

In FY16, ***infoDev* participated in two high-level events promoting the visibility of women entrepreneurs.** “Taking the Reins: Linking Women-Owned Business in Developing Countries to Growth” occurred in Washington, DC on October 13, 2015. Along with WBG colleagues, *infoDev* participated in the design and delivery of an all-day event, featuring small and medium women business owners, executives of successful corporations such as Wal-Mart, Marriott, Sodexo and PG&E, as well as WBG experts and directors. The event was chaired by Anabel Gonzalez, Senior Director of the Trade and Competitiveness Global Practice and Elizabeth Vazquez, CEO and co-founder of WEConnect International, a group aiming to connect small women-owned businesses to large multinationals seeking to develop more diverse supply chains. The event was widely attended by over 200 people from academia, higher education, private sector, WBG management and specialists, and media. The event was also livestreamed and reached a virtual audience of thousands. The event promoted stories of successful women entrepreneurs from developing countries, multinationals’ perspective on what they need from their suppliers, as well as recent research and literature published by the World Bank and others. Through this forum, participants were able to highlight specific areas for future partnership and also allowed women entrepreneurs to share details on gaps and challenges.

---

<sup>3</sup> <https://openknowledge.worldbank.org/handle/10986/23425>

This year's Global Entrepreneurship Summit included a daylong agenda focused on women's entrepreneurship and youth. Members of the *infoDev* team participated in delivering training sessions for women's entrepreneurship attended by over 70 entrepreneurs, investors and development partners from around the world. The team also leveraged the Summit to discuss program synergies and potential partnership opportunities with organizations such as USAID, U.S. State Department, Wal-Mart, Iridescent, Golden Seeds Investments, and the Tony Elumelu Foundation.

In addition to partnerships with other WBG departments and external stakeholders and visibility at global events, *infoDev* also made progress towards the design and implementation of programs that identify and support women entrepreneurs. *infoDev* compiled country case studies of the landscape for women's entrepreneurship in the seven countries of relevance for *infoDev*'s MDTF program: Bangladesh, Kenya, Nepal, Senegal, Serbia, South Africa and Tanzania. The objective is to enhance the program team's understanding of how significant the issue of women's entrepreneurship is in a particular country, the main constraints facing women entrepreneurs and the work carried out by other programs. The case studies are intended to assist the team to evaluate whether to program additional activities to benefit women entrepreneurs in the seven countries, and if so, which countries and activities are most promising for future work. In some of the countries, such as Serbia and Bangladesh, a detailed entrepreneurship diagnostic is underway or planned, in which case this information will be used in furtherance of the broader diagnostics work. The team also had an opportunity to discuss options for enhanced gender programming with its teams on the ground, and discussed options ranging from partnerships with the Innovation Summit in South Africa, AfricaCom and the nanodegree program to focus more explicitly on women in digital sectors, to enhanced school outreach, financial incentives and a tailored acceleration program in Senegal, to partnership with Nepal's women's association, FAEWA, for delivering specialized training. These inputs have fed into the development of the FY17 Work Plan, as well as a more ambitious proposal for enhanced gender programming.

In addition to the country case studies, ***infoDev* developed case profiles of women entrepreneurs in agribusiness and digital entrepreneurship.** Beneficiaries of AEP and DEP often cite lack of role models who inspire women to pursue an entrepreneurial career path. While many entrepreneurs are empowered by success stories of small firms that achieve large corporate status such as Facebook, many cite the lack of homegrown success stories. Even rarer are success stories featuring women entrepreneurs. As women's entrepreneurship activities gain momentum within the WBG and externally, it is even more crucial to support these activities with media and awareness campaigns. As part of a greater awareness campaign, *infoDev* profiled three women entrepreneurs AEP and DEP activities in Africa. These case studies can be used by MDTF enablers and other programs in outreach initiatives and to raise the profile of women entrepreneurs.



**Angela Koranteng**

Former Co-founder Trokxi,  
Currently Co-founder, STEMBees  
(Ghana)



**Roxanne Wanliss**

Former Co-founder meAgo,  
Currently Serial Entrepreneur  
(Jamaica)



**Zahrock Khalfani Ahmedy**

Founder & Managing Director,  
Rocky Products  
(Tanzania)



**Stephanie Njerenga**

Former Data Manager, Ma3route  
Currently Business Analyst, Open Capital  
Advisors  
(Kenya)

## Communication and Knowledge Dissemination

In the reporting period, *infoDev* significantly grew its social media following, participated in high-profile international events, and published videos and blog posts that were shared widely in client countries. Below follows an overview of the year's achievements:

**High-Profile Events and Partnerships:** Over the past year, *infoDev* organized and participated in several high-profile events, including the Global Entrepreneurship Summit in Silicon Valley, Global Entrepreneurship Week, and the Slush Global Impact Accelerator in Helsinki.

- The **Global Entrepreneurship Summit** in June 2016 attracted hundreds of entrepreneurs and investors from around the world, and speakers including President Barack Obama, Mark Zuckerberg, and Google CEO Sundar Pichai. I&E team members participated in nine panel discussions, pitch competitions, and high-level roundtables at the summit, including panels on “Accelerating Your Accelerator Experience,” “Entrepreneurship in Africa,” and “Applying Digital Technologies to Improve Agricultural Outcomes.”
- Three ***infoDev*-supported entrepreneurs** (Nichole Crawford-Thompson, Kenia Mattis, and Charity Wanjiku) were invited to speak at the summit. Kenia Mattis and Charity Wanjiku were finalists in a competitive pitch competition, and Mattis was featured in a panel discussion with AOL cofounder Steve Case prior to a speech by President Obama.
- The **Slush Global Impact Accelerator** — launched during Slush, an annual startup conference that attracted 15,000 participants from more than 100 countries — was a joint program of *infoDev* and the Ministry of Foreign Affairs of Finland. The accelerator invited 30 entrepreneurs from emerging markets for a nine-day bootcamp of workshops and meetings with investors. The program was well-received by entrepreneurs and investors and has expanded to more countries for 2016. Read an article in *Venture Burn* about mLab Southern Africa's participation in the event: <http://ventureburn.com/2015/11/teachings-from-helsinki-slush-2015-the-cosmic-egg-of-global-startups/>

**Social Media:** *infoDev*, with a growing online audience of 26,000 followers on Facebook (<https://www.facebook.com/infoDevWBG>) and Twitter (<https://twitter.com/infodev>), has seen a 73% increase over the previous year.

- In recognition of the growing **Facebook audience** in I&E's target countries, *infoDev* began sharing more frequent updates on World Bank initiatives, as well as news relevant to entrepreneurs in developing economies. For example, a video interview with Jamaican entrepreneur Kenia Mattis had 2,800+ views.
- *infoDev* also experimented with **paid advertisements** for report and video launches, which proved successful in boosting readership. Two blog posts for the Global Entrepreneurship Summit received

more than 76 shares and 25,000 likes, helping to increase recognition of *infoDev* among client countries and development partners during the influential event.

#### Followers on Facebook and Twitter

	June 30, 2015	July 1, 2016
<b>Facebook</b>	3,235	11,857 <b>(+266%)</b>
<b>Twitter</b>	11,887	14,270 <b>(+20.1%)</b>
<b>Total</b>	15,122	26,127 <b>(+72.8%)</b>

**Website:** The *infoDev* website ([www.infodev.org](http://www.infodev.org)) receives between 35,000 and 80,000 page views every month, an increase from the previous year's average (30,600). Feature stories for events including the Slush Global Impact Accelerator, Global Entrepreneurship Week, and Global Entrepreneurship Summit received 1,000 to 2,000 page views each, while an interview with Sheilah Birgen, CEO of mLab East Africa, had more than 3,200 page views.

#### Website Visitors (infodev.org)

	July 1, 2014 - June 30, 2015	July 1, 2015 - June 30, 2016
<b>Page Views</b>	367,995	516,317 <b>(+40.3%)</b>

**Publications:** In the past year, *infoDev*'s digital and agribusiness programs published an annual report (2014-15) and a 50-page prospectus to the Agribusiness Entrepreneurship Program. The team also contributed to the World Bank's World Development Report 2016: Digital Dividends, which received extensive media coverage across the world.



## Summary of disbursements

Below follows an overview of the projections and actuals for FY16. The projected disbursements for FY16 was US\$4.5m, and the actual disbursements in FY16 was only US\$2.7m. 70 percent of the shortfall in disbursement is associated with the delay associated with embedding the grant funded activities related to the mLabs in the relevant WBG country programs, and completing all the approval processes for the recipient executed grants. The grants are however now effective, and the associated funds are legally committed. On the positive side, as illustrated in the above paragraphs, the internal dialogue has had significant influence on WBG plans in the countries, most clearly manifested in triggering the preparation of a new IDA credit in Kenya. Additionally, local partners are showing commitment also in financial terms: the value of local co-financing associated with these grants can currently be estimated at \$330,000.

The remainder 30 percent of the disbursement delay is primarily associated with the knowledge products: disbursement related to the Flagship on Growth Entrepreneurship (CK1) was delayed due to the increased level of processes associated with ensuring “quality at entry” of a WBG Flagship. The internal “quality at entry” processes were however completed in April 2016, and the level of buy-in and interest cultivated through the process resulted in the WBG allocating \$125,000 to the study, thus increasing the depth of study possible. Disbursement related to the Follow-up mEntrepreneur and App Impact Study (DE3) was delayed due to staff constraints. The study was however initiated, and will be completed in FY17. The remainder balances for DK2 and AK1 constitute the final payments to firms that are working to finalize the last edits to these products.

The delays that occurred in FY16 have some implications also for the forward looking projections. This is discussed in Doc E/7.

	Budget	FY15	FY16	
	Allocation	Actual	Projection	Actual
<b>Digital Entrepreneurship Program</b>	<b>47%</b>			
<b>Country/Regional Implementations</b>	<b>5,100,000</b>			
DC1: Scaling mLabs in East, Southern and West Africa	1,700,000	113,410	536,590	147,894
DC2: Pan-African Acceleration Pilot	1,800,000	37,803	450,000	10,935
DC3a: Digital Entrepreneurship eco-system Diagnostic in Eastern Europe and South Asia	700,000	50,168	499,832	419,382
DC3b: Pilot in Bangladesh	500,000		100,000	63,452
DC4: Replication through the World Bank	400,000	22,051	97,949	97,949
<b>Knowledge Products</b>	<b>550,000</b>			
DK1: Implications of the Internet of Things for Entrepreneurs (based on the 2016 WDR)	100,000	12,542	87,458	85,056
DK2: Lessons from Venture Acceleration Models	450,000	62,710	287,291	189,190
<b>Evaluation Products</b>	<b>610,000</b>			
DE1: DEP Tools and Baselines	150,000	10,135	89,865	10,265
DE2: M&E Capacity Bldg for mLabs	60,000	15,203	44,797	13,500
DE3: Follow-up mEntrepreneur and app impact study	400,000		150,000	19,300
<b>Total</b>	<b>6,260,000</b>	<b>324,022</b>	<b>2,343,782</b>	<b>1,056,923</b>
<b>Agribusiness Innovation Program</b>	<b>27%</b>			
<b>Country/Regional Implementations</b>	<b>2,820,000</b>			
AC1: Quick-win Action Learning and TA Programs in Tanzania and Nepal	1,000,000	173,897	410,000	412,000
AC2: Strategic Engagement With the World Bank for Mainstreaming	1,720,000	16,761	153,239	165,229
AC3: Agribusiness Enabler Training	100,000			41,812
<b>Knowledge Products</b>	<b>450,000</b>			
AK1: Facilitating Access to Markets through Linkages with Lead Firms	450,000	18,856	381,144	244,471
<b>Evaluation Products</b>	<b>285,000</b>			
AE1: AIP Tools and Baselines	210,000	15,200	174,800	38,685
AE2: M&E Capacity Bldg for AICs	75,000	22,804	27,196	12,500
<b>Total</b>	<b>3,555,000</b>	<b>247,518</b>	<b>1,146,379</b>	<b>914,697</b>
<b>Cross-cutting</b>	<b>4%</b>			
<b>CK1: Entrepreneurship flagship paper</b>	<b>500,000</b>		<b>400,000</b>	<b>211,987</b>
<b>Communications and Knowledge Dissemination</b>	<b>5%</b>			
Communications and Knowledge Dissemination	620,000	122,272	147,728	147,020
<b>Total</b>	<b>620,000</b>	<b>122,272</b>	<b>147,728</b>	<b>147,020</b>
<b>Program Monitoring &amp; Evaluation - TF017031</b>	<b>4%</b>			
MDTF Results Framework	15,000	15,000		
Mid-term Evaluation	200,000			-
Final Evaluation	300,000		-	
<b>Total</b>	<b>515,000</b>	<b>15,000</b>	<b>-</b>	<b>-</b>
<b>Mgt &amp; Administration</b>	<b>10%</b>			
Program Management & Trust Fund Administration	1,339,396	223,580	310,000	294,426
<b>Total</b>	<b>1,339,396</b>	<b>223,580</b>	<b>310,000</b>	<b>294,426</b>
<b>World Bank Trust Fund Fee</b>	<b>2%</b>			
World Bank Trust Fund Fee	267,879	161,905	105,974	64,739
<b>Contingency</b>	<b>3%</b>			
Contingency	336,685		50,000	
<b>Grand total</b>	<b>13,393,960</b>	<b>1,094,297</b>	<b>4,503,863</b>	<b>2,689,793</b>

## Annex 1: MDTF Results Framework

Below follows an overview of the quantitative Results Framework endorsed during the FY15 SCM (see Doc E/2), along with indicators of progress made to-date. As discussed at the time of endorsement of the Framework, the targets are end-of-TF targets. These targets should thus be reached by June 30<sup>th</sup>, 2019, which is the current closing date of the MDTF.

**Table 3: MONITORING TARGETS & RESULTS AT OUTPUT LEVEL: THE BASIS FOR ONGOING PROGRESS REPORTING**

N/A = this indicator is not applicable for the program

Results Chain	Performance Indicators	Program/Enablers	Performance Targets and Results					
			Digital		Agribusiness		MDTF	
			Total Targets	Total Results	Total Targets	Total Results	Total Targets	Total Results
OUTPUT 1 infoDev-financed business enablers established/scaled and capacity to deliver services to GO entrepreneurs/businesses developed/enhanced	1.1 Number of infoDev-financed business enablers delivering services to GO entrepreneurs/businesses/GO enterprises	Programmatic	4	3	2	1	6	4
	1.2 Number of applications submitted (out of which 30% are women led)	Enablers	300 (90)	-	300 (90)	27	600	27
	1.3 Number of GO entrepreneurs/businesses receiving incubation/acceleration services (out of which 30% are women led)	Enablers	100 (30)	39	150 (45)	18 (4)	250 (75)	57 (4)
	1.4 Number of infoDev-financed business enablers having a locally-relevant Results Framework and Performance Monitoring Framework in place	Programmatic	4	4	2	1	6	5
OUTPUT 2 Knowledge, models and practical tools to understand, adapt and scale GO entrepreneurs/businesseship programs and projects developed and shared with partners	2.1 Number of innovative business enabler models developed for implementation	Programmatic	2	1	2	2	4	3
	2.2 Number of knowledge products developed	Enablers	22	-	12	-	34	-
		Programmatic	8	1	8	2	16	3
	2.3 Number of downloads of knowledge products, models and tools	Programmatic	2,400	-	2,400	285	4,800	285
	2.4 Number of knowledge sharing events	Enablers	93	-	12	-	105	-
		Programmatic	11	5	11	6	22	11
	2.5 Number of media appearances	Enablers	330	-	30	-	360	-
		Programmatic	20	2	20	3	40	5

OUTPUT 3 Capacity of a broad range of business enablers/ entrepreneurship stakeholders developed	3.1 Number of workshops, training events, seminars, conferences, etc	Enablers	48	-	28	1	76	1
	3.2 Number of participants in workshops, training events, seminars, conferences, etc	Enablers	2,400	-	840	18	3,240	18
		Programmatic	220	233	220	400	440	633
	3.3 Number of participants reporting satisfied or very satisfied with workshops, training events, seminars, conferences, etc	Enablers	1,736	-	504	-	2240	-
		Programmatic	165	-	165	- 185	330	185
	3.4 Number of graduate infoDev GO entrepreneurs providing coaching sessions	Enablers	90	-	60	-	150	-
	3.5 Number of coaching sessions	Enablers	870	-	90	-	960	-
OUTPUT 4 Strategic partnerships developed that create new channels for GO entrepreneurs/businesses to access financing, markets, technologies and/or knowledge.	4.1 Number of operationalized partnerships between infoDev and corporations	Programmatic	1	-	N/A	-	1	-
	4.2 Number of operationalized partnerships between infoDev and investors	Programmatic	1	-	N/A	-	1	-
	4.3 Number of operationalized partnerships between infoDev and GO entrepreneurship-related associations, networks or fora.	Programmatic	1	2	3	-	4	2
	4.4 Number and (%) of infoDev strategic partners reporting satisfied or very satisfied with the value added of newly created partnership channels	Programmatic	3	-	1	-	4 (66%)	-
	4.5 Number of partnerships with non-financial service providers (i.e. mentors, coaches, etc.)	Enablers	46	-	28	2	74	2
	4.6 Number of partnerships with financial service providers	Enablers	29	-	6	-	35	-

**Table 4: TARGETS & RESULTS AT INTERMEDIATE OUTCOME, OUTCOME AND IMPACT LEVELS**

\* =this indicator is applicable and will be tracked. However, it is not possible to set a target ex ante.

N/A = this indicator is not applicable for the program

Programmatic = targets that infoDev will aim to reach through direct interventions

Enablers = targets that the business enablers (mLabs and AICs) will aim to reach as a consequence of the support infoDev provides to these enablers.

Results Chain	Performance Indicators	Program/Enablers	Performance Targets and Results					
			Digital		Agribusiness		MDTF	
			Total Targets	Total Results	Total Targets	Total Results	Total Targets	Total Results
IMPACT Scale and reach of growth oriented (GO) enterprises expanding & contributing to the achievement of development and poverty alleviation goals.	1.1 Additional taxes paid by Firms (USD)	Enablers	\$0	\$0	\$2,5m	\$0	\$2,5m	\$0
	1.2 Value of contracts between government and GO entrepreneurs/businesses for the provision of public services	Enablers	*	\$0	*	\$0	*	\$0
	1.3 Number of households with access to new/improved products/services	Enablers	1,9m	-	N/A	N/A	1,9m	-
	1.4 Number of users reached by developed/improved digital products/services	Enablers	9,7m	-	N/A	N/A	9,7m	-
	1.5 Number of new direct jobs created	Enablers	590	-	750	-	1,340	-
	1.6 Number of indirect jobs created	Enablers	N/A	N/A	2,000	-	2,000	-
	1.7 Additional sales revenue for farmers reached (USD)	Enablers	N/A	N/A	\$1,7m	\$766,500	\$1,7m	\$766,500
	1.8 Number of users reached by developed/improved digital products/services with social and/or developmental impact	Enablers	5,7m	-	N/A	N/A	5,7m	-
OUTCOME 1 Domestic small businesses innovating and growing.	1.1 Number of businesses/entrepreneurs who raised early stage finance (out of which are women led)	Enablers	44	-	N/A	N/A	44	-
	1.2 Amount of early stage finance raised by businesses/entrepreneurs (USD)	Enablers	\$2,4m	\$0	N/A	N/A	\$2,4m	\$0
	1.2 Number of businesses/entrepreneurs who raised growth stage finance (out of which are women led)	Enablers	15	-	98	3 (0)	113	3 (0)
	1.4 Amount of growth stage finance raised by businesses/entrepreneurs (USD)	Enablers	\$4,7m	\$0	\$5,4m	\$250,500	\$10,1m	\$250,500
	1.5 Number of new/improved products/services introduced to existing or new markets by business enabler-supported GO entrepreneurs/businesses	Enablers	315	-	69	-	384	-

	1.6 Additional sales revenue for targeted firms (USD)	Enablers	\$4.1m	-	\$2.5m	\$41,230	\$6.6m	\$41,230
	1.7 Number of firms with increased profits (out of which are women led)	Enablers	*	-	104	2	104	2
	1.8 Value of contracts secured between firms and corporations (USD)	Enablers	*	\$0	\$230,000	\$0	\$230,000	\$0
	1.8 Number of businesses introducing new/innovative business model, products or process (out of which are women led)	Enablers	44	-	135	2	179	2
OUTCOME 2 The enabling environment for GO entrepreneurs / businesses improving								
	2.1 Number of countries in which new types of financial instruments are available to GO entrepreneurs/businesses/GO enterprises	Programmatic	1	-	1	-	2	-
	2.2 Number of new laws/legislations/amendments/codes/government policies/ministerial decrees enacted or government policies adopted	Enablers	N/A	N/A	2	1	2	1
INTERMEDIATE OUTCOME 1 Effectiveness, sustainability and reach of business enablers increased to expand and democratize GO entrepreneurs/businesses' access to financing, markets, technologies and knowledge	2.3 Number of models adopted by corporations to support local firms	Enablers	N/A	N/A	4	-	4	-
	1.1 Number of infoDev-financed business enablers delivering new/improved products or services to GO entrepreneurs/businesses/GO enterprises	Programmatic	3	3	2	1	5	4
	1.2 Number of Enablers with a sustainable revenue ratio	Programmatic	2	-	2	-	4	-
	1.3 Number of business enablers reporting satisfied or very satisfied with service and support they are receiving from InfoDev	Programmatic	3		2		5	0
	1.4 Number of businesses/entrepreneurs receiving grants	Enablers	45	-	N/A	N/A	45	-
INTERMEDIATE OUTCOME 2 InfoDev's learnings leveraged by the World Bank & donor partners	1.5 Amount of grants received by businesses/entrepreneurs (USD)	Enablers	\$417,000	\$0	N/A	N/A	\$417,000	\$0
	2.1 Number of World Bank Group entrepreneurship strategies/programs/projects influenced by infoDev's knowledge	Programmatic	10	14	5	3	15	17
	2.2 Number of donors and other development partners entrepreneurship strategies/programs/projects influenced by infoDev's knowledge	Programmatic	4	2	4	1	8	3

## Annex 2: Assessing the Digital Entrepreneurship Ecosystems in the Balkans and South Asia

---

Below follows an overview of the experience with utilizing the digital entrepreneurship eco-system diagnostic in Serbia, Bangladesh and Sri Lanka.

### Serbia Ecosystem Diagnostics and SRITTP

In Serbia, the WBG team implementing an \$8-million Serbia Research Innovation and Technology Transfer Project financed by the EU, carried out the first pilot of the Digital Entrepreneurship Ecosystem Diagnostic. Over 150 entrepreneurs, investors, policy makers, and community leaders were interviewed and surveyed, following the analysis of over 30 quantitative indicators and findings of preliminary desk research.

The early findings showed the following:

- 1) Technical skill levels for both computer programming and entrepreneurship are high, but there aren't enough people with these highly demanded skills;
- 2) There is considerable confusion around availability of e-payments systems, with entrepreneurs who do not feel that there is sufficient infrastructure and regulatory certainty for them to offer e-payments to customers, and policy makers who are not aware of difficulties in using e-payments, for which recent legislation does exist, and
- 3) The ecosystem is very vibrant, but there is a very little coordination and even interaction between various entrepreneurship support platforms, including incubators, hubs and labs, conference organizers, investors, and policy makers; the reason for this seems to simply be a lack of appropriate fora and spaces for such interaction, and not a lack of intent or desire on behalf of the actors to engage in more exchanges.

The first finding in particular - on difficulties entrepreneurs seem to be having with using e-payment systems - resulted in the Trade & Competitiveness team working closely with a team from Finance & Markets, to host a roundtable discussion and decide on next steps for further work on e-payments. One suggestion resulting from the roundtable is the formation of a National E-Payments Council, which is a recognized best practice from other countries (including, for instance, Finland). As a next step, the F&M team will consult with the National Bank of Serbia on how to propose the formation of such a Council.

The e-payment issue is of great importance to the emerging Startup ecosystem in Serbia as demonstrated by the story of **CarGo** (<http://appcargo.com/en/>) - the local Uber-like app. The CEO of the company has received a note from the National Bank of Serbia (NBS) declaring that his company has broken the law by processing local payments in foreign currencies. In the absence of local e-payment service providers, the company will be preparing a legal case to defend its business model and has considered moving its HQ/registration to a foreign country to protect the legality of its operations in the Serbian market. The story of CarGo is a demonstration of the ambiguity of the electronic payment system in Serbia and its detrimental impact on the startup environment.



In terms of differences between male and female entrepreneurs, in Serbia, the male entrepreneurs interviewed often stated that there were no barriers to the participation of women, while women entrepreneurs felt otherwise. Therefore, a significant gap in expectations was found to exist. Further, the graduation rates from technical colleges were much higher for men than for women, and respondents speculated that this was a reason for low participation. However, some success stories of women founders and leaders do exist, and the exercise prompted a community discussion on better networking these women and new entrants in order to encourage more activity by women entrepreneurs in the digital industries.

## Bangladesh

In Bangladesh, the Private Sector Development Support Project (PSDSP) of the WBG is financing the development of technology parks as well as the soft infrastructure (i.e. entrepreneurship, skills and workforce development). infoDev agreed to assess the role and potential for digital entrepreneurship as a part of the PSDSP, and in May 2016 it started a digital entrepreneurship diagnostic, during which it has engaged with over 100 local stakeholders within the digital entrepreneurship ecosystem, including several government and private sector initiatives.

As a next step, infoDev will present its findings to government stakeholders and a workshop will be held in parallel with private sector stakeholders that took part in the market research, with the objective to identify strategic priorities and fine tune the recommendations. The outcomes of the consultations will form the basis for digital entrepreneurship project pilot(s), as well as complementary knowledge generation and knowledge transfer activities, that will contribute to the PSDSP Project goals of strengthening entrepreneurship. Possible interventions are expected to be aligned with publicly-funded programs such as Connecting Startups and the Innovation Design and Entrepreneurship Academy (IDEA).

In Bangladesh, during the Digital Entrepreneurship Ecosystem Diagnostics Tool pilot, the *infoDev* research team paid particular attention to the status of women's entrepreneurship activities and whether there were any existing programs to encourage female entrepreneurship or build skills of women technologists. In particular, the team looked for linkages between digital entrepreneurs and manufacturers operating in the garment, textile and footwear sectors in order to identify whether any companies or entrepreneurs were successfully transferring technology and innovation to industries that depend on Special Economic Zones (SEZs). Findings revealed that despite the Government of Bangladesh's willingness to receive support from the World Bank to improve the innovation and entrepreneurship ecosystem, much more can be done to address key challenges such as the limited effectiveness of current business development support services and lack of a mentorship network and entrepreneurial culture, especially amongst women. In FY17, *infoDev* and relevant WBG project counterparts will discuss how future programs funded by the PSDSP can address barriers to women's entrepreneurship in Bangladesh.

**Sri Lanka**

As Sri Lanka emerges from the post-war period and isolationist economic policies, the newly elected Government is seeking ways to rebalance the role of the state which still dominates the economy. In this context, the Ministry of Development Strategies & International Trade of Sri Lanka invited the WBG to conduct an assessment of the national innovation and entrepreneurship ecosystem, with the view to improve kickstart Sri Lanka's entrepreneurial engine and rev up its export competitiveness. In response, the Bank team offered to pilot the digital entrepreneurship diagnostics tool alongside a customized assessment of the national innovation system. A joint team consisting of infoDev/I&E specialists and external international and local consultants carried out the assessment over a period of eight weeks. Among others, the team consulted relevant ministries overseeing public research, commercialization and economic development; national bodies in charge of export promotion; local industry associations supporting the IT sector and exporters; financial sector intermediaries; entrepreneurship support institutions, and importantly entrepreneurs themselves. The assessment uncovered that Sri Lanka's digital entrepreneurs are a dynamic, globally-networked and internationally-minded community and consider markets in south and east Asia as they develops their business models.

As in Serbia, a central finding of the Sri Lanka study concerns e-payment-related barriers. The Bank team has delivered this and other findings to Sri Lankan authorities and is convening a high level workshop with the Central Bank of Sri Lanka, the Chamber of Commerce, banking sector representatives and entrepreneurs to identify specific regulatory provisions that need to be revised to enable digital entrepreneurs to accept payments and unleash their export potential. Additional obstacles reported by digital entrepreneurs and highlighted to authorities, include the cost of annual operation and closing a firm which the government has since addressed via a number of regulatory changes.